

Book 3648
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CONDOMINIUM DECLARATION
OF
STEPPING STONES WEST CONDOMINIUMS

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, Black Forest Investment Corporation, a Colorado corporation (hereinafter called "Declarant"), is the owner of that certain parcel of real property situated in the County of El Paso being more particularly described in Exhibit A (the "Real Property").

WHEREAS, Declarant plans to construct thereon a ten (10) unit condominium project; and

WHEREAS, Declarant desires to establish a plan for the ownership in fee simple of real property estates, subject to the easements, restrictions, reservations, conditions, taxes and assessments as set forth in this Declaration, consisting of the area or space contained in each of the air space units in the building improvements and the co-ownership by the individual and separate owners thereof, as tenants in common, all of which remaining property is hereinafter defined and referred to as the "common elements".

NOW, THEREFORE, Declarant does hereby publish and declare that the following terms, covenants, conditions, easements, restrictions, uses, reservations, limitations and obligations shall be deemed to run with the land, shall be a burden and a benefit to Declarant, its successors and assigns, and any person acquiring or owning an interest in the Real Property, their grantees, successors, heirs, executors, administrators, devisees or assigns.

1. Submission to Condominium Ownership. Declarant does hereby submit the Real Property described above and the improvements to be constructed thereon to condominium ownership pursuant to the Condominium Ownership Act of the State of Colorado.

2. Definitions. Unless the context shall expressly provide otherwise:

(a) "Unit" means an individual air space unit contained within the perimeter walls, floors, ceilings, windows and doors of a unit, or other boundary lines shown on the Condominium Map, in a building situated on the Real Property, and as shown and described on the Condominium Map recorded in the real property records of El Paso County, together with (i) all fixtures and improvements therein except for common physical utility facilities; (ii) the inner decorated or finished surfaces of such unit's perimeter walls, floors and ceilings; and (iii) the interior nonsupporting walls within the unit. The term does not include, however, the undecorated or unfinished surfaces of the perimeter walls, floors or ceilings of a unit, any utility facilities running through the unit that serve more than one unit, or any other common element or part thereof located within the unit.

(b) "Condominium Unit" means the fee simple interest and title in and to a Unit, together with the undivided interest

in the common elements appurtenant to such Unit, and all other rights and burdens created by this Declaration.

(c) "Owner" means a person, persons, firm, corporation, partnership, association or other legal entity, or any combination thereof, which own(s) fee simple title interest in one or more Condominium Units, but excluding, however, any such person having an interest therein merely as a Mortgagee (unless such Mortgagee has acquired fee simple title to a Condominium Unit pursuant to foreclosure or any proceeding in lieu thereof).

(d) "Common elements" means and includes all of the Real Property and all the improvements now or hereafter constructed thereon, excluding the Units. The common elements shall consist of the general common elements and limited common elements. The common elements shall be owned, as tenants in common, by the Owners of the Separate Units, each Owner of a Unit having an undivided interest in such common elements as is hereinafter provided.

(1) "General common elements" means and includes the Real Property; the structural components of the buildings, including but not limited to the foundations, girders, beams, supports, roofs, and bearing and structural walls; the yards, gardens, uncovered parking areas; chimneys; installations of central services such as power, light, gas, hot and cold water, heating and air conditioning; the service roads, if any; such improvements and portions of the buildings and areas therein as are provided for the community use, recreation, utility and common use of all Owners; and all other parts of such Real Property and the improvements thereon necessary or convenient to its existence, maintenance and safety which are normally and reasonably in general common use, including the air above such land. The general common elements shall include all tangible physical properties of this project except limited common elements and the Units.

(2) "Limited common elements" means those parts of the common elements which are either limited to and reserved for the exclusive use of an Owner of a Condominium Unit or are limited to and reserved for the common use of more than one but fewer than all of the Condominium Unit Owners. The limited common elements shall include, by way of illustration and not limitation, the portion of the solar heating system which is outside of the Units, decks, balconies and certain carports and driveways, which are specifically designated as being appurtenant to a particular Unit. The term "limited common element" shall also mean certain other parking spaces, some of which may not be initially assigned by Declarant on the date of recordation hereof, but subsequently assigned by Declarant and/or the Association to the Owner of one or more Condominium Units.

(e) "Condominium Project" or "Project" means all of the Real Property submitted to condominium ownership by this Declaration and subsequently submitted, if any, as is hereinafter provided.

(f) "Declaration" means this document (i.e., "Condominium Declaration") and amendments and supplements thereto, if any.

(g) "Common expenses" means and includes (i) expenses of and/or relating to the common elements; (ii) expenses declared

to be common expenses by the Association; (iii) all sums lawfully assessed against the common elements by the Board of Managers of the Association; and (iv) expenses agreed upon as common expenses by the Association of Unit Owners.

(h) "Association of Unit Owners" or "Association" means the Association formed as a Colorado not-for-profit corporation bearing the name of Stepping Stones West Condominiums Homeowners Association, Inc., the Articles of Incorporation and Bylaws of which shall govern the administration of this Condominium Project, and the members of which shall be all of the Owners of the Condominium Units.

(i) "Building" means a building containing Condominium Units as shown on the Map.

(j) "Map," "Condominium Map" or "Supplemental Map" means and includes the engineering survey of the land depicting and locating thereon all of the improvements; the floor and elevation plans and any other drawing or diagrammatic plan depicting a part of or all of the improvements and land which are included in this Condominium Project, all of which is more fully described in Section 6 infra.

(k) "Mortgage" as used herein shall mean any mortgage, deed of trust or other document pledging a Condominium Unit or interest therein as security for the payment of a debt or obligation. Mortgage shall also mean and refer to any executory land sales contract wherein the Administration of Veteran Affairs, an officer of The United States of America, is the original seller, whether such contract is recorded or not, and whether such contract is owned by the said Administration or has been assigned by the said Administration and is owned by the Administration's assignee, and the land records in the office of the Clerk and Recorder of El Paso County, Colorado, show the said Administration as having the record title to the Condominium Unit.

(l) "Declarant" shall mean Black Forest Investments Corporation, a Colorado corporation, its successors and assigns, if such successors and assigns should acquire one or more portions of the Real Property for the purpose of constructing buildings thereon.

(m) "Bylaws" shall mean the corporate bylaws of Stepping Stones West Condominiums Homeowners Association, Inc., a Colorado not-for-profit corporation.

3. Division of Property into Condominium Units and Conveyance of Units.

(a) Division of Property. The Real Property described above, including the improvements thereon, is hereby divided into ten (10) fee simple estates ("Condominium Units"). Each such estate shall consist of a separately designated Unit and the undivided interest in and to the common elements appurtenant to such Unit as set forth on Exhibit B, attached hereto and incorporated by reference herein.

(b) Right to Combine or Expand Condominium Units. Declarant hereby reserves the right to physically combine the area or space of one Unit with the area or space of one or more adjoining Units. In regard to any such combination Declarant shall have the right to redesignate any portion of the common

elements needed to physically accomplish such combination either as part of such combined Unit or as limited common elements; provided, however, that Declarant shall not exercise said right without the written consent of any Mortgagee having an interest in said Units. In the event of any such physical combining of Units to create a combined Unit, such combined Unit shall also include the combining of the fixtures and improvements and of the undivided interests in common elements appurtenant to the Units so combined. Declarant reserves the right to designate and convey to any purchaser of any such combined Unit, as additional limited common elements, any walls, floors or other structural separations between the Units so combined, or any space which would be occupied by such structural separations but for the combination of such Units; provided, however, that such walls, floors or other structural separations or such space shall automatically become general common elements if the combined Units become subject to separate ownership in the future. This reserved right in Declarant shall terminate upon the conveyance of seventy-five percent (75%) of the Condominium Units within the project to third party purchasers or on June 1, 1985, whichever event first occurs.

4. Limited Common Elements. Subject to the definition thereof, the limited common elements shall be identified on the Map. Any balcony, porch, deck, driveway or patio which is accessible from, associated with and which adjoin(s) a Unit shall without further reference thereto, be used in connection with such Unit to the exclusion of the use thereof by the other Owners of the common elements, except by invitation. Further, certain carports are assigned by Declarant on Exhibit B attached hereto and incorporated hereby by this reference, and upon such assignment will be appurtenant to the Unit purchased and shall be for the exclusive use of the Owner of such Unit. Further, certain solar heating equipment which is situated on the exterior walls or roof of a Building or in the ground below or adjacent to a Building, but which shall serve only one Unit shall be a limited common element appurtenant to such Unit and shall be maintained, repaired and operated solely by the Owner or Owners of such Unit. Declarant hereby reserves the right, until June 1, 1985, after which date said right shall be held by the Association, to assign all parking space(s) within the Project to the Owner or Owners of Units within the Project by recorded supplement or deed and upon such assignment, said parking space(s) shall be limited common elements appurtenant to the Unit to which it has been assigned.

