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TO
Condominium Declaration for
Seven Springs**

Legal Description of Seven Springs

Subjection of Seven Spring to the Declaration

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**Condominium Declaration
for
Seven Springs**

This Declaration of Covenants, Conditions and Restrictions (hereinafter called "Declaration") is made and entered into by Seven Springs Club, a Colorado partnership (hereinafter called "Declarant"), pursuant to the provisions of the Colorado Condominium Ownership Act.

Whereas, Declarant is the owner of that real property in the City and County of Denver, Colorado, described as:

The Seven Springs Club, formerly known as Tracts B and C, Seven Springs Filing No. 1, sometimes referred to in the Declaration as Seven Springs and

Whereas, Declarant desires to establish said real property as a condominium project to be known as Seven Springs and to sell and convey Condominiums subject to the covenants, conditions and restrictions herein reserved to be kept and observed; and,

Whereas, the Declarant desires and intends by filing the Declaration to submit the said real property and buildings, structures and other improvements thereon, together with all appurtenances thereto, to the provisions of the Condominium Ownership Act as a condominium and to impose upon said real property mutual beneficial restrictions under general plan of improvement for the benefits of all the Condominiums and their Owners.

NOW, Therefore, Declarant does hereby publish and declare that the condominiums project described above shall be held, sold, conveyed, hypothecated, encumbered, leased, rented, used, occupied, and improved subject to the following covenants, conditions, restrictions, uses, limitations and obligations, all of which are declared and agreed to be in furtherance of a plan for the establishment of the condominium project, and shall be deemed to run with the land and shall be a burden and a benefit to Declarant, its successors and assigns and any persons acquiring or owing an interest in the condominium project, their grantees, successors, heirs, executors, administrators, devisees, lessees and assignees.

Article 1
Definitions

The following capitalized terms as used in this Declaration have the following meanings unless the context clearly indicates a different meaning:

Allocated Share of Expenses: means the percentage figure allocated to each Condominium by paragraph 6.6

Association: means The Seven Springs Owners Association, a Colorado corporation not for profit.

Board of Directors: means the Board of Directors of the Association.

Buildings: means the Buildings shown on the Condominium Map in which Residences are located.

Bylaws: mean the Bylaws of the Association.

Common Elements: means all portions of the real property, "Seven Springs", other than the Residences and shall also include, but not by way of limitation, roofs, foundations, pipes, ducts, flues, chutes, conduits, wires, and other utility installations to the outlets, bearing walls, perimeter walls, columns and girders, to the interior surfaces, thereof regardless of location: balconies, elevators, stairways, hallways, foyers, lobbies, walkways, ramps, all installations for power, lights, gas, hot and cold water and heating existing for common use: all amenities including but not limited to the swimming pool, tennis courts, and the Club House (game and party rooms), and all other parts of Seven Springs necessary or convenient to its existence, maintenance and safety, or normally in common use.

Condominium: means a Residence together with its appurtenant undivided 1/240 interest in the Common Elements and its appurtenant rights to Limited Common Elements.

The **Condominium Ownership Act of Colorado:** appears at SS38-33-101 to 112, Colorado Revised Statutes 1973

Cost of Collection: includes all expenses and outlays, including attorney's fees, incurred in enforcing or obtaining payment of obligation.

Declarant: means Seven Springs Club, a Colorado partnership.

Declaration: means this instrument establishing Seven Springs s a condominium project.

General Common Elements: means the Common Elements other than the Limited Common Elements.

Land: means the land formerly described as tracts B and C, Seven Springs Filing No. 1, City and County of Denver, State of Colorado.

Limited Common Elements: means those Common Elements which are or will be either limited to and reserved for the exclusive use of an Owner of a Residence or limited to and reserved for the common use of Owners of more than one but fewer than all of the Residence.

Manager: means the person or organization to whom have been delegated some of the function of the Association

'Map' or 'Condominium Map' means the Plat and Plans recorded with and as part of this Declaration.

Member: means a Member of the Association.

Mortgage: includes a deed of trust and "Mortgagee" includes the holder of indebtedness secured by deed of trust. "First Mortgage" means a Mortgage having priority over the Mortgages and "First Mortgagee" means the holder of a First Mortgage.

Owner: means the Owner of a Condominium, whether an individual, corporation, trust or legal entity, and whether one or more.

Purchaser: means an immediate or remote grantee of Declarant.

Residence: means an individual airspace unit which is contained within the interior surfaces of the perimeter walls, bearing walls, floors, ceilings, exterior windows and doors of each Condominium as shown on the Map together with all improvements, fixtures and non-bearing walls there-within the airspace.

Seven Springs: means the Land described as
The Seven Springs Club, formerly known as
Tracts B and C, Seven Springs Filing No. 1
and all improvements thereon, including all Common Elements, numbered
5995 West Hampden Avenue, Denver Colorado.

