

Ouray Planning Commission Special Meeting
Wednesday, April 13, 2022 4:00 PM

Massard Auditorium | Zoom:
<https://zoom.us/j/96355554822> Password:
881162
320 6th Ave
Ouray, CO 81427

Agenda

1. ADMINISTRATIVE
 - 1.a. Call to Order
 - 1.b. Roll Call
 - 1.c. Review of Minutes from the Planning Commission special meeting on March 15, 2022
2. CITIZEN COMMUNICATION
 - 2.a. Public invited to speak on matters not on the agenda
3. PUBLIC HEARINGS
 - 3.a. S&S Minor Subdivision Application for property legally described as: Subd: S & S SUB Lot: 3 1/3 INT. COMMON AREA #3 S: 31 T: 44 R: 7. Commonly known as 304, 308, and 306 6th Avenue; Parcel No. 451531207014
4. ACTION ITEMS
 - 4.a. Approval of Planning Commission Policies & Procedures
 - 4.b. Consideration of the S&S Minor Subdivision Application (legal description in the Public Hearing above)
 - 4.c. Resolution No.02, Series 2022 - Recommending Changes to the Ouray Land Use Code Accessory Dwelling Unit (ADU) Provisions
5. DISCUSSION
 - 5.a. Land Use & Sign Code Update Discussion with SEH
 - 5.b. Future Discussion Items
6. ADJOURNMENT

Ouray Planning Commission Special Meeting

Tuesday, March 15, 2022 4:00 PM

Massard Auditorium | Zoom: <https://zoom.us/j/96355554822> Password: 881162, 320 6th Ave, Ouray, CO 81427

Glenn Boyd: Present
Gary Dunn: Present
Mike Fedel: Present
Mike Hakola: Present
Jeff Skoloda: Present

1. ADMINISTRATIVE

a. Call to Order

Chairman Skoloda called the meeting to order at 4:00 pm.

b. Roll Call

c. Review of Minutes from the Planning Commission Regular Meeting on February 8, 2022

Commissioner Fedel moved and Vice Chair Dunn seconded to approve. Commissioner Boyd abstained as he was not present at that meeting.

d. New Planning Commission Member Appointments - J. Gary Dunn & Glenn Boyd

Commissioner Boyd nominated Jeff Skoloda as Chairman. Commissioner Fedel seconded the motion. Chairman Skoloda nominated J. Gary Dunn as Vice Chairman. Commissioner Boyd seconded the motion. Both motions passed on unanimous vote.

2. CITIZENS' COMMUNICATION

None

3. PUBLIC HEARINGS

a. Variance Application for property legally described as: Subd: Sixth Avenue Condo Unit 1 S: 31 T: 44 R: 7; and, Subd: Sixth Avenue Condo Unit 2 S: 31 T: 44 R: 7; commonly known as 225 6th Avenue; Parcel No. 451531232001 (Unit 1) & 451531232002 (Unit 2) – Applicant – Casey Haskell

Community Development Coordinator Lily Oswald presented the variance application, noting that this property is currently mixed-use in the C-1 zone. Applicant Casey Haskell is asking for a variance from the 25% ground floor commercial use requirement in the C-1 zone.

Casey Haskell presented his application, noting that he would like to make this available as a long term rental and would need this variance to do so.

Chairman Skoloda opened the hearing to public comment at 4:16 pm. Hearing no comment, Commissioner Fedel moved and Vice Chair Dunn seconded the motion to close the hearing to public comment. The motion passed on unanimous vote.

b. PUD Sketch Plan Application for property legally described as: Subd. City of Ouray Lot: 11 Block: 8 Subd. City of Ouray Lot: 12 Block: 8 S: 31 T: 44 R: 7; commonly known as "TBD" 9th Avenue; Parcel No. 451531204002 – Applicant – Amor "Ames" Risch

Community Development Coordinator Lily Oswald presented the Sketch PUD, noting that the variances being requested include parking requirements and the front setback. The Applicant plans to develop the lot with 2 long term rental units and a permanent dwelling unit for herself. Oswald

reviewed criteria and noted that Staff finds this PUD meets many of the goals of the recently approved Community Plan Update. Oswald indicated that the Applicant is open to the discussion of deed restriction to ensure the 2 long term rental units remain in place.