Except as provided above, all of the Owners of Condominium Units in this Condominium Project shall have a nonexclusive right in common with all of the other Owners to use of sidewalks, recreational facilities, streets and drives located within the entire Condominium Project. In addition to rights of use herein described and elsewhere described in this Declaration, the Association, its Board of Managers and its Managing Agent shall have the unrestricted irrevocable easement to traverse, cross and utilize any portion of the common elements which may be necessary in order to maintain, repair or replace general and/or limited common elements. No reference need be made of any such limited common elements which are exclusive or nonexclusive, in any instrument of conveyance or other instrument in accordance with Section 5 of this Declaration, except as specifically herein required.

5. Description of Condominium Unit.

(a) Every contract for the sale of a Condominium Unit written prior to the recordation of the Map and this Declaration may legally describe a Condominium Unit by its identifying Unit designation followed by the words Stepping Stones West Condominiums. The location of such Condominium Unit shall be depicted on a Map subsequently recorded. Upon recordation of the Condominium Map in the County of El Paso, Colorado, such description shall be conclusively presumed to relate to the thereon described Condominium Units.

(b) After the Condominium Map and this Declaration have been recorded as aforesaid, every contract, deed, lease, mortgage, deed of trust, will or other instrument may legally describe a Condominium Unit as follows:

Condominium Unit No. _____, Stepping Stones West Condominiums, in accordance with the Declaration recorded on _____, 1982, in Book _____, at Page _____, of the El Paso County Records, also described as _____ Street, together with the exclusive right to use the following limited common elements: Carport Number _____.

Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber, or otherwise affect not only the Unit, but also the undivided interest in the common elements appurtenant to said Unit and all other appurtenant properties and property rights, and incorporate all of the rights, limitations and burdens incident to ownership of a Condominium Unit as described in this Declaration and Condominium Map. Each such description shall be construed to include a nonexclusive easement for ingress and egress to and from an Owner's Unit and the use of all the general common elements as well as all of the limited common elements appurtenant to said Unit.

(c) The reference to the Map and Declaration in any instrument shall be deemed to include any supplements or amendments to the Map or Declaration, without specific reference(s) thereto.

6. Condominium Map. The Map may be filed for record in parts or sections. The initial Map and each supplement thereto shall be recorded prior to the conveyance of any of the Condominium Units shown thereon. The initial Map and the supplements thereto in the aggregate shall depict and show at least the following: the legal description of the land and a survey thereof; the location of the Buildings in reference to the exterior boundaries of the land; the floor and elevation plans; the location of the Units within the Buildings, both horizontally and vertically; the thickness of the common walls between or separating the Units; the location of any structural components or supporting elements of the Buildings located within a Unit; the Condominium Unit designations; the Building designations; and the carports and parking space designations. Each such Map shall contain the certificate of a registered professional engineer, licensed architect or registered land surveyor certifying that the Map substantially depicts the location and the horizontal and vertical measurements of the Units, the Unit designations, the Building designations, the location of the carports and parking spaces and the elevations of the constructed unfinished floors and ceilings of the Units and an affirmation that such Map was prepared subsequent to substantial completion of the improvements shown thereon. In interpreting the Map, the existing physical boundaries of each

separate Unit as constructed shall be conclusively presumed to be its boundaries. Declarant reserves the right to amend the Map, from time to time, to conform the same according to the actual location of any of the improvements and to establish, vacate and relocate easements, access roads and on-site parking areas. Declarant's right, as hereinabove set forth, shall terminate on the conveyance of seventy-five percent (75%) of the Condominium Units within the Project to third parties, or June 1, 1985, whichever first occurs.

7. Inseparability of Condominium Unit. Each Unit, the appurtenant undivided interest in the common elements, as well as all other appurtenances, rights and burdens, shall together comprise one Condominium Unit, which Condominium Unit shall be inseparable and may be conveyed, leased, devised or encumbered only as a Condominium Unit. An Owner shall be entitled to lease any carport which is a limited common element appurtenant to his Unit to any other Owner, provided, however, that the term of said lease will expire, if not before, upon the sale of said Owner's Condominium Unit.

8. Separate Assessment and Taxation - Notice to Assessor. Declarant shall give written notice to the assessor of the County of El Paso, Colorado, of the creation of Condominium Ownership on this Project, as is provided by law, so that each Unit and the undivided interest in the common elements appurtenant thereto shall be deemed a separate parcel of real estate for purposes of separate assessment and taxation. The Association, upon the request of any first Mortgagee, shall furnish proof that all taxes, real estate assessments and charges shall relate only to the individual Condominium Unit and not to the Project as a whole.

9. Form of Ownership - Title. A Condominium Unit may be held and owned in any real property tenancy or estate recognized under the laws of the State of Colorado.

10. Nonpartitionability and Transfer of Common Element. The common elements shall be owned in common by all of the Owners of the Units and shall remain undivided. By the acceptance of his deed or other instrument of conveyance or assignment, each Owner specifically waives his right to institute and/or maintain a partition action or any other action designed to cause a division of the common elements. Each Owner specifically agrees not to institute any action therefor. Furthermore, each Owner agrees that this Section 10 may be pleaded as a bar to the maintenance of such an action. A violation of this provision shall entitle the Association to personally collect, jointly and severally, from the parties violating the same, the actual attorney fees, costs and other damages the Association incurs in connection therewith. Further, all Owners and the Association covenant that, except as provided in Section 3(b), they shall neither by act nor omission, seek to abandon, subdivide, encumber, sell or transfer the common elements without first obtaining the written consent of all of the first Mortgagees of the individual Condominium Units. Each such Mortgagee shall have one vote for each Mortgage owned by it. Any such action without the written consent of said Mortgagees shall be null and void.

11. Use of General and Limited Common Elements. Each Owner shall be entitled to exclusive ownership and possession of his Unit. Each Owner may use the appurtenant general and limited common elements in accordance with the purpose for which they are

intended, without hindering or encroaching upon the lawful rights of the other Owners. The Association may adopt rules and regulations governing the use of general and limited common elements, but such rules and regulations shall be uniform and nondiscriminatory. Each Owner, by the acceptance of his deed or other instrument of conveyance or assignment, agrees to be bound by the existing and thereafter adopted rules and regulations. All uncovered and unassigned parking areas within the Project shall be general common elements and shall be under the control of the Association. The Association shall be empowered to adopt rules and regulations governing the use of such parking areas provided that any such rules and regulations shall be uniform and nondiscriminatory.

12. Use and Occupancy. The Units shall be used and occupied by the Owner, the Owner's family, and his guests, or tenants only as a residence and for residential purposes. This restriction as to residential use, however, shall not apply to the Declarant, its agents, employees, invitees and assigns during the construction and sales period. Notwithstanding the above, the Association may use any Condominium Unit which it owns or leases as a business office and/or a residence for any on-site resident manager, sales representative or custodian.

13. Easements.

(a) Encroachments. In the event that any portion of the common elements encroaches upon any Unit or Units; or in the event that any portion of a Unit encroaches upon any other Unit or Units or upon any portion of the common elements, or in the event any encroachment shall occur in the future as a result of: (i) settling of a Building; or (ii) alteration or repair to the common elements; or (iii) repair or restoration of a Building(s) and/or a Unit(s) after damage by fire or other casualty, or condemnation or eminent domain proceedings; in each of such assets, a valid easement shall exist for the encroachment and for the maintenance of the same so long as the Building(s) stands or encroachment exists. In the event that any one or more of the Units or Buildings or other improvements comprising part of the common elements are partially or totally destroyed and are subsequently rebuilt or reconstructed in substantially the same location, and as a result of such rebuilding any portion thereof shall encroach as provided in the preceding sentence, a valid easement for such encroachment shall then exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the common elements or on the Units for purposes of marketability of title or other purposes. In interpreting any and all provisions of the Declaration, subsequent deeds to and/or Mortgages relating to Condominium Units, the actual location of a Unit shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered notwithstanding any minor deviations, either horizontally, vertically or laterally from the location of such Unit indicated on the Condominium Map.

(b) Maintenance Easement. An easement is hereby granted to the Association, its officers, agents, employees and assigns upon, across, over, in and under the common elements to make such use of the common elements as may be necessary or appropriate to perform the duties and functions which it is obligated and/or permitted to perform pursuant to this Declaration, including the right to construct and maintain on the common elements maintenance and storage facilities for the use of the Association. The Association shall have the right to grant

permits, licenses and easements over the common access for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of the Project. Further, an easement is hereby granted to the Declarant, its agents and employees and the Association, its employees and third party contractors for ingress and egress to any Condominium Unit within the Project in order to permit Declarant to perform any necessary maintenance and/or repairs required of it under the terms and provisions of any Purchase Agreement between Declarant and the Owner of an individual Condominium Unit.

(c) Emergency Easement. An easement for ingress and egress is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons to enter upon all streets and upon the Project in the performance of their duties.

(d) Maintenance of Limited Common Element Easement. There is hereby granted to each Owner of a Condominium Unit an easement on, over and across the common elements as may be necessary or appropriate, to enable such Owner to perform maintenance, repair and other work upon any air conditioning unit which is a limited common element appurtenant to his Unit and which is located upon the exterior walls or roof of the Building in which said Owner's Unit is situated.