Article 2

Condominium Ownership

2.1 Division into Condominiums: Seven Springs is hereby divided into two hundred forty (420) separate fee simple estates each of which consists of one of the Residences, together with its appurtenant undivided 1/240 interest in and to the Common Elements identified and shown on the Map as follows:

110 Two-Bedroom Residences identified as follows:

Residences Numbered: 1, 6, 9, 10, 13, 14, 17, 18, 21, and 22
all in Buildings A, B, C, D, E, F, G, H, I, and J

Residences Numbered 2 in Buildings: A, E, F, and G

Residences Numbered 5 in Buildings: B, C, D, H, I, and J

130 One-Bedroom Residences identified as Follows:

Residences Numbered 3, 4, 7, 8, 11, 12, 15, 16, 19, 20, 23, 24
all in Buildings A, B, C, D, E, F, G, H, I, and J

Residences Numbered 2 in Buildings B, C, D, H, I, and J

Residences Numbered 5 in Buildings A, E, F, and G

The number of Condominiums may not be increased above 240.

2.2 Condominium Map. Concurrently with the recording of this Declaration and as a part of this Declaration, Declarant is filing for record a Condominium Map. Plat and Plans certified by a registered land surveyor. The Map depicts and shows the Land, the location and dimensions of the Buildings, the elevation plans, the identifying number and location and the horizontal and vertical boundaries of each Residence, the thickness of the common walls separating one Residence from another, the location and dimensions of Limited Common Elements and the locations of any structural components, supports or other Common Elements located within a Residence. The Map bears the certificate of a registered professional engineer, land surveyor or licensed architect, certifying that the Map substantially depicts the Seven Springs and each Residence and the elevations of the floors and ceilings as constructed.

reconstruction of any structure or any part thereof; in no event shall there be an easement for an encroachment by an Condominium due to the willful conduct of an Owner thereof.

- 2.10 Separate Taxation of Condominiums. It is intended that: all taxes, assessments and other charges of the State of Colorado or of any political subdivision or of any special improvement district or of any other taxing assessing authority shall be assessed against and collected on each Condominium separately and not on Seven Springs as a whole; and that each Condominium shall be carried on the tax records as a separate and distinct parcel; that for the General and Limited Common Elements shall be apportioned among the Condominiums in proportion to each Condominium's Allocated Share of Expenses; that the lien for taxes assessed on any Condominium shall be confined to that Condominium; that no forfeiture or sale of any Condominium for delinquent taxes, assessments or other governmental charges shall divest or in any way affect the title to any other Condominium.
- 2.11 Separate Assessment and Taxation. Declarant shall give notice to the Assessor of the City and County of Denver, as is provided by law, so that each Condominium shall be deemed a separate parcel and subject to separate assessment and Taxation.
- 2.12 Mechanics' Liens.
- 2.12.1 No labor performed or materials furnished for use in connection with any Condominium with the consent or at the request of the Owner or his agent, contractor or subcontractor shall create any right to file a statement of mechanic's lien against the Condominium of any other Owner not expressly consenting to or requesting the labor or materials, or against any interest in the Common Elements except the undivided interest therein appurtenant to the Residence of the Owner consenting to or requesting such labor:
- 2.12.2 Each Owner shall indemnify and hold harmless all other Condominiums, their Owners and Mortgagees from and against liability or loss arising from the claim of any mechanic's lien for labor performed or for materials furnished for such Owner's Condominium. The Association shall enforce such indemnity by collection from the Owner of the Condominium on which the labor was performed and materials furnished the amount necessary to discharge any such lien, and all costs incidental thereto, including attorney's fees. If such amount is not promptly paid, the Association may collect it in the manner provided in Article 6 for collection of assessment.

Article 3 **Rights, Easements and Obligations**

- 3.1 Use of Common Elements. Each Owner may use the General Common Elements with the other Owners and may use the Limited Common Elements in accordance with the purposes for which they are intended, always subject to the provisions of this Declaration, and without hindering or encroaching upon the lawful rights of the other Owners. The use of all Common Elements shall be subject to the Bylaws of the Association and the rules and regulations established from time to time by the Association.
- 3.2 Owner's Easement for Access, Support and Utilities Services. Each Owner shall have a nonexclusive easement of the Common Elements for ingress and egress to and from his Residence and for access between his Residence and public roads and streets, along halls, corridors, stairs, elevators and sidewalks for access to other easements which are part of the Common Elements. Each Owner shall have nonexclusive easement in and over the Common Elements and the Limited Common Elements, including those that are within the Residence of another Owner, for horizontal and lateral support of his Residence and for utilities service to his Residence, including water, sewer, gas, electricity, telephone and television service.
- 3.3 Owner's Responsibility to Maintain Residence. Each Owner shall be responsible for the maintenance, repair, alteration and remodeling of the interior non-supporting walls, and interior non-supporting floors and ceilings, the material such as but not limited to plaster, gypsum, drywall, paneling, wallpaper, paint, wall coverings wall and floor tile, and flooring, but not including the concrete floor slab) making up the finished surfaces of the perimeter and supporting walls, ceilings and floors within the Residence and both the interior and the exterior of the Residence doors and windows and the air conditioning