Applicant Ames Risch discussed her application stating that concerns about street parking can be addressed by parking on 2nd Street which is 100 feet wide.

Chairman Skoloda opened the hearing to public comment at 4:38 pm. Hearing no comment, Commissioner Fedel moved and Commissioner Hakola seconded the motion to close the hearing to public comment. The motion passed on unanimous vote.

4. ACTION ITEMS

a. Consideration of the 225 6th Avenue Variance Application

The Planning Commission discussed concerns regarding the application not meeting the criteria needed for approval.

Motion to approve Resolution 22-1 Denying the Variance. This motion, made by Glenn Boyd and seconded by Gary Dunn, Carried.

Glenn Boyd: Yea, Gary Dunn: Yea, Mike Fedel: Yea, Mike Hakola: Yea, Jeff Skoloda: Yea

b. Consideration of the TBD 9th Avenue PUD Sketch Plan Application (legal description in Public Hearing above)

The Planning Commission discussed the Sketch PUD, voicing concerns about parking and agreed that deed restriction would be a requirement to retain the long term rental aspect.

Motion to Approve the PUD Sketch Plan Application. This motion, made by Mike Fedel and seconded by Glenn Boyd, Carried.

Glenn Boyd: Yea, Gary Dunn: Yea, Mike Fedel: Yea, Mike Hakola: Yea, Jeff Skoloda: Yea

5. DISCUSSION ITEMS

- a. Joint Meeting with City Council - March 21, 2022
- b. Land Use Code Update - Draft Community Survey

6. ADJOURNMENT

Motion to adjourn at 4:49 pm. This motion, made by Mike Fedel and seconded by Gary Dunn, Carried.

Glenn Boyd: Yea, Gary Dunn: Yea, Mike Fedel: Yea, Mike Hakola: Yea, Jeff Skoloda: Yea

Jeff Skoloda, Chairman

ATTEST:

Beverly Martensen, Deputy City Clerk

CERTIFICATION

I, Beverly Martensen, do hereby certify that I am the Deputy City Clerk of the City of Ouray, Ouray County, State of Colorado, and that the above minutes are a true and correct summary of the meeting of the Ouray Planning Commission held on Tuesday, March 15, 2022. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this Tuesday, March 15, 2022.

Beverly Martensen, Deputy City Clerk

320 6th Avenue
 PO Box 468
 Ouray, Colorado 81427



970.325.7211
 Fax 970.325.7212
 www.cityofouray.com

TO: Ouray Planning Commission
 FROM: Lily Oswald, Community Development Coordinator
 FOR: April 13, 2022
 SUBJECT: S&S Minor Subdivision Application

Property & Zoning Summary

Application Summary	The application is to “condominiumize” Lot 3 of the S&S Subdivision (via a Minor Subdivision process/application) to create two (2) units from Parcel 451531207014.
Address:	304 and 306 6 th Avenue
Parcel Number(s)	451531207014
Legal Description	Subd: S&S SUB Lot: 3 1/3 INT. COMMON AREA #3 S: 31 T: 44 R: 7
Property Owner	OURLOCOL, LLC
Applicant/Authorized Agent	Lane Thomasson
Zoning	C-1: Commercial District
Existing Use	Mixed Use: Commercial & Residential
Proposed Use	Unit #1: Residential uses Unit #2: Residential and Commercial uses
Site Size	1,250 sq. ft.
Adjacent Land Uses/Zoning	
North:	C-1; Commercial (Ouray Liquors)
South:	C-1; Lodging Business (<i>Across 6th Ave.</i> : Hotel Ouray)
East:	C-1; (Vacant; Single-Family Residence at 316 6 th Ave.)
West:	C-1; Commercial (Ouray Brewery)
Located Within National or Local Historic District Boundary	Yes
Located Within Commercial Historic Boundary	Yes