14. Termination of Mechanic's Lien Rights and Indemnification. Subsequent to the completion of any alterations, modifications or additions to the improvements described on the Map, no labor performed or materials furnished and incorporated in a Unit with the consent or at the request of the Unit Owner, his agent, his contractor or subcontractor, shall be the basis for filing a lien against the Condominium Unit of any other Owner not expressly consenting to or requesting the same, or against the common elements. Each Owner shall indemnify and hold harmless each of the other Owners from and against all liability arising from the claim of any lien against the Condominium Unit of any other Owner or against the common elements for construction performed or for labor, materials, services or other products incorporated in the Owner's Condominium Unit at such Owner's request. The provisions herein contained are subject to the rights of the Managing Agent or Board of Managers of the Association as set forth in Section 15. Notwithstanding the foregoing, any Mortgagee of a Condominium Unit who shall become the Owner of such Condominium Unit pursuant to a lawful foreclosure sale or the taking of a deed in lieu of foreclosure shall not be under any obligation to indemnify and hold harmless any other Owner against liability for claims arising prior to the date such Mortgagee shall have become an Owner.

15. Stepping Stones West Condominiums Homeowners Association, Inc.

(a) The interests of all Owners of Condominium Units within the Project shall be governed and administered by this Declaration and the Articles of Incorporation and Bylaws of Stepping Stones West Condominiums Homeowners Association, Inc. An Owner of a Condominium Unit, upon becoming an Owner, shall be a member of the Association and shall remain a member for the period of his ownership.

(b) The Association shall be granted all of the powers necessary to govern, manage, maintain, repair, administer and regulate the Project and to perform all of the duties required of it. Notwithstanding the foregoing, the Association shall not:

(1) unless it has obtained the prior written consent of the Owners of at least sixty-seven percent (67%) of the Condominium Units or sixty-seven percent (67%) of the first Mortgagees of Condominium Units (based on one vote for each first Mortgage owned);

(A) seek to abandon or terminate the Project, whether by act or omission, except:

(i) for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty, or

(ii) in the case of a taking by condemnation or eminent domain, in which event the provisions of Section 28 of this Declaration shall control;

(B) change the pro rata interest or obligations of any individual Condominium Unit for the purpose of:

(i) levying assessments or changes or allocating distributions of hazard insurance proceeds or condemnation awards, or

(ii) determining the pro rata share of ownership of each Condominium Unit in the common elements;

(C) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the common elements (excluding the granting of permits, licenses and easements for public utilities, roads or other purposes consistent with the intended use of the common elements and reasonably necessary or useful for the proper maintenance or operation of the Project);

(D) partition or subdivide any Condominium Unit; or

(E) use hazard insurance proceeds for losses to any condominium property (whether to Condominium Units or common elements) for other than the repair, replacement or reconstruction of such condominium property, except as may be provided by statute in the case of substantial loss to such Condominium Units and/or common elements.

(2) unless it has obtained the prior written consent of the Owners of at least sixty-seven percent (67%) of the Condominium Units, and fifty-one percent (51%) of the first Mortgagees of Condominium Units (based upon one vote for each first Mortgage owned);

(A) add or amend any material provisions of this Declaration, the Articles of Incorporation or By-Laws of the Association, which establish, provide for, govern or regulate any of the following, provided that such additions or amendments shall not be considered material if they are for the purpose of correcting technical errors or for clarification only, and further provided that this subsection (1) shall not apply to amendments to this Declaration, the Articles of Incorporation or By-Laws of the Association, made as a result of destruction, damage or condemnation of the Project or the improvements thereon, or to a reallocation of interests in the common elements which might occur pursuant to any plan of expansion or phased development contained in this Declaration;

- (i) voting;
 - (ii) assessments, assessment liens or subordination of such liens;
 - (iii) reserves for maintenance, repair and replacement of those elements of the common elements which must be maintained, repaired or replaced on a periodical basis;
 - (iv) insurance, including but not limited to fidelity bonds;
 - (v) rights to use of the common elements;
 - (vi) responsibility for maintenance and repair of any portion of the Project;
 - (vii) expansion or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project;
 - (viii) boundaries of any Condominium Unit;
 - (ix) interests in the common elements;
 - (x) convertibility of Condominium Units into common elements or of common elements into Condominium Units;
 - (xi) leasing of Condominium Units;
 - (xii) imposition of any right of first refusal or similar restriction on the right of any Owner to sell, transfer or otherwise convey his Condominium Unit;
 - (xiii) any provisions which are for the express benefit of first Mortgagees, or insurers or guarantors of first Mortgages; or
- (B) effectuate any decision to terminate professional management and assume self-management of the Association, when professional management has previously been required by any first Mortgagee;
- (3) unless it has obtained the prior written consent of the Owner of at least sixty-seven percent (67%) of the Condominium Units and sixty-seven percent (67%) of the first Mortgagees of Condominium Units (based upon one vote for each first Mortgage owned), terminate the legal status of the Project as a condominium, provided that this subsection (3) shall not apply to amendments to this Declaration, the Articles of Incorporation or By-Laws of the Association made as a result of destruction, damage or condemnation of the Real Property or improvements thereon;
- (4) unless it has obtained the prior written consent of at least fifty-one percent (51%) of the first Mortgagees of Condominium Units (based upon one vote for each first Mortgage owned):

(A) restore or repair the Project, or any portion thereof, including but not limited to improvements located thereon, after a partial condemnation or damage due to an insurable hazard, other than substantially in accordance with this Declaration and the most recent plans and specifications for the Project and the construction of improvements thereon;

(B) terminate the legal status of the project after substantial destruction or a substantial taking in condemnation of the Project.

(c) Upon written request to the Association, identifying the name and address of the first Mortgagee or insurer or guarantor of the first Mortgage and the residence address of the property which is subject to such first Mortgage, each such first Mortgagee of a Condominium Unit, or insurer or guarantor of such a first Mortgage, shall be entitled to timely written notice of:

(1) any condemnation loss or casualty loss which affects a material portion of the Project or any Condominium Unit subject to a first Mortgage held, insured or guaranteed by such first Mortgagee, insurer or guarantor of a first Mortgage;

(2) any delinquency in the payment of the assessments or charges owed to the Association by the Owner of the Condominium Unit subject to a first Mortgage held, insured or guaranteed by such first Mortgagee, insurer or guarantor, or any default by such Owner in any obligation under the Declaration, Articles of Incorporation or By-Laws of the Association if the Board of Directors of the Association has actual knowledge of such default, when such delinquency and/or default remains uncured for a period of sixty (60) days;

(3) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(4) any proposed action which would require the consent of a specified percentage of first Mortgagees as provided in this Section 15.

(d) The Association shall provide an audited financial statement for the immediately preceding fiscal year, at the expense of the parties so requesting, to the holders of fifty-one percent (51%) or more of the first Mortgages on Condominium Units, such audit to be provided within a reasonable time after written request therefor by such holders.

(e) The Association shall make available to Owners, first Mortgagees of Condominium Units and insurers or guarantors of any such first Mortgage, current copies of this Declaration, and the Articles of Incorporation, By-Laws, rules and regulations, books, records and financial statements of the Association. "Available" shall mean available for inspection, upon request, during normal weekday business hours or under other reasonable circumstances.

16. Reservation for Access - Maintenance, Repair and Emergencies.

(a) The Owners shall have the irrevocable right, to be exercised by the Association's Board of Managers or officers, or custodian, or Managing Agent, to have access to each Unit from

time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the common elements therein or accessible therefrom, or at any hour for making emergency repairs, maintenance or inspection therein necessary to prevent damage to the common elements or to another Unit. Non-emergency repair shall be made only during regular business hours or business days after not less than twenty-four (24) hours' notice to the occupants of the Unit wherein such repairs are to be made, except where the occupants have no objections to earlier entry for repairs. In emergency situations, the occupants shall be warned of impending entry as is reasonably possible.

(b) Damage to the interior or any part of a Unit, except for Owner installed or constructed improvements resulting from the maintenance, repair, emergency repair or replacement of any of the common elements or as a result of emergency repairs within another Unit at the direction of the Association, shall be a common expense of all of the Owners; provided, however, that if the damage needed to be repaired is caused by negligent or tortious acts of a Unit Owner, members of his family, his agents, employees, invitees, or tenants, then such Condominium Unit Owner shall be responsible and liable for all of such damage and the cost thereof shall forthwith become said Owner's obligation, which must be timely paid. Said obligation shall be a common expense as it relates to said Condominium Unit Owner(s), only, and shall be subject to the provisions elsewhere herein provided. All damaged improvements shall be restored substantially, to the extent reasonably practicable, to the same condition in which they existed prior to the damage. All maintenance, repairs and replacement of the common elements, whether located inside or outside of Units (unless necessitated by the negligence, misuse or tortious acts of a Condominium Unit Owner, in which case such expense shall be charged to such Owner), shall be the common expense of all of the Owners. However, the Association shall not be obligated to seek redress for damages caused by a negligent Owner and this covenant shall not abrogate the insurance provisions of this Agreement.