equipment and Limited Common Elements appurtenant to the Residence. The decoration of the exterior doors and windows of the Residence shall be subject to the written consent and approval of the Association. The Owner shall not be deemed to own lines, pipes, wires, conduits or systems (for brevity referred to as "utilities") running through his Residence which serve one or more other Residence of the Common Elements. Such utilities shall not be disturbed or relocated by an Owner without the written consent and approval of the Association. The Owner shall, however, be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heaters, heating equipment, lighting fixtures, refrigerators, dishwashers, disposals, ranges and all other appliances and equipment that may be in, or connected with, his Residence. Such maintenance, repair and replacement shall carry the obligation to replace any removed finishing or other materials with similar or other types or kinds of materials. All fixtures and equipment and utilities installed within a Residence, and serving only that Residence, commencing at a point where the utilities enter the Residence, shall be maintained and kept in good repair by the Owner of the Residence and the Owner shall, at the Owner's own expense, keep Limited Common Elements which are assigned to, or are part of, his Condominium in a clean and sanitary condition and shall be responsible for the maintenance thereof. An Owner shall not do anything that will impair the structural soundness or integrity of his Residence or the Building or any other part of Seven Springs or that will impair easement. *See attached dated March, 1995*

- 3.4 Access for Maintenance, Repair and Emergencies. The Association shall have the irrevocable right to have access to each Residence from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the General Common Elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the General or Limited Common Elements or to another Residence.
- 3.5 Expenses for Maintenance and Emergency Repairs. Damage to the interior or any part of a Residence resulting from the maintenance, repair, emergency repair or replacement of any of the General Common Elements or as a result of emergency or other repairs within another Residence, at the instance of the Association, shall be a common expense unless caused by the negligence or the tortious conduct of an Owner, in which event, such Owner shall be responsible and liable for the cost to restore such damage. Restoration of the damaged improvements shall be to substantially the same condition as existed before the damage.
- 3.6 Right to Combine Residences. Two or more adjoining Residences with common ownership may be combined into a single Condominium if approved by all Mortgagees of the affected Residence. A combination by an Owner other than the Declarant must have the approval of the Association. To combine the Residence, the common Owner shall execute and record a written statement evidencing the combination of the affected Residence, setting forth the undivided interest in the Common Elements of the combined Residences (which shall be the sum of the undivided interest in the Common Elements of each of the Residences so combined) and shall record an amendment to the Condominium Map executed by the Association and the Common Owner, certified as provided in paragraph 2.2 and depicting the location of each of the combined Residences both horizontally and vertically and all General and Limited Common Elements for the Condominiums with the Residences so combined. In the event of such combination, any part of the Common Elements within the new perimeter boundaries of the combined Residence shall cease to be Common Elements if such part of the Common Elements would not have constituted Common Elements had the combined Residences been originally designated on the Condominium Map as a single Residence.
- 3.7 Subdivision Prohibited. No Owner shall be able to subdivide any Condominium so as to convey to a prospective Owner an interest in less than an entire Condominium provided, however, that an Owner of a Condominium consisting of two or more Residences combined as provided in the preceding paragraph 3.6 may partition and subdivide such combined Residence into Residences conforming to the dimensions depicted in the

original Condominium Map, with the General and Limited Common Elements provided for them.

Article 4
The Seven Springs Owners Association

- 4.1 **Purpose:** The administration of Seven Springs shall be governed by the Articles of Incorporation and Bylaws of the Association to-wit: The Seven Springs Owners Association, a Colorado nonprofit corporation.
- 4.2 **Membership:** An Owner of a Condominium on becoming such shall automatically be a Member of the Association and shall remain a Member for the period of his ownership.
- 4.3 **Voting:** The total votes of the Member of the Association shall be 240, one vote for each Condominium. Whenever there is more than one Owner of a Condominium, the vote for such Condominium shall be exercised as its Owners shall determine among themselves, but in no event shall there be a split vote with respect to a Condominium. Voting by proxy shall be permitted.
- 4.4 **Powers.** The powers of the Association shall be as provided by law, its Articles of Incorporation and Bylaws, and as provided in this Declaration, including but not limited to the power to levy assessments, to charge fees for use of the Common Elements, to adopt rules and regulations for use of the Common Elements, to impose sanctions for violations of covenants or its rules and regulations, and to delegate its management and administrative functions.