Zone District Dimensional Requirements (C-1)

Requirement	Required	Proposed/Existing
Minimum Setbacks		
Front (East)	0 (commercial district)	0 ft.
Rear (West)	5 ft.	0 ft.
Side (North)	0 (commercial district)	0 ft.
Side (South)	0 (commercial district)	0 ft.
Roof Eaves	1 ft. into setback/property	1 ft. into setback/property
Building-to-Building	0 (commercial district)	0 ft.
Minimum Floor Area	Comply w/ building code	Comply w/ building code
Maximum Floor Area	9,585 SF	3,190 (incl. Unit #1 and Unit #2)
Maximum Height	35 ft.	21 ft.

Figure 1. Google Earth front-view of Property and adjacent properties.



BACKGROUND

The Owner wishes to divide the existing real property and improvements into two (2) ownerships as allowed by law (see Exhibit F). Under §7-10: *Condominiumization* of the Ouray Municipal Code (OMC), such applications are subject to review and approval via a Minor Subdivision procedure pursuant to §7-7-C-7. The Owner purchased the property (formerly the Ouray Hostel) in September of 2021 and is currently in process with the City’s Building Inspector to complete a general remodel of the hostel. All current and any future remodel work or alterations must satisfy the City’s adopted Building Permit requirements, processes, and applicable codes.

CRITERIA FOR DECISION

Minor Subdivision applications are for subdivisions resulting in two (2) or fewer lots, which have all required improvements and comply with the design standards of §7-7-E and §7-7-F. Minor subdivisions shall also be exempt from the requirements of a sketch plan and preliminary plat.

The applicant is proposing to condominiumize the property through the proposed minor subdivision which must comply with §7-10 of the OMC (see Exhibit B). The property is zoned C-1 and is within the Commercial Historic District and the National and Local Historic District Boundary and must comply with §7-5-D and §7-5-E-5 of the OMC.

STAFF ANALYSIS

§7-7-E, Design Standards

General Design Standards:

Compliance with the Community Plan 2021. Among other things, the 2021 Community Plan encourages opportunities to develop affordable housing, mixed-use developments downtown, and supports the rehabilitation of existing structures. Other sections of the plan address the need to ensure new development is high quality and pays for itself (through the installation of new infrastructure). Staff finds the infrastructure required and intended to serve this property is presently installed and effective. Public and private utilities have been installed and 6th Avenue is improved (graded, curb and gutter, and public paved sidewalks).

Streets and Circulation:

As previously mentioned, all public street infrastructure is in place. Unit parking and access will be determined and provided via adjacent Condo Common Areas and provided off-street parking.

Lots:

Staff finds the shape, width and size of the proposed lot is not applicable for this condominiumization process because the structure exists and is conforming to its zone district.

Water, Fire Protection and Sewer Systems:

Utility infrastructure is available and present. Unless otherwise agreed upon by the City Council, the applicant shall also be required to pay tap investments fees for all water and sewer tap connections as proposed in the Condo Declarations.

Drainage, Hazard Mitigation, and Snow Storage:

This site does not have present drainage issues, hazards to mitigate, or snow storage areas to provide.

Plat Notes and Monuments:

Plat notes (other than surveyor's notes) are not present on the draft S&S Condominiums Plat. Plat notes shall be reviewed and revised as necessary by City Council and via recommendation to City Council from the Planning Commission if applicable. Monuments are present from the approved 1980 "S and S Subdivision" plat.

Parks, Trails, Open Space, Recreation Facilities, Common Areas:

Regulations for private common areas is outlined in the condominium documents and in prior subdivision documentation. No other parks, trails, open spaces, or recreation facilities are present or proposed for this subject property.

The park dedication requirement per subsection 14-g. is less than 2 acres, which does not meet the minimum area for a city park. Therefore, the applicant is required to pay a fee-in-lieu of \$1,203.00 per **new** unit (1 **new** unit proposed) prior to the recording the minor subdivision, per code. Staff recommends reducing or waiving the public park fee-in-lieu as permitted by section 14.i.ii. of the code due to the scope of the application and the fact that the proposed condos are in a pre-existing building. This fee may be reduced by City Council consideration and approval.