17. Maintenance and Service Responsibility.

(a) Owner:

(1) For maintenance purposes, an Owner shall be deemed to own: the windows and doors; the interior nonsupporting walls, floors and ceilings of his Unit; the materials such as, but not limited to, plaster, gypsum drywall, paneling, wallpaper, paint, wall and floor tile and finished surface flooring, and other materials which make up the finished surfaces of the perimeter walls, ceiling and floors within the Unit. An Owner, however, shall not be deemed to own the pipes, wires, conduits or systems (which are general common elements and for brevity are herein and hereafter referred to as "utility facilities") running through his Unit which serve one or more other Units except as a tenant in common with the other Owners. Such utility facilities shall not be disturbed or relocated by an Owner without the written prior consent and approval of the Board of Managers, and any such alteration, relocation, enlargement, addition or modification shall be at the Owner's expense, which expense shall include all expenses incurred by the Association in reference thereto.

(2) An Owner shall maintain and keep in repair the interior of his own Unit, including the fixtures and utilities located therein to the extent current repair shall be necessary

in order to avoid damaging other Condominium Units or the common elements. All fixtures and equipment and utilities installed within the Unit commencing at a point where the fixtures, equipment and utilities enter the Unit shall be maintained and kept in repair by the Owner thereof. An Owner shall do no act nor any work that will impair the structural soundness of the Buildings or impair the proper functioning of the utility facilities, heating, electrical, fire extinguishing, or plumbing systems or the structural integrity of the Buildings or impair any easement or hereditament or damage any other component of the Project. Any Owner shall always keep the balcony, porch, patio, deck and carport area adjoining and appurtenant to his Unit and any other limited common elements appurtenant thereto in a clean, orderly and sanitary condition.

(3) In addition to the foregoing, Owner shall be obligated to maintain and keep in repair any solar heating equipment which is a limited common element appurtenant to his Unit, notwithstanding the fact that said solar heating equipment is situated on the common elements and not totally contained within the individual space comprising the Owner's Unit.

(b) Association:

(1) Subject to Section (a)(2) and Section (a)(3) hereof, the Association shall have the duty of maintaining and repairing all of the common elements within the Project. The cost of said maintenance and repair shall be a common expense of all of the Owners, except that the cost of maintenance of any carport shall be borne by the Owner of the Condominium Unit to which said carport is appurtenant. The Association shall not need the prior approval of its members to cause such maintenance or repairs to be accomplished, notwithstanding the cost thereof.

(2) The association shall provide to the Owners the following services which shall be paid for out of the common expense assessment, to-wit:

- (a) maintenance of the common elements, except as otherwise provided;
- (b) administration and management of the Project;
- (c) providing water and lighting for common areas;
- (d) obtaining and maintaining the insurance required in Section 22 hereof;
- (e) enforcing of the provisions, set forth in this Declaration, and the Association's rules and regulations, and collecting of all obligations owed to the Association by the Owners;
- (f) acting as attorney-in-fact in the event of damage or destruction as provided for in Section 27 hereof; and
- (g) performing all other acts as required by this Declaration, or the Articles of Incorporation and Bylaws of the Association.

Notwithstanding the above, the Association reserves the right to hire one or more persons or entities including a Managing Agent, contractors, and employees to perform such services, provided, however, that any Contract in regard to the hiring or employing of such Managing Agents, contractors or employees shall not be for a term in excess of one (1) year and shall provide that the same shall be terminable on thirty (30) days written notice, with or without cause or payment of a termination fee, and shall terminate absolutely, in any event, not later than thirty (30) days after conveyance by Declarant of seventy-five percent (75%) of the Condominium Units to the first Owner thereof (other than Declarant). All such management contracts made between the Association and a manager or managing agent prior to conveyance of seventy-five percent (75%) of the Condominium Units, as aforesaid, shall be subject to review and approval by the Veterans Administration or the Federal Housing Administration of the U.S. Department of Housing and Urban Development.

18. Compliance with Provisions of the Declaration, Articles of Incorporation and Bylaws of the Association. Each Owner shall comply strictly with the provisions of the Declaration, the Articles of Incorporation and Bylaws of the Association, and the decisions, resolutions, rules and regulations of the Association adopted pursuant thereto as the same may be lawfully made and amended and/or modified from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief or both, and for reimbursement of all attorney's fees incurred in connection therewith, which action shall be maintainable by the Association's Board of Managers or Managing Agent in the name of the Association on behalf of the Owners, or, in a proper case, by an aggrieved Owner.

19. Revocation or Amendment to Declaration. Except as is otherwise provided in Section 27 or 28, this Declaration shall not be revoked unless all of the Owners and all first Mortgagees consent and agree to such revocation by instrument(s) duly recorded. This Declaration shall not be amended unless the Owners representing an aggregate ownership of at least seventy-five percent (75%) of the undivided interests in the common elements and all of the first Mortgagees of Condominium Units consent and agree to such amendment by instrument(s) duly recorded; provided, however, that the undivided interest in the common elements appurtenant to each Unit, as expressed in the Declaration, shall have a permanent character and shall not be altered without the consent of all of the Unit Owners and all of the first Mortgagees of Condominium Units as expressed in an amended Declaration duly recorded. The consent(s) of any junior Mortgagee shall not be required under the provisions of this Section. In determining whether the appropriate percentage of Mortgagee approval is obtained, each first Mortgagee shall have one (1) vote for each first Mortgage owned.

Notwithstanding the foregoing, Declarant hereby reserves and is hereby granted the right and power, until such time as all Condominium Units within the Project are conveyed to third parties, to record a Special Amendment to this Declaration to amend this Declaration to: (i) comply with the requirements of the Veterans Administration, Federal Housing Administration of the U.S. Department of Housing and Urban Development, Federal National Mortgage Association and/or the Federal Home Loan Mortgage Corporation; and/or (ii) to induce any of such agencies or entities to make, purchase, sell, insure, or guarantee first mortgages or deeds of

Managers may assess a monthly "late charge" thereon not to exceed five percent (5%) of the delinquent amount to cover the costs and expenses involved in handling such delinquent assessments. Each Owner hereby agrees that the Association's lien on a Condominium Unit for assessments as hereinbefore described shall be superior to the Homestead Exemption provided by Section 38-41-201, C.R.S. 1973, as the same may hereafter be amended from time to time, and similar federal laws, and each Owner hereby agrees that the acceptance of the deed or other instrument of conveyance in regard to any Condominium Unit shall signify such grantee's waiver of the Homestead right granted in said Section of the Colorado statutes and similar federal laws. The Association or Board of Managers shall cause to be prepared, delivered or mailed to each Owner at least once each year a payment statement setting forth the estimated common expense assessments for the ensuing year. Regarding any special assessments, the Board of Managers may implement such procedure as it deems appropriate.

(b) The initial common expense assessment against each Condominium Unit shall commence on the date of conveyance by Declarant of the first Condominium Unit. In the event the ownership of a Condominium Unit, title to which is derived from Declarant, commences on a day other than the first day of the assessment period, the common expense assessments against that Condominium Unit for that period shall be prorated.

(c) The initial annual common expense assessment for each Condominium Unit shall be the amount of _____ Dollars (\$_____) per month, multiplied by the number of months remaining in the calendar year. Commencing with the second assessment year and thereafter, the common expense assessments shall be based upon the cash requirements deemed to be such aggregate sum as the Board of Managers of the Association shall determine, at least thirty (30) days in advance of each year, is necessary to provide for the payment of all estimated expenses relating to or connected with the administration, maintenance, ownership, repair, operation, addition, alteration and improvement of the common elements, the Project and personal property owned by the Association, except as otherwise provided in this Declaration. Said sum may include, but shall not be limited to, expenses of management; taxes and special assessments, until separately assessed; premiums for insurance; landscaping and care of grounds; common lighting and heating; repairs and renovations; trash collection; wages; common water and sewer charges; legal and accounting fees; management fees; expenses and liabilities incurred by the Association's Board of Managers on behalf of the Unit Owners under or by reason of this Declaration and the Articles of Incorporation and By-Laws of the Association; for the creation of reasonable contingency reserve, working capital and/or sinking funds; and any and all other costs and expenses relating to the common elements, and/or the Project.

(d) Each Owner shall be obligated to pay all charges for any separately metered utilities servicing his Condominium Unit. In the event that any utilities are master metered, then such utility service shall be part of the common expense assessments hereinbefore provided.

(e) The omission or failure to fix the assessment or deliver or mail a statement for any period shall not be deemed a waiver, modification or a release of the Owners from their obligations to pay the same, and in the case of any such omission or failure the amount of the common expense assessment per Condominium Unit shall be deemed to have remained unchanged from the prior

assessment period until such time as a statement fixing the common expense assessment at a different amount shall be delivered or mailed to the Owners.

(f) The Association shall be obligated to establish an adequate reserve fund for the maintenance, repair and replacement of those common elements that must be periodically maintained, repaired or replaced, and such reserve fund shall be funded through the monthly payments of the common expenses and not by extraordinary special assessments.