Article 5
Activities of the Association

- 5.1 **Major Recreations Facilities.** The Association shall administer all recreational facilities. Major recreational facilities include the swimming pool, tennis courts, and the Club House (game and party rooms)
- 5.2 **Services.** Services provided by the Association for residents of Seven Springs may include among others electricity, telephone, steam, power, gas, heat, water and other necessary services (except as separately metered or charged to Residences) garbage and trash collection, snow removal, janitors and cleaning.
- 5.3 **Insurance.**
 - 5.3.1 The Association shall obtain and maintain hazard insurance on all the Residences and Common Elements for at least eighty (80%) percent of their maximum insurable cash value, insuring against fire and such other risks as are customarily insured against by fire insurance policies standard in Colorado, carrying extended coverage endorsement.
 - 5.3.2 The hazard insurance shall be carried in blanket policy form naming the Association the insured, as attorney-in-fact, which policy or policies shall identify the interest of each Owner, shall provide a standard, non-contributory Mortgagee clause in favor of each First Mortgagee, and shall provide that it cannot be cancelled by either the insured or the insurance company until after ten days' prior written notice is first given to each insured, including the Owners, First Mortgagees and to the Association. Any loss covered by the hazard insurance shall be adjusted with the Association: it required by law the insurance proceeds for that loss shall be payable to an insurance trustee designated for that purpose, which shall be the Association (unless the law requires otherwise), and not to any Mortgagee. The insurance trustee or the Association shall hold and apply insurance proceeds as provided in Article 9.
 - 5.3.3 The Association shall carry public liability insurance including medical payments with limits as the Association determines to be appropriate.

- 5.3.4 The Association shall carry such other insurance and obtain such fidelity bonds as the Association deems advisable.
- 5.3.5 Insurance policies shall provide that breach of warranty, act, omission or non-compliance of an insured shall not invalidate or suspend the insurance as to any other insured not guilty of the breach of warranty, act, omission or non-compliance. Policies of physical damage insurance shall contain waivers of subrogation and of any defense based on co-insurance.
- 5.3.6 Each Owner and, on request, each First Mortgagee shall be furnished certificates of insurance carried by the Association
- 5.3.7 Insurance coverage within or for each Residence and its contents shall be the responsibility of its Owner. An Owner shall not carry fire or casualty insurance for his Residence or contents which will result in a reduction in the proceeds recoverable by the Association from the policies which it carries.
- 5.4 Maintenance and Repairs. The Association shall be responsible for the painting, maintenance, repair and upkeep of all the Common Elements except the exterior doors and windows of Residences and the Limited Common Elements for which Owners are given responsibility by this Declaration. The Association shall acquire and provide such furnishings and equipment for the Common Elements as the Association determines to be appropriate.
 - 5.4.1 The Association may provide for structural alterations, materials and services necessary or proper in its opinion for the operation of the Common Elements or for the enforcement of this Declaration.
 - 5.4.2 The Association may handle arrangements for painting or other maintenance of the Residences, their contents or appurtenant Limited Common Elements, if such an arrangement is believed to offer cost savings, better supervision or more convenience to the Owners; the Association may do such maintenance or repair of any Residence which by reason of the neglect of the Owner is considered by the Association necessary to protect the Common Elements or to preserve the appearance or the value of Seven Springs. The cost of work done within or the benefit of a Residence shall be reimbursed by the Owners benefited and may be collected by the Association through a special assessment.
- 5.5 Manager. The Association may appoint a Manager and may delegate any of its duties, powers or functions except the power to make assessment to the Manager or to any other person or organization. Officers and Directors of the Association shall not be liable for any omission or improper exercise by such Manager or other person or organization of any duty, power or function so delegated.
- 5.6 Rules and Regulations. The Association shall make and enforce reasonable rules and regulations to carry out the intent of the Declaration and to govern the use of each Condominium and the Common Elements. Such rules and regulations may without limitation (i) regulate use of the Common Elements to assure equitable use and enjoyment by all persons entitled thereto, and (ii) require that balconies, draperies, shades or other window coverings shall present a uniform and attractive appearance from the exterior of Seven Springs.
 - 5.6.1 The Association may suspend Owners' voting rights and privileges or rights to use the Common Elements for failure to comply with the provisions of this Declaration, the rules and regulations of the Association, or for failure to pay assessments when due.
- 5.7 Rights of Mortgagee. Nothing contained in this Article 5 shall preclude or in any manner limit the right of a Mortgagee of a Condominium from making repairs or improvements in accordance with the applicable provisions of this Declaration.

Article 6
Assessments by Association

- 6.1 Owners' Covenants to Pay Assessments. Each Owner of a Condominium by acceptance of a conveyance of his Condominium, whether or not it shall be so expressed in the

conveyance, shall thereby covenant and agree to pay to the Association annual assessments, charges, and fees and special assessments to authorized and limited by this Declaration.

- 6.2 Lien for Assessments. Each assessment together with interest and Costs of Collection shall be a charge and a continuing lien upon the Condominium against which the assessment is made. Each assessment together with interest and Costs of Collection shall also be the personal obligation of the Owner of the Condominium at the time when the assessment fell due and of any subsequent purchaser of the Condominium except a First Mortgagee or a purchaser at foreclosure sale under a First Mortgage.
- 6.3 Use of Assessments. The proceeds for assessments levied by the Association shall be used exclusively for promoting the health, safety, property value, welfare and happiness of Owners and the residents of Seven Springs the improvement and maintenance of the Common Elements and provision of services for Owners and residents of Seven Springs.
- 6.4 Annual Assessments. The annual assessments shall be based on the aggregate sum which the Association from time to time determines is required for the anticipated expenses growing out of or connected with the maintenance and operation of ;the Common Elements, the service provided by the Association whether or not expressly mentioned in this Declaration, the premiums for insurance carried or arranged for the Association, management fees, legal and accounting fees, acquisition and maintenance of property of the Association, expenses and liabilities incurred by reason of the Declaration, any deficit from a previous period, and a reasonable and adequate reserve to the end that maintenance, repairs and replacement of those Common Elements which must be replaced periodically shall be covered by the annual assessments and shall not require special assessments. Annual assessments shall be due in advance and at monthly or other intervals as the Association determines.
- 6.5 Special Assessments. The Association may also levy from time to time special assessments to defray costs of the construction, reconstruction, unexpected repair or replacement, acquisition of property or any deficit should anticipated receipts be overestimated or anticipated expenses be underestimated. The Association may also levy Special Assessments for other purposes expressly provided for elsewhere in this Declaration. Special Assessments shall be payable over such period as the Association may determine. The Association shall give notice of special assessments and the time payments are due.
- 6.6 Allocation of Assessments Among Owners. Assessments shall be prorated and charged to the Condominiums and their Owners in accordance with the Bylaws of the Association as they may be amended from time to time. Expenses associated with maintenance, repair or replacement of Limited Common Elements shall be assessed in equal shares against the Condominiums to which the Limited Common Element is assigned. Expenses benefiting fewer than all of the Condominiums shall be assessed exclusively against the Condominiums benefited. With these two exceptions assessments shall be prorated among the Condominiums and their Owners according to their Allocated Share of Expenses to-wit:
- | | |
|--|----------------|
| 110 Two-Bedroom Condominiums – each .4966442 | Total 54.6309% |
| 130 One-Bedroom Condominiums – each .3489932 | Total 45.369% |
| 240 Condominiums | 100.000% |
- 6.7 Omission of Assessments: A failure of the Association to fix the amount of an annual assessment or to make an allocation among Condominiums and their Owners, shall not release any Condominium or its Owner from the obligation to pay the assessment, or any installment thereof, but the last annual assessment as allocated and the monthly or other periodic charges shall continue until a new annual assessment is fixed.
- 6.8 Nonuse. No Owner may exempt himself from liability for assessments by waiver of the use or enjoyment of his Condominium or any of the Common Elements.
- 6.9 Initial Deposit Requirements. At the closing of the initial sale and each subsequent sale of a Condominium, the Owner shall deposit with the Association an amount equal to the Owner's monthly payment for annual assessment. The Association may use deposits as working capital and may apply them to any purpose proper for the proceeds of

- assessments. No interest will be paid on deposits. Each Owner is required to maintain his deposit in the amount of the then current monthly assessment. On sale of a Condominium the selling Owner may transfer his deposit to his grantee, or may receive return of his deposit on receipt by the Association of deposit from the grantee.
- 6.10 Association's Certificate of Charges. Upon payment of a reasonable fee sufficient to compensate the Association for the work involved and the risk assumed and upon written request of an Owner or First Mortgagee or prospective First Mortgagee of a Condominium, the Association shall issue a written statement setting forth the amount of the unpaid assessments against the subject Condominium, the amount and due date of the current monthly assessment and any credits for advance payments or for prepaid items, including but not limited to insurance premiums, which statement shall be conclusive upon the Association in favor of an Owner, First Mortgagee, prospective First Mortgagee or Purchaser who relies on the statement in good faith.
- 6.11 Foreclosure of Lien for Assessments. A lien for nonpayment of assessments may be enforced by foreclosure and sale by the Association, such sale to be conducted in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure in mortgages or private deeds of trust, or in any manner permitted by law, the judgment in any such foreclosure to include the costs and expenses of such proceedings and reasonable attorney's fees. The Association may bid and become the purchaser of the Condominium at foreclosure or other sale and may hold, lease, mortgage and convey the Condominium.
- 6.12 Mortgagees.
- 6.12.1 Priority of Mortgagees. The Owner may from time to time encumber his Condominium by Mortgage or the security instrument. Any Mortgage other than a First Mortgage Shall be subordinate to all the terms, conditions, covenants, restrictions, limitations, liens and other obligations created by this Declaration or the Bylaws of the Association and the junior Mortgagee by the acceptance of the encumbrance or security interest releases all of his right, title, and interest in and to the proceeds of any insurance policies carried or arranged for by the Association.
- 6.12.2 Notice to Mortgagees. Upon written request of a First Mortgagee the Association shall give the First Mortgagee notice of any existing default by the Owner or Owners of the mortgaged Condominium in the performance of the Owner's obligations under this Declaration or the Bylaws of the Association, notice to be given within sixty (60) days after the occurrence of such default.
- 6.12.3 First Mortgagee Ahead of Assessment lien. A First Mortgagee who obtains title to a Condominium pursuant to the remedies provided in the Mortgage or pursuant to the foreclosure of the Mortgage or by deeds in lieu of foreclosure shall take title to the Condominium free of any assessments or charges against the Condominium which accrued before the Mortgagee acquired title.
- 6.12.4 Confirmation First Mortgagee Rights to Insurance. Nothing in this Declaration or in the Bylaws of the Association shall give an Owner or other party priority over a First Mortgagee's rights under its Mortgage for insurance proceeds or condemnation awards distributed to the Owner.
- 6.12.5 Promotion of Junior Encumbrancers. By written agreement of the Association, authorized by resolution of the Board of Directors, any lien for nonpayment of any assessment may be subordinated to Mortgages otherwise junior thereto; provided, however, that after the foreclosure of any such Mortgage there may be a lien created pursuant to paragraph 6.2 on the interest of the purchaser at such foreclosure sale to secure all unpaid assessments on the Condominium
- 6.13 Declarant Not Subject to Assessment. Until they are sold to a Purchaser, Condominiums owned by Declarant shall not be subject to assessment but Declarant shall be responsible to pay all operating costs not covered by assessments against Owners and their Condominiums, all as more particularly provided in Article 12.