(g) In addition to the assessments authorized above, the Association may at any time, from time to time, determine, levy and assess, which determination, levy and assessment may be made by the Association's Board of Directors with the consent of the Owners of two-thirds (2/3) of the Condominium Units who are voting in person or by proxy at a meeting duly called for that purpose, a special assessment applicable to that particular assessment year for the purpose of defraying, in whole or in part, payments for any operating deficit and/or unbudgeted costs, fees and expenses of any construction, reconstruction, repair, demolition, replacement or maintenance of the common elements, specifically including without limitation any fixtures and personal property related thereto. The amounts determined, levied and assessed pursuant hereto shall be assessed equally against each Condominium Unit, and shall be due and payable as determined by the Association's Board of Directors. Until such time as Declarant shall have conveyed seventy-five percent (75%) of the Condominium Units to the first Owners thereof (other than Declarant), any special assessment for capital improvement(s) shall also require the written approval of the Veterans Administration or the Federal Housing Administration of the U.S. Department of Housing and Urban Development. "Capital Improvements", as used herein, shall mean the construction, erection or installation of substantial structure(s) or other substantial improvements on the Real Property, but shall not include the construction, reconstruction, erection, installation, maintenance, repair or replacement of common elements presently located on the Real Property or which may hereafter be constructed, erected or installed on the Real Property by Declarant in its development of the Project. Notice in writing setting forth the amount of such special assessment per Condominium Unit and the due date for payment thereof shall be given to the Owners not less than thirty (30) days prior to such due date.

(h) Written notice of any meeting called for the purpose of voting on a special assessment pursuant to Section 21(g) hereof shall be sent to all Owners not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Owners or of proxies entitled to cast sixty percent (60%) of the votes of the Association shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty days following the preceding meeting.

(i) All Owners of a particular Condominium Unit shall be jointly and severally liable to the Association for the payment of all assessments attributable to such Condominium Unit, including the annual assessment for common expenses and special assessments assessed against their particular Condominium Unit.

22. Insurance.

(a) The Board of Managers of the Association shall obtain and maintain at all times, to the extent obtainable, policies involving standard premium rates, established by the Colorado Insurance Commissioner, and written with companies licensed to do business in Colorado and having a Best's Insurance Report rating of Class A-XII or better, covering the risks set forth below. The Board of Managers of the Association shall not obtain any policy where: (i) under terms of the insurance company's charter, bylaws or policy, contributions or assessments may be made against the Mortgagor or Mortgagee's designee; or (ii) by the terms of carrier's charter, bylaws or policy, loss payments are contingent upon action by the company's Board of Directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent Mortgagees or the Mortgagor from collecting insurance proceeds. The types of coverages to be obtained and risks to be covered are as follows, to-wit:

(1) Property insurance including replacement cost coverage and all risk coverage and with an agreed amount endorsement. Said casualty insurance shall insure the entire Condominium Project and any property, the nature of which is a common element (including all of the Units and fixtures therein initially installed by the Declarant but not including furniture, furnishings or other personal property supplied by or installed by Unit Owners) together with all service equipment contained therein in an amount equal to the full replacement value, without deduction for depreciation. All policies shall contain a standard noncontributory mortgage clause in favor of each Mortgagee of a Condominium Unit, which shall provide that the loss, if any, thereunder, shall be payable to the Stepping Stones West Condominiums Homeowners Association, Inc. for the use and benefit of Mortgagees as their interests may appear. A minimum of thirty days prior to obtaining any policy of casualty insurance or renewal thereof, pursuant to the provisions of this insurance paragraph, the Board of Managers or Managing Agent shall obtain an appraisal from a duly qualified real estate or insurance appraiser, which appraiser shall reasonably estimate the full replacement value of all buildings or appurtenant structures within the entire Project, without deduction for depreciation, for the purpose of determining the amount of the insurance to be effected pursuant to the provisions of this insurance paragraph. In no event shall the insurance policy contain a co-insurance clause for less than one hundred percent (100%) of the full replacement. Determination of maximum replacement value shall be made annually by one or more written appraisals to be furnished by a person knowledgeable of replacement costs, and each first Mortgagee, if requested, shall be furnished with a copy thereof, within thirty (30) days after receipt of such written appraisals. Such amounts of insurance shall be contemporized annually in accordance with their currently determined maximum replacement value.

(2) If the Condominium Project is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of Flood Insurance has been made available under the National Flood Insurance Act of 1968, a "blanket" policy of flood insurance on the Condominium Project in an amount which is the lesser of the maximum amount of insurance available under the Act or the aggregate of the unpaid principal balances of the Mortgages on the Condominium Units comprising the Condominium Project.

(3) Public liability and property damage insurance, including broadform endorsements, in such limits as the Board of Managers of the Association may from time to time determine, but not in an amount less than \$500,000.00 combined single limit per occurrence and umbrella liability limits of \$1,000,000.00 per occurrence, covering claims for bodily injury or property damage. Coverage shall include, without limitation, directors' and officers' liability insurance for the Board of Managers, including umbrella coverage, liability for personal injuries, operation of owned or non-owned automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the project. Said policy shall also contain a "severability of interest" endorsement.

(4) Workmen's Compensation and employer's liability insurance and all other similar insurance with respect to employees of the Association in the amounts and in the forms now or hereafter required by law.

(5) The Association shall purchase adequate fidelity coverage against dishonesty of employees, destruction or disappearance of money or securities and forgery in an amount not less than one hundred fifty percent (150%) of the Association's annual operating expenses. Said policy shall also contain endorsements thereto covering any persons who serve the Association without compensation.

(6) The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the project, including any personal property of the Association located thereon.

(b) All policies of insurance to the extent obtainable shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Condominium Unit Owner and shall provide that such policies may not be cancelled or modified without at least ten (10) days prior written notice to all of the insureds, including Mortgagees. If requested in writing by one or more of the Mortgagees, duplicate originals of all policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all Mortgagees at least ten (10) days prior to expiration of the then current policies. The insurance shall be carried in blanket form naming Stepping Stones West Condominiums Homeowners Association, Inc. as the insured, as attorney-in-fact for all of the Condominium Unit Owners, which policy or policies shall identify the interest of each Condominium Unit Owner (Owner's name and Unit number designation) and first Mortgagee. Further, the Association shall require the insurance company or companies providing the insurance coverages described herein to provide each Owner and Mortgagee a Certificate of Insurance in regard to such Owner's individual Condominium Unit.

(c) Condominium Unit Owners may carry other insurance for their benefit and at their expense, provided that all such policies shall contain waivers of subrogation, and provided further that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

(d) Insurance coverage on furnishings, including carpet, draperies, oven, range, refrigerator, wallpaper, disposal and other items of personalty or other property belonging to an Owner and public liability coverage within each Unit shall be the

sole and direct responsibility of the Unit Owner thereof, and the Board of Managers, the Association and/or the Managing Agent shall have no responsibility therefor.

(e) In the event that there shall be any damage or destruction to, or loss of or taking of a Unit which exceeds \$1,000.00 or any damage or destruction to, or loss to or taking of the common elements which exceeds \$10,000.00, then notice of such damage or loss or taking shall be given by the Association to each first Mortgagee of said Condominium Unit within ten (10) days after the occurrence of such event and the cost of repair is determined.

23. Owner's Personal Obligation for Payment of Assessments. The amount of the common expenses assessed against each Condominium Unit shall be the personal and individual debt of the Owner thereof. No Owner may exempt himself from liability for his contribution for the common expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of his Unit. The Board of Managers shall have the responsibility to take prompt action to collect any unpaid assessment which remains unpaid for more than thirty (30) days from the due date for payment thereof. In the event of default in the payment of the assessment, the defaulting Condominium Unit Owner shall be obligated to pay interest at the rate of eighteen percent (18%) per annum on the amount of the assessment from due date thereof, together with all incurred expenses, including attorney's fees, and together with late charges as hereinabove described. A suit to obtain a money judgment for unpaid common expenses shall be maintainable without constituting an election of remedies or waiving the lien securing said debt.

24. Assessment Lien.

(a) All sums assessed but unpaid for the share of common expenses, whether general or special, including any fees, late charges, fines or interest levied in connection with such unpaid assessments, chargeable to any Condominium Unit shall constitute a lien on such Condominium Unit superior to all other liens and encumbrances, except only for:

(1) real estate taxes and special assessment liens on the Condominium Unit in favor of any public or quasi-public assessing entity; and

(2) all sums unpaid on a first Mortgage or first deed of trust of record, including advances and all unpaid obligatory sums as may be provided by such encumbrances, and to any executory land sales contract wherein the Administrator of Veterans Affairs (Veterans Administration) is seller, whether such contract is owned by the Veterans Administration or its assigns and whether such contract is recorded or not.

To evidence such lien, the Board of Managers shall prepare a written notice of lien assessment setting forth the amount of such unpaid indebtedness, the amount of the accrued interest and late charges thereon, the name of the Owner of the Condominium Unit and a description of the Condominium Unit. Such a notice shall be signed by one of the Board of Managers or by one of the officers of the Association and shall be recorded in the office of the Clerk and Recorder of the County of El Paso, Colorado. Such lien may be enforced by the foreclosure of the defaulting Owner's Condominium Unit by the Association in like manner as a mortgage on real property.