Article 7
Protective Covenants

Declarant, on behalf of itself and all Owners of Residences or Condominiums, impose and agree to the following protective covenants, all of which shall run with the land.

- 7.1 No Residence shall be occupied except by a single family as a dwelling for private residential purposes. Except as the Bylaws of the Association may from time to time relax or suspend the restrictions of this sentence. Two bedroom Residences may not be occupied by more than three (3) individuals and One-Bedroom Residences may not be occupied by more than two (2) individuals.
- 7.2 There shall be no Obstruction of the Common Elements.
- 7.3 No Owner shall permit anything to be done or kept anywhere in Seven Springs which would be grounds for cancellation of, or would jeopardize, insurance on any Residence or any part of the Common Elements, or which would be in violation of any Law. No waste or nuisance shall be committed in Seven Springs.
- 7.4 Nothing shall be done in any Residence or to any of the General Common Elements or Limited Common Elements which will impair the structural integrity of the Building or result in or permit the cancellation of insurance carried on the Building.
- 7.5 No Residence shall be maintained in an unsightly condition, no hazardous, noxious or offensive activity shall be carried on not anything done in a Residence or in the Common Elements tending to cause embarrassment, discomfort, annoyance or nuisance to the neighbors or the neighborhood. No annoying lights, sounds or odors shall be permitted to emanate for any Residence.
- 7.6 No clothing, sheets, laundry or other similar or dissimilar articles or materials shall be hung out of or exposed from any window, balcony, or stairway. No rubbish, trash, refuse or unsightly materials shall be stored or deposited anywhere within the Common Elements or outside of a Residence except in the places provided for such materials.
- 7.7 All parts of Seven Springs shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate nor any fire hazard to exist.
- 7.8 There shall be no violations of rules and regulations for the use of the Common Elements adopted by the Association. There shall be no immoral, improper, offensive or unlawful use in or of any Residence or any part of the Common Elements. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction shall be observed.
- 7.9 Except as the Association may from time to time grant permission, which permission shall be revocable:
- No vehicle shall be repaired, serviced, rebuilt, dismantled or painted anywhere within Seven Springs;
 - No camper, motor home, mobile home, house trailer, towed trailer unit or truck may be kept or parked at any place within Seven Springs;
 - No electronic or radio transmitter of any kind shall be operated in Seven Springs;
 - No dogs, cats, or any other animal shall be kept within any residence or anywhere in Seven Springs excepting only domesticated birds and fish kept indoors at all times; *See attached amendment*
 - No condition shall be permitted within any residence, balcony or stairway which is calculated to be visible from other residences or the Common Elements and which is inconsistent with or detracts from the good appearance of the property: such conditions include but are not limited to window treatments, draperies, shades and hangings and articles visible through a window or on balconies or stairways;

No articles or materials or any kind shall be stored within Seven Springs except within a Residence where that are not visible from the Common Elements or any other residence;

No Sign of any kind shall be displayed to the public view anywhere in Seven Springs without written consent of the Association;

Nothing shall be done or kept in any Residence or in the Common Elements or the Limited Common Elements which would increase the rate of insurance carried by the Association except with the written consent of the Association;

Nothing shall be altered or constructed in or removed from the Common Elements, except with the written consent of the Association.

These restrictive covenants are for the benefit of and enforceable by each Owner, by the Association and by Declarant, or any combination of them, by action for damages ahs suit for prohibitory and mandatory injunctions and other appropriate relief.

Article 8
Compliance with Declaration,
Bylaws and Rules of the Association

- 8.1 By the acceptance of the conveyance of a Condominium each Owner covenants and agrees to comply strictly with the provisions of this Declaration, the Articles of Incorporation and the Bylaws of the Association and the rules and regulations of the Association as amended from time to time,. Failure so to comply shall be grounds for an action to recover sums and for damages or injunctive relief or both, Maintainable by the Association on behalf of the Owners and, in a proper case, by an aggrieved Owner. The Bylaws of the Association may provide for suspension of voting privileges of Membership for failure so to comply.