(b) An Owner shall be required to pay the costs, expenses and attorney's fees incurred by the Association in regard to any such default including the cost of preparation and filing the lien, and, in the event of foreclosure proceedings, all additional costs, expenses and attorney's fees incurred. An Owner of the Condominium Unit being foreclosed shall be required to pay to the Association the monthly common expense assessment for the Condominium Unit during the period of foreclosure, and the Association shall be entitled to a receiver to collect the same. The Association shall have the power and authority to bid for the Condominium Unit at a foreclosure or other legal sale and to acquire and hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same during such proceeding and its ownership thereof.

(c) Any Mortgagee holding a lien on a Condominium Unit may pay, but shall not be required to pay, any unpaid common expenses payable with respect to such Condominium Unit, and upon such payment, such Mortgagee shall have a lien on such Condominium Unit for the amounts paid of the same rank as the lien of his encumbrance without the necessity of having to record a notice or claim of such lien. The Association shall report to the Mortgagee of a Condominium Unit upon written request any unpaid assessment remaining unpaid for longer than thirty (30) days after the same is due, or other default of any covenant, condition, obligation or term of this Declaration not cured within thirty (30) days; provided, however, that a Mortgagee shall have furnished to the Association, notice of such encumbrance.

(d) Any recorded lien for nonpayment of the common expenses may be released by recording a Release of Lien executed by an Officer or Manager of the Association.

(e) Declarant states in accordance with the requirements of the Colorado Condominium Ownership Act, that it is possible that liens other than mechanic's liens, assessment liens and tax liens, may be obtained against the common elements, including judgment liens and purchase money mortgage liens.

25. Liability for Common Expenses upon Transfer of Condominium Unit.

(a) The personal obligation for delinquent assessments shall not pass to an Owner's successors in title or interest unless expressly assumed by them; provided, however, that, subject to Section 25(c) hereof, the lien for delinquent assessments against a Condominium Unit shall remain in full force and effect notwithstanding transfer of title to the Condominium Unit. Upon payment of a reasonable fee not to exceed Twenty Five Dollars (\$25.00), and upon written request, the Board of Managers or Managing Agent of the Association shall, within ten (10) business days after receipt of such request, provide to any prospective grantee a statement setting forth the amount of the current monthly common expense assessment, the date that assessment becomes due and any credits for any advanced payments of common expenses and prepaid items, such as insurance premiums, and accumulated amounts for reserves, if any, which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith.

(b) Upon receipt of a written request from an Owner, any Mortgagee or prospective Mortgagee of a Condominium Unit, and upon payment of a reasonable fee, the Association, through any

officer or the Board of Managers or by its Managing Agent, shall issue a written statement of account setting forth the amount of the unpaid common expenses, if any, with respect to the subject Condominium Unit, the amount of the current monthly common expense assessment and the date that such assessment becomes due, the amount of any credit for any advanced payments of common expense assessments and for prepaid items (such as insurance premiums, but not including accumulated amounts for reserves, if any), which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. Such request for a statement of indebtedness shall be issued within ten (10) days from receipt thereof.

(c) Notwithstanding anything to the contrary contained in this Declaration, in the event of any default on the part of any Owner under any first Mortgage which entitles the holder thereof to foreclose the same, any sale under such foreclosure or any proceeding in lien thereof, including deed in lieu of foreclosure, or cancellation or forfeiture of any Veterans Administration executory land sales contract, shall extinguish the lien of common expense assessments which became due prior to any such sale or transfer or foreclosure, or any proceeding in lien thereof, including deed in lieu of foreclosure, or cancellation or forfeiture of any Veterans Administration executory land sales contract; provided, however, that any assessments, charges, costs or other fees, the lien of which is extinguished as provided in this Section 25(c), may be reallocated and assessed to all Condominium Units as a common expense. Further, no first Mortgage shall be liable for any unpaid common expense assessments accruing prior to the time such Mortgagee becomes the Owner of any Condominium Unit or takes possession of a Condominium Unit pursuant to the remedies provided in its Mortgage, whichever event is later; provided, however, that no such sale, transfer, foreclosure or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture of any Veterans Administration executory land sales contract, shall relieve any Owner from any liability for any assessments, charges or fees, or any portion thereof, thereafter becoming due, nor such Owner's Condominium Unit from the lien thereof.

26. Encumbrances - Priority. The Owner of a Condominium Unit may create a junior Mortgage, liens or encumbrances on his Condominium Unit; provided, however, that any such junior Mortgage, lien or encumbrance shall always be subordinate to the prior and paramount lien of the Association for common expenses and all of the terms, conditions, covenants, restrictions, uses and all of the terms, conditions, covenants, restrictions, uses, limitations, and obligations under this Declaration, the Association's Articles of Incorporation and Bylaws, and provided further that such junior Mortgagee(s) hereby releases, for purposes of restoration of any improvements within the Project, all of his right, title and interest in and to the proceeds under all insurance policies purchased by the Association. If confirmation of such release shall be required upon written request of the Association, and if such request is not granted, such release may be executed by the Association as attorney-in-fact for such junior Mortgagee.

27. Destruction, Damage or Obsolescence - Association as Attorney-in-Fact. This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the Project in the event of its destruction, damage, obsolescence or condemnation, including the repair, replacement and improvement

of any Condominium Units, Buildings, common elements or other portion of the Project which has been so destroyed, damaged, condemned or becomes obsolete; further, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any insurance trust agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing property or liability insurance to or for the Association. Title to any Condominium Unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any Owner or grantor shall constitute appointment of the attorney-in-fact herein provided. All of the Owners irrevocable constitute and appoint the Stepping Stones West Condominiums Homeowners Association, Inc., as their true and lawful attorney in their name, place and stead, for the purpose of dealing with the Project upon its damage, destruction, obsolescence or condemnation, as is hereinafter provided. As attorney-in-fact, the Association, by its President and Secretary or Assistant Secretary or its other duly authorized officers and agents, or any Insurance Trustee, as hereinabove provided, shall have full and complete authorization right and power to make, execute and deliver any contract, deed, or other instrument with respect to the interest of an Owner which are necessary and appropriate to exercise the powers herein granted, including without limitation the exclusive authority to negotiate losses under any property or liability insurance policy carried by the Association. In the event that the Association is dissolved or becomes defunct, a meeting of the Owners shall be held within thirty (30) days after either such event. At such meeting a new attorney-in-fact, with the authority, rights and powers granted in this Section 27 to the Association as attorney-in-fact, to deal with the Project upon its destruction, damage, obsolescence, or condemnation, shall be appointed. Said appointment must be approved by the Owners representing an aggregate ownership interest of seventy-five percent (75%) of the first Mortgagees of the Condominium Units. Repair and reconstruction of the improvements as used in the succeeding subparagraphs means restoring the improvement(s) to substantially the same condition in which they existed prior to the damage, with each Unit and the general and limited common elements having substantially the same vertical and horizontal boundaries as before, and all improvements being reconstructed or repaired in substantial conformance with the Project's original architectural plan and scheme to the extent then reasonably and economically feasible. The proceeds of any insurance collected shall be available to the Association or such Insurance Trustee for the purpose of repair, restoration, reconstruction or replacement unless all of the Owners and all first Mortgagees agree not to rebuild in accordance with the provisions hereinafter set forth.

(a) In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvement(s), shall be applied by the Association, as attorney-in-fact, to such reconstruction, and the improvement(s) shall be promptly repaired and reconstructed. The Association shall have full authority, right and power as attorney-in-fact to cause the repair and restoration of the improvement(s). Assessments for common expenses shall not be abated during the period of insurance adjustments and repair and reconstruction.

apportion the amounts so allocated among the Owners as follows: (i) the total amount allocated to taking of or injury to the common elements, shall be apportioned among the Owners on the basis of each Owner's interest respectively in the common elements; (ii) the total amount allocated to severance damages shall be apportioned to those Condominium Units which were not taken or condemned; (iii) the respective amounts allocated to the taking of or damage to a particular Unit and to the improvements an Owner has made within his own Unit shall be apportioned to the particular Unit involved and (iv) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances or as determined by judicial decree. If the allocation of the Condemnation Award is already established in negotiations, judicial decree or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be disbursed as soon as practicable in the same manner provided in Section 27(b)(1) through (5).

(d) The Association shall timely notify each first Mortgagee of any Condominium Unit of the commencement of the condemnation proceedings or eminent domain proceedings and shall notify said Mortgagees in the event of the taking of all or any part of the common elements, if the value of the common elements taken exceeds \$10,000.00.

29. Reorganization. In the event a partial taking results in the taking of a complete Unit, the Owner thereof automatically shall cease to be a member of the Association, shall cease to hold any right, title or interest in the remaining common elements and shall execute any and all documents necessary to accomplish the same. Thereafter, the Association shall reallocate the ownership, voting rights and assessment ratio in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such reallocation to the Owners and to the first Mortgagees of all remaining Units for amendment of this Declaration as provided in Section 19.

30. Reconstruction and Repair. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Section 27.

31. Registration of Mailing Address. Each Owner shall register his mailing address and the name and address of his first Mortgagee, if any, with the Association and notices or demands intended to be served upon an Owner shall be sent by mail, postage prepaid, addressed in the name of the Owner and first Mortgagee at such registered address. On request, copies of such notices shall be sent to first Mortgagees in a like manner, except when such notices pertain to matters specifically relating to Mortgagee(s), in which case such notice shall be sent certified, return receipt requested or registered.

32. Period of Condominium Ownership. The separate condominium estates created by this Declaration and the Map shall continue until this Declaration is revoked in the manner and as provided in Section 19 of this Declaration or until terminated in the manner and as is provided in Sections 27 and 28 of this Declaration.

33. Assessment Reserves and Working Capital Account. Each Owner other than the Declarant shall be required to pay to the

Association a non-refundable contribution to capital in an amount equal to two (2) times the amount of the original estimated monthly common expense assessments, which sum shall be used by the Board of Managers for capital repairs and/or replacements, purchase of equipment, funding of any operating deficit, and for extraordinary common expenses. Each Unit's share of the working capital fund shall be transferred to the Association at the time of closing of the sale of each Unit and maintained in a segregated account for the use and benefit of the Association; provided, however, that the contribution to the working capital fund for each Unit which has not been conveyed within sixty (60) days after the date of the conveyance of the first Unit in the Project shall be paid to the Association at the end of said sixty-day period. Such contribution to capital shall not relieve an Owner from making the regular monthly common expense assessments as the same become due. Upon the sale of his Condominium Unit, an Owner shall be entitled to a credit from his grantee for his contribution to capital.

34. Restrictive Covenants and Obligations.

(a) Subject to subsection (b) hereof, the Project is hereby restricted to residential dwellings for residential use and uses related to the convenience and enjoyment of such residential use. No residential Buildings other than Buildings shown on the Map shall be erected or constructed on the property except by vote of the majority in interest of the Condominium Unit Owners. No structures of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used or permitted to be kept or stored on any portion of the Project at any time either temporarily or permanently.

(b) Notwithstanding any provisions herein contained to the contrary, it shall expressly be permissible for the Declarant, his agent, employees and contractors to use and maintain, at no cost, during the period of construction and sale of the Condominium Units, upon such portion of the Project as Declarant may choose, including any of the recreational facilities, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient, or incidental to the construction and sale or rental of Condominium Units, including, but without limitation, a business office, storage area, construction yards, signs, model units, sales office, construction office, parking area and lighting. Notwithstanding the foregoing, the Declarant shall not perform any activity or maintain any facility on any portion of the Project in such a way as to unreasonably interfere with or disturb any Owner or to unreasonably interfere with the use, enjoyment or access of such Owner, his family members, guests, or invitees of and to his Condominium Unit, parking area, or to a public right-of-way.

(c) No animals, livestock or poultry of any kind shall be raised, bred or kept on the Project, except that not more than one dog or cat or other household pet may be kept per Unit; provided, however, that the right to keep a household pet shall be coupled with the responsibility to pay for any damage caused by an Owner's pet. Every Owner of a pet shall maintain strict control over his pet and shall prohibit the pet from making loud, disturbing noises or any other behavior reasonably annoying to other Owners. The Association may adopt rules and regulations in regard to such household pets, including regulations limiting the size of such pets.

(d) No advertising signs (except as permitted in certain areas periodically designated by the Association's Board of Managers), unsightly objects or nuisances shall be erected, placed or permitted to remain on the Project, nor shall the Project be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Condominium Unit or any resident thereof. Further, no business activities of any kind whatever shall be conducted in any Building or in any portion of the Project except those permitted by law and the Board of Managers (the exercise of its discretion may be inconsistent) and only if such activities are categorized as "household occupations"; provided, however, that the foregoing restriction shall not apply to the business activities, signs and billboards or the construction and maintenance of Buildings and improvements, if any, of the Declarant, its agents, contractors and assigns during the sale and rental period.

(e) No nuisance shall be allowed on the Condominium Project, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful enjoyment or possession and proper use of the Project by its residents. All parts of the Project shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage be allowed to accumulate nor any fire hazard to exist.

(f) No immoral, improper, offensive or unlawful use shall be permitted or made of the Condominium Project or any part thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction shall be observed.

(g) Except for those improvements erected or installed by the Declarant, and subject to the provisions of Section 38 hereof, no exterior additions to, alterations of or decoration of any Buildings, nor changes in fences, hedges, walls and other structures shall be commenced, erected or maintained without the prior written approval of the Association's Board of Managers.

(h) No commercial type vehicles, campers, trailers, boats, recreational vehicles and no trucks over three-quarter (3/4) ton shall be stored or parked on the common elements nor shall they be parked on any common driveway except while engaged in transport to or from a Building. Further, doors to any garages shall be kept closed at all times except during ingress and egress.

(i) Abandoned or inoperable automobiles or vehicles of any kind, except as hereinafter provided, shall not be stored or parked on any portion of the Project. An "abandoned or inoperable vehicle" shall be defined as any vehicle which has not been driven under its own propulsion for a period of three (3) weeks or longer; provided, however, this shall not include vehicles parked by Owners while on vacation. A written notice describing the "abandoned or inoperable vehicle" and requesting removal thereof may be personally served upon the Owner or posted on the unused vehicle and if such vehicles has not been removed within seventy-two (72) hours thereafter, the Association shall have the right to remove the same without liability to it, and the expense thereof shall be charged against the Owner. If such Owner shall be a member of the Association, the cost thereof shall be added to his next assessment due.

(j) Nothing shall be done or kept in any Condominium Unit or in or on the common elements, or any part thereof, which

would result in the cancellation of the insurance on the Project, or any part thereof, or increase in the rates of insurance on the Project or any part thereof, over what the Association, but for such activity, would pay, without the prior written approval of the Association. Nothing shall be done or kept in any Condominium Unit or in or on the common elements, or any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other imposed requirement of any governmental body. No damage to or waste of the common elements, or any part thereof, shall be committed by an Owner or by any member of the Owner's family or by any guest, invitee, tenant or contract purchaser of an Owner and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from such damage or waste caused by him, the members of his family, or his guests, invitees, tenant or contract purchasers.

(k) Without the prior written approval of the Board of the Association, no new exterior television, radio or other communication antennas or aerials of any type shall be placed, allowed or maintained on any portion of the common elements or the Project.

(l) The Owner of a Condominium Unit shall have the right to lease his Condominium Unit under the following conditions:

(1) No Owner may lease less than his entire Condominium Unit;

(2) All leases shall be in writing;

(3) All leases shall provide that the terms of the lease and lessee's occupancy of the Condominium Unit shall be subject in all respects to the provisions of this Declaration and to the provisions of the Articles of Incorporation and Bylaws of the Association. Any failure by the lessee to comply therewith shall be a default under the lease. Any Owner who leases his Condominium Unit shall, within ten (10) days after the execution of such lease, forward a copy of the same to the Association of the Association's Managing Agent.

(4) Except for a first Mortgagee in possession of a Condominium Unit following the default under its Mortgage or in connection with foreclosure proceedings or any deed or other arrangement, in lieu of foreclosure proceedings by such first mortgagee, no Owner may lease his Condominium Unit for transient or hotel purposes.

(5) No Unit may be leased or rented for a period of less than thirty (30) days.

(m) Additional and supplemental rules and regulations may be adopted by the Board of Managers concerning and governing the use of the general and limited common elements; provided, however, that such rules and regulations shall be furnished to Owners prior to the time that they become effective and that such rules and regulations shall be uniform and nondiscriminatory except to the extent the Board has discretionary rights specifically given to it in this Declaration.

35. Association Right to Acquire Additional Property.

The Board of Managers may acquire and hold for the benefit of all of the Condominium Unit Owners tangible personal property

and may dispose of the same by sale or otherwise. The beneficial interest in any such property shall be owned by all of the Condominium Unit Owners in the same proportions as their respective interests in the common elements, and such interest therein shall not be transferable except with a conveyance of a Condominium Unit. A conveyance of a Condominium Unit shall transfer to the grantee ownership of the grantor's beneficial interest in all such property interests associated with and appurtenant to the subject Condominium Unit.

36. Phased Construction and Reservation of Right to Expand Project.

(a) For a period continuing until seven (7) years from the date hereof, Declarant reserves the right to expand this Project, without the approval of the Owners or First Mortgagees except as provided in Article 37, to include additional land and/or one or more additional buildings; provided, however, that the total number of Units in the Project, as expanded, shall not exceed one hundred sixty (160) and by accepting a deed to a Unit, each Owner hereby grants to Declarant a right to expand the Project and to modify the Owner's interest in the Common Elements accordingly, as hereinafter set forth in this section. Such expansion shall not require the consent of the Owners or the Association. Such expansion may include all or any part of the real property described on Exhibit C attached hereto and incorporated herein by this reference and any improvements constructed or to be constructed thereon. Any additional buildings to be constructed shall be of comparable style, floor plan, size, and quality in relation to those buildings existing on the Property at the time of expansion except for such alterations and modifications as may be approved by the Veterans Administration or the Federal Housing Administration. The Declarant may construct thereon recreational and service amenities which will serve the present and future Condominium Units and shall be subject to the terms of this Declaration. Any such expansion shall be subject only to this Article and Article 37 and shall not make or constitute any amendment or modification in this Declaration except as provided in this Article.