Article 9
Damage, Destruction, and Obsolescence

- 9.1 Association Attorney-In-Fact for All Owners. This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with Seven Springs upon its damage, destruction or obsolescence. Title to each Condominium is declared and expressly made subject to the terms and conditions of this article and acceptance of a conveyance shall constitute appointment of the attorney-in-fact herein provided. All of the Owners irrevocably constitute and appoint The Seven Springs Owners Association, a Colorado non-profit corporation, their true and lawful attorney in their name, place and stead for the purpose of dealing with their property upon its damage, destruction or obsolescence as it hereinafter provided. As attorney-in-fact, the Association shall have full and complete authorization, right and power to make, execute and deliver and contract, deed or any other instrument with respect to the interest of an Owner which is necessary or appropriate to exercise the powers herein granted. The proceeds of any insurance collected shall be available to the Association for reconstruction and restoration as provided below.
- 9.2 Damage or Destruction. In the event of damage or destruction due to fire or other disaster:
- 9.2.1 If the insurance proceeds are sufficient to accomplish complete reconstruction and restoration, the Association as attorney-in-fact shall promptly and diligently effect the reconstruction and restoration, using the insurance proceeds.
- 9.2.2 If the insurance proceeds are not sufficient to accomplish complete reconstruction and restoration and if the damage or destruction is to not more than 144 Condominiums, the Association as attorney-in-fact shall promptly and diligently effect the reconstruction and

restoration, using the insurance proceeds and the proceeds of a special assessment against all of the Owners and their Condominiums. Such special assessment shall be a common expense and shall be apportioned to the Condominiums and their Owners according to each Condominium's Allocation Share of Expenses. The Association shall have full authority, right and power as attorney-in-fact to effect such reconstruction and restoration notwithstanding the failure of an Owner to pay the assessment.

- 9.2.3 If the insurance proceeds are not sufficient to accomplish complete reconstruction and restoration and if the damage or destruction is to more than 144 Condominiums, the unless within 100 days after the damage or destruction Owners of at least 180 Condominiums adopt, and all First Mortgagees approve, a plan for reconstruction, the Association shall record a notice of such facts and after the recording shall sell the entire premises constituting Seven Springs as attorney-in-fact of all of the Owners, free and clear of the provisions contained in this Declaration, the Map and Bylaws.
- 9.2.4 If the insurance proceeds are not sufficient to accomplish complete reconstruction and restoration and if within 100 days after damage to or destruction of more than 144 Condominiums Owners of at least 180 Condominiums adopt, and all First Mortgagees approve, a plan for reconstruction then all of the Owners shall be bound by the terms and provisions of the plan and the Association at attorney-in-fact and in accordance with the plan shall promptly and diligently effect the reconstruction and restoration as provided in the plan using the insurance proceeds and the proceeds of a special assessment against all of the Owners and their Condominiums. Such special assessment shall be a common expense and shall be apportioned to the Condominiums and their Owners according to each Condominiums Allocated Share of Expenses. The Association shall have full authority, right and power as attorney-in-fact to effect such reconstruction and restoration notwithstanding the failure of an Owner to pay the assessment.
- 9.3 Obsolescence.
- 9.3.1 If after forty-four years Owners of 216 or more Condominiums, with the approval of all First Mortgagees agree that Seven Springs is obsolete and adopt a plan for renewal and reconstruction then all of the Owners shall be bound by the terms and other provisions of such plan. Any assessment made in connection with such plan shall be a special assessment and such special assessment shall be a common expense and shall be apportioned to the Condominium and their Owners according to each Condominium's Allocated Shares of Expenses. The Association shall have full authority, right and power as attorney-in-fact to effect renewal and reconstruction notwithstanding the failure of an Owner to pay the assessment.
- 9.3.2 If Owners of 216 or more Condominiums, with the approval of all First Mortgagees, agree that Seven Springs is obsolete and the Seven Springs should be sold then all Owners shall be bound by such agreement. The Association shall record a notice of such facts and after the recording shall as attorney-in-fact for all of the Owners sell the entire premises constitution Seven Springs free and clear of the provisions contained in this Declaration, the Map, and Bylaws.
- 9.4 Lien and Enforcement. In addition to the remedies provided for enforcement of assessment the Association, as attorney-in-fact, shall have absolute right and power to sell the Condominiums of any Owner refusing or failing to pay a special assessment made pursuant to this Article 9. The Association may record a notice of the nonpayment of the assessment and the Association's right to sell and thereafter the Association may sell the Condominium of the delinquent Owner as his attorney-in-fact.
- 9.5 Proceeds of Sale of Seven Springs. The net proceeds of a sale of the entire premises constituting Seven Springs made pursuant to this Article 9 together with the insurance proceeds shall be divided into separate accounts for each Condominium according to each Condominium's Allocated Share of Expenses. The Association shall apply each such account: to payment and discharge of any First Mortgage: then to payment of taxes and special assessments levied by any governmental body: then to payment of any unpaid assessments against the Condominium, whether annual or special: the to payment of junior liens and encumbrances in the order of their priority and the balance remaining to the Owner.

The proceeds of sale of a Condominium made pursuant to paragraph 9.4 of this Article shall be applied to the same items in the same order.