(b) Such expansion may be accomplished by the filing for record by Declarant with the Clerk and Recorder of El Paso County, no later than seven (7) years from the date of this Declaration, a supplement to the Condominium Map containing generally such information with respect to the additional land area and new improvements to be constructed thereon as required in this Declaration. A supplemental Condominium Declaration shall also be filed for record by Declarant with the Clerk and Recorder of El Paso County which shall contain a description of the real property added to the Project thereby, a listing of the number of Units to be contained in the expanded portion of the Project, and their fractional or percentage of undivided interest in the common elements. The expansion may be accomplished in "phases" by successive supplements.

(c) In the event of such expansion, the definitions used in this Declaration shall automatically be expanded to encompass and refer to the Project as so expanded; e.g., "Property" shall mean the real property described in Exhibit A hereto plus any additional real property added by a supplemental Condominium Declaration pursuant hereto. References to this Declaration shall mean this Declaration as so supplemented, and reference to the Condominium Map shall mean the original Condominium Map together with all such supplemental Condominium Maps. Every

Owner of a Unit in the area added, shall be virtue of such ownership, be a member of the Association and shall be entitled to the same rights and privileges and subject to the same duties and obligations as any other Association member. The recording with the Clerk and Recorder of the county in which the Project is located, of a supplemental Condominium Declaration incident to any expansion shall operate automatically to grant, transfer, and convey to all of the owners of the Condominium Units in the Project, as expanded, the respective undivided interests appurtenant thereto in the new Common Elements added to the Project as a result of such expansion and in the existing Common Elements in the Project prior to such expansion. Such recording shall also operate to vest in any then Mortgagee of any Condominium Unit in the Project, as it existed before such expansion, a security interest in the appurtenant additional undivided interests so acquired by the owner of the Condominium Unit.

(d) Upon recording of the supplemental Condominium Map and supplemental Condominium Declaration with the Clerk and Recorder of the county in which the Project is located, the additional Condominium Units and Common Elements shall be subject to condominium ownership and all of the incidents pertaining thereto as specified in this Declaration, including assessments and votes appurtenant to the additional Condominium Units. All taxes and other assessments relating to the property in later phases, covering any period prior to the addition of such property, must be paid or otherwise satisfactorily provided for by the Declarant.

(e) At such time, within seven years of the date hereof, that the Declarant determines that the Project is complete, he shall record with the Clerk and Recorder of the county in which the Project is located, a Certificate of Completion. Said Certificate shall contain a statement of the total number of condominium units constructed. Said recording shall act automatically to convey previously unconveyed interests in the Common Elements and said interests shall be transferred to and vested in the then owners of Condominium Units without further conveyance.

(f) Until the expansion of the Project is accomplished by recording the supplemental Condominium Declaration(s) and supplemental Condominium Map(s), the real property described in Exhibit C and any improvements constructed thereon shall not be subject to this Declaration in any way whatsoever, including but not limited to consideration for the purpose of apportioning assessments or determining voting rights or privileges. If such expansion does not occur, nothing contained in this Declaration or otherwise shall restrict, impair, hinder, encumber or burden in any way whatsoever Declarant's, or its successors or assigns, sole and complete right, title and interest to the property described in Exhibit C and any improvements constructed thereon.

(g) A nonexclusive easement is hereby reserved over, under, across and through the Property for ingress-egress and utilities to the property described on Exhibit C for the benefit of Declarant, its successors and assigns.

37. VA or FHA Approval.

Until such time as the Declarant has conveyed seventy-five percent (75%) of the Condominium Units to the first Owner thereof (other than Declarant), the prior written approval of the Veterans Administration or the Federal Housing Administration of the U.S.

Department of Housing and Urban Development shall be required for the following:

- (a) Amendment of the Declaration;
- (b) Amendment of the Articles of Incorporation or the Bylaws of the Association;
- (c) Annexation of additional properties to this Declaration or expansion pursuant to Section 36;
- (d) Dedication or mortgaging of all or any part of the common elements by the Declarant; or
- (e) Merger, consolidation or dissolution of the Association.

38. General Reservations.

Notwithstanding any other provisions expressly or impliedly to the contrary contained in this Declaration, the Articles of Incorporation or Bylaws of the Association, Declarant reserves the right to elect the Board of Managers of the Association until seventy-five percent (75%) of the Condominium Units in the entire Project have been conveyed to third parties, or June 1, 1985, whichever first occurs.

39. Acceptance of Provisions of all Documents. The conveyance or encumbrance of a Condominium Unit shall be deemed to include the acceptance of all of the provisions of this Declaration, the Articles of Incorporation and Association Bylaws and Rules and Regulations and Management Agreement and shall be binding upon each grantee without the necessity of inclusion of such an express provision in the instrument of conveyance or encumbrance.

40. Conflicts Between Documents. In the event of any conflict between this Declaration and the Articles of Incorporation or Bylaws of the Association, this Declaration shall control; in the event of any conflict between the Articles of Incorporation and Bylaws of the Association, the Articles of Incorporation shall control.

41. General.

(a) If any of the provisions of this Declaration or any Section, sentence, clause, phrase or word, or the application thereof in any circumstances, be invalidated, such invalidity shall not affect the validity of the remainder of this Declaration, and the application of any such provision, Section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

(b) The provisions of this Declaration shall be in addition to and supplemental to the Condominium Ownership Act of the State of Colorado and to all other provisions of law.

(c) That whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

(d) Section titles are for convenience of reference and are not intended to limit, enlarge or change the meaning of the contents of the various sections.

IN WITNESS WHEREOF, Declarant has duly executed this Declaration this / 9th day of December, 1982.

BLACK FOREST INVESTMENT
CORPORATION, a Colorado
corporation

By: Thos. E. Waggaman, III
President
Thos. E. Waggaman, III

David N. Spengler
Secretary
David N. Spengler

STATE OF COLORADO)
COUNTY OF El Paso) SS:

The above and foregoing Declaration was acknowledged, subscribed and sworn to before me this 9th day of December, 1982, by Thos. E. Waggaman, III, President of Black Forest Investment Corporation, and by David N. Spengler as Secretary of Black Forest Investment Corporation.

Witness my hand and official seal.

(SEAL)
NOTARY PUBLIC

My commission expires: 8/3/86

Sharon Y. Bric
Notary Public
Address: 121 E. Vermijo
Colorado Springs, Co. 80903

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BOOK 3717 PAGE 813

EXHIBIT A TO
FIRST AMENDMENT TO CONDOMINIUM DECLARATION
OF STEPPING STONES WEST CONDOMINIUMS

PHASE I - LEGAL DESCRIPTION

That portion of Lot 1, Block 1, STEPPING STONES WEST SUBDIVISION (Plat Book R-3, Page 84), in the City of Colorado Springs, El Paso County, Colorado, more particularly described as follows:

Commencing at the most Northerly corner of said Lot 1 (all bearings are relative to those platted in said SUBDIVISION); thence S 37°35' W along the Northwesterly boundary line of said Lot 1, 201.00 feet to the point of beginning of the tract herein described; thence continue S 37°35' W along said Northwesterly boundary line, 100.00 feet; thence S 52°25' E, 111.00 feet; thence S 78°44'52" E, 93.38 feet; thence N 87°34'53" E, 148.00 feet; thence N 02°25'07" W, 147.00 feet; thence on a curve to the right, said curve having a central angle of 15°28'16", a radius of 58.00 feet, an arc length of 15.66 feet; thence Southwesterly on a curve to the right, said curve having a central angle of 71°24'11", a radius of 50.00 feet, an arc length of 62.31 feet (the chord to said curve bears N 56°06'28" W, 58.36 feet); thence S 37°35' W, 44.24 feet; thence on a curve to the right, said curve having a central angle of 57°13'01", a radius of 85.83 feet, an arc length of 85.71 feet; thence on a reverse curve to the left, said curve having a central angle of 30°03'14", a radius of 109.83 feet, an arc length of 57.61 feet; thence N 52°25' W, 69.39 feet to the point of beginning and containing 0.95 acres (41,475 sq. ft.) of land, more or less.

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EXHIBIT C TO
FIRST AMENDMENT TO CONDOMINIUM DECLARATION
OF STEPPING STONES WEST CONDOMINIUMS

Lot 1, Block 1, STEPPING STONES WEST SUBDIVISION
(Plat Book R-3, Page 84), in the City of Colorado
Springs, El Paso County, Colorado.

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EXHIBIT B TO
FIRST AMENDMENT TO CONDOMINIUM DECLARATION
OF STEPPING STONES WEST CONDOMINIUMS

<u>Building</u>	<u>Unit</u>	<u>Undivided Interest, in and to Common Elements Appurtenant to Such Unit</u>	<u>Storage Area</u>	<u>Carport</u>
1	1	1/10	S 1	1
1	2	1/10	S 2	2
1	3	1/10	S 3	3
1	4	1/10	S 4	4
1	5	1/10	S 5	5
1	6	1/10	S 6	6
1	7	1/10	S 7	7
1	8	1/10	S 8	8
1	9	1/10	S 9	9
1	10	1/10	S 10	10

The carports for this phase of the Project will be constructed in the future and will be identified on a supplement to the Condominium Map to be filed in the future.