Article 10
General Provisions

- 10.1 **Audit.** Any Owner may at any time cause an audit or inspection to be made of the books and records of the Association and shall pay the expense of such audit or inspection including reimbursement to the Association for the time of its agents and representatives taken up by such audit or inspection.
- 10.2 **Notices.** Notices required or provided for by this Declaration shall be in writing.
- 10.2.1 Notice to the Association shall be sufficiently given if delivered by mail or otherwise to the Association's registered office or to its registered agent.
- 10.2.2 Notice to a Mortgagee shall be sufficiently given if mailed first class mail, postage paid to the Mortgagee at the address which the Mortgagee has designated by notice to the Association.
- 10.2.3 Notice to a Member shall be sufficiently given if mailed first class mail, postage prepaid to the Member at his Residence unless the Member has designated a different address by notice to the Association. Notice to a Member shall also be sufficiently given if delivered to the Member's Residence unless the Member has expressly otherwise directed in his notice designating a different address.
- 10.2.4 Notice to Declarant shall be sufficiently given if delivered by mail or otherwise to Declarant's office at 3100 South Sheridan Boulevard, Suite 10, Denver Colorado, 80227, or such other address which Declarant shall designate by notice to the Association.
- 10.3 **Severability.** If any of the provisions of this Declaration, or any article, paragraph, sentence, clause, phrase, or word, or the application thereof in any circumstances be invalid, such invalidity shall not affect the remainder of this Declaration, or the application of any such article, paragraph, sentence, clause, phrase, or word in any other circumstances.
- 10.4 **Condominium Act.** The provisions of this Declaration shall be in addition and supplemental to the Condominium Ownership Act of the State of Colorado.
- 10.5 **Gender and Number.** Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, and the plural the singular, and the use of any gender shall include all genders.
- 10.6 **Failure to Enforce Not a Waiver.** This Declaration may not be changed or amended except in the manner expressly provided in Article 11. Failure to enforce any provision hereof or nonobservance of any provision shall not be deemed to make such provision ineffective and shall not be a defense or asserted as a defense to its later enforcement or to enforcement of any other provisions of the Declaration.

Article 11
Termination and Amendment

- 11.1 **Amendment.** The provisions for appurtenant undivided interest in the Common Elements and for rights to the use of Limited Common Elements, may not be changed except by written agreement of all Owners and all First Mortgagees. Other provisions of this Declaration may be amended by executed written agreement signed and acknowledged by Owners of 180 Condominiums and by all First Mortgagees.
- 11.2 **Termination.** This Declaration may be terminated by written agreement of all Owners and all First Mortgagees. This Declaration may be terminated by a sale of the entire premises constituting Seven Springs pursuant to the provisions in paragraph 9.2.3 or paragraph 9.3.2

Article 12
Declarant's Exceptions, Exclusions and Reservations

Declarants hereby reserves unto itself and its assigns and excludes and excepts from every conveyance by it of a Condominium whether or not expressed in the instrument of conveyance.

- 12.1 The rights to grant to Owners rights-of-way for ingress and egress to and from their Residences and the right to grant to Owners their appurtenant undivided interests in the Common Elements and their exclusive rights of use of the Limited Common Elements.
- 12.2 The right to exercise all the voting power of the Members of the Association until Declarant owns fewer than 25 Condominiums or until December 31, 1983, whichever is earlier, unless Declarant sooner surrenders this right.
- 12.3 Until sale of the Condominium by Declarant, the rights to maintain in any one or more Residences and in the Common Elements such facilities as in the sole operation of the Declarant may be reasonably required, convenient or incidental to the sale of Condominiums including, but without limitation, a business office, storage area, signs, model units and sales office. Upon sale of each Condominium by Declarant, the Residence shall be equally restricted as to use and occupancy as the other Residences.
- 12.4 Assessments. Neither Declarant nor its Condominiums, until sold by Declarant, shall be subject to assessment. Until Declarant owns fewer than 25 Condominiums annual assessments shall be based on the actual expenses without provisions for reserves, and to the extent that the current actual common expenses exceed the aggregate amount realized from the annual assessment against the Condominiums and their Owners Declarant will be responsible for and will pay the excess.

Article 13
Acceptance of Provisions of all Documents

- 13.1 The conveyance or encumbrance of a Condominium shall be deemed to include the acceptance of the provisions of this Declaration and the provisions of the Articles of Incorporation and Bylaws of the Association and rules and regulations adopted by the Association, and such provisions shall be binding upon each grantee or encumbrancer without the necessity of inclusion of such an express provision in the instrument of conveyance or encumbrance. IN WITNESS WHEREOF, Declarant Seven Springs Club has executed this Declaration this 1st day of April, 1981

SEVEN SPRINGS CLUB
By _____
General Partner

STATE OF COLORADO }
 }
City and County of Denver } ss.

The foregoing instrument was acknowledged before me this 1st day of April, 1981
By HANS T. NIELSEN as a general partner of SEVEN SPRINGS CLUB.

My commission expires:
Witness my hand and official seal