§7-7-F, Required Improvements

As previously summarized, all required improvements for the proposed condos are present on-site.

§7-10-B, Condominium Documents

The cover letter from the owner's attorney (Authorized Agent) clearly outlines the intent, the response to the provisions of §7-10, and the provision of the necessary graphic information to identify how the division of interests in the real property is to occur (See Exhibit A).

The Ouray City Attorney is in the process of reviewing the Conditions, Covenants and Restrictions and related legal documents provided and will offer any changes or objections to the same before the application is reviewed by the City Council (see Exhibits C, D, and E).

Staff finds the Applicants have met the technical requirements of the minor subdivision process to allow for the building to be divided as proposed into two (2) units with common areas as identified. Staff supports the Applicant's request to condominiumize the existing building as proposed, and encourages the Planning Commission to consider the following items before making a recommendation to the City Council.

1. Consider waiving or reducing the required off-street parking spaces for this project (and reiterate this decision in the S&S Condominiums Declarations).
 - a. The OMC states: *"No off-street parking is required for buildings that front U.S. Highway 550 between 4th and 9th Avenues, and those lots that front 4th through 9th Avenues within one-half block of U.S. Highway 550, except Lodging Businesses and residences that must provide one space for each lodging or dwelling unit"* (§7-5-E-5-f-i).
 - b. Applicant proposes two (2) off-street parking spaces provided for these condo units in the adjacent lot, 316 6th Avenue (which is graded, graveled, and has direct access from 6th Avenue).
2. Clarify which Unit(s) rely on the Common Area No.3 for access (and illustrate corrective language on Sheets 1 and 2 of the S&S Condominiums Plat, Exhibit B).
 - a. Applicant states Common Area No.3 is for *both* Unit #1 and #2 access.
3. Consider the park fee requirement for subdivisions and its applicability to this application and whether a waiver or reduction is appropriate.
 - a. Calculated required park fee: \$1,203 for the condominiumization. City Council may vote to reduce fee, as allowed in code.
4. Consider reiterating the original S and S Subdivision's Plat (Reception No. 129340) and Plat Note referencing the S and S Subdivision Restrictions and Provisions (Reception No. 129339) (see Exhibit G and Exhibit H).

PUBLIC NOTICE

All public noticing requirements per the OMC have been met for this minor subdivision application. Public notice was posted at City Hall on April 6, 2022 and posted on the property on April 6, 2022. No public comments have been received by staff.

OPTIONS FOR THE PLANNING COMMISSION

Options for the Planning Commission's recommendation to the City Council are as follows:

1. Recommend Approval of the application;
2. Recommend Conditional Approval of the application with specific conditions;
3. Recommend Denial of the application with specific reasons for the denial; or
4. Continue the matter to a specific date.

ATTACHMENTS

Exhibit A:	S&S Condo Application Narrative
Exhibit B:	S&S Condominiums Plat - Draft
Exhibit C:	S&S Condo Declarations - Draft
Exhibit D:	S&S Condo Articles of Incorporation
Exhibit E:	S&S Final Bylaws
Exhibit F:	Minor Subdivision Application & Authorization of Agent Forms
Exhibit G:	S and S Subdivision Plat, 1980 (Reception No. 129340)
Exhibit H:	Restrictions for S and S Subdivision, 1980 (Reception No. 129339)

March 28, 2022

Lily Oswald,
Community Development Coordinator HAND DELIVERED
City of Ouray
320 6th Avenue
Ouray, CO 81427

Re: S&S Condominiums

Dear Ms. Oswald:

The undersigned represents OURLOCOL, LLC, a Colorado limited liability company and owner of the building located on Lot 3, S&S Subdivision. Block 18, City of Ouray, County of Ouray, State of Colorado, commonly known as 304 6th Avenue, Ouray, CO 81427. Please consider this letter to be the Project Narrative for my client's application for a Minor Subdivision to convert the existing lot and improvements to a condominium form of ownership, pursuant to Sections 7-7-C-8 and 7-10 of the Ouray City Code. Attached to this letter are the following documents:

1. Completed Master Land Use Application for a Minor Subdivision;
2. Minor Subdivision Application Fee in the amount of \$250.00;
3. Completed and executed City of Ouray Authorization of Agent Form authorizing the undersigned to represent the Owner in front of the City on the Application;
4. Copy of deed evidencing ownership of the subject property;
5. Three (3) copies of the condominium map for the S&S Condominiums (24X36).
6. Draft Declaration of Conditions, Covenants and Restrictions of S&S Condominiums.
7. Articles of Incorporation of S&S Condominium Owners Association, Inc.
8. Draft bylaws of the S&S Condominium Owners Association, Inc.

NARRATIVE

The building sitting on the subject property is located in the heart of Ouray. The owner is applying to the City for a minor subdivision to create two condominium units, Units 1 and 2. Unit 2 will consist of the first-floor area and the basement area as shown on the attached Map, and will allow commercial uses. Unit 1 will consist of the second floor and will allow residential uses.

Because the subdivision of the subject property will result in not more than two (2) units/lots, this application should be considered as a minor subdivision, pursuant to Section 7-7-C-8 of the Code. Upon information and belief, the existing improvements all comply with the design standards of Sections 7-7-E and 7-7-F of the Code.

Attached to this application is a copy of the proposed plat/map of the S&S Condominiums. This map meets the requirements for a final plat pursuant to Section 7-7-D-3, therefore, it is requested

that this application be considered by the Planning Commission and the City Council as a final plat, pursuant to 7-7-C-8 of the Code

As stated herein, the purpose of this application is to convert ownership of Units 1 and 2 into condominiums. In accordance with Section 7-10, the attached Declaration of Conditions, Covenants and Restrictions (the "Declaration") will be executed and acknowledged in substantially the form attached hereto, in compliance with purpose, intent and requirements of the Colorado Common Interest Ownership Act. Further, as required by Section 7-10-B, the Declaration also contains the following:

1. A provision for the ultimate obligation of the condominium association to pay all water and sewer charges for all individual units within the project and any common element charges in accordance with the rules and regulations of the Ouray City Code. See Declaration, Section 3.03(q).
2. A clear definition and description of the rights, duties and liabilities of all unit owners with respect to the general common elements and the limited common elements. See all provisions of the Declaration generally and, specifically, Sections 4.04, 4.05, 4.06, 5.01, 6.01, 6.02, 6.03 and 7.01(a).
3. The project is not considered expandable at this time.
4. A provision that, in event that any unit is owned by more than one (1) person or by a partnership, joint venture, corporation or other such entity, the owners thereof shall designate in writing to the association, the names and addresses of the agent of the owner to whom all legal or official assessments, liens, levies or other such notices may be properly and lawfully mailed, and that, upon the failure to so designate an agent, the association shall be deemed to be the agent for receipt of notices to such owners. See Declaration, Section 3.04.

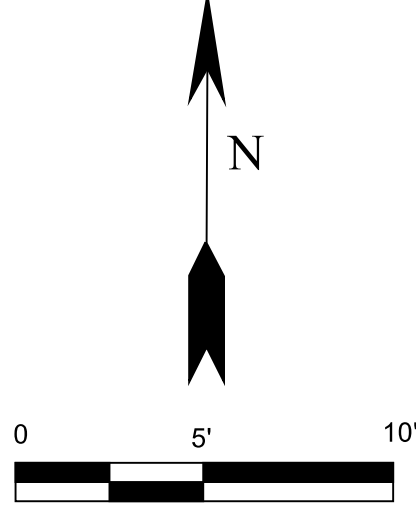
Based upon the foregoing, we believe that this application is complete and should be referred to the Planning Commission at its next regularly scheduled meeting. Of course, to the extent that you require any additional information, please do not hesitate to contact me. Thank you for your consideration of this application.

Sincerely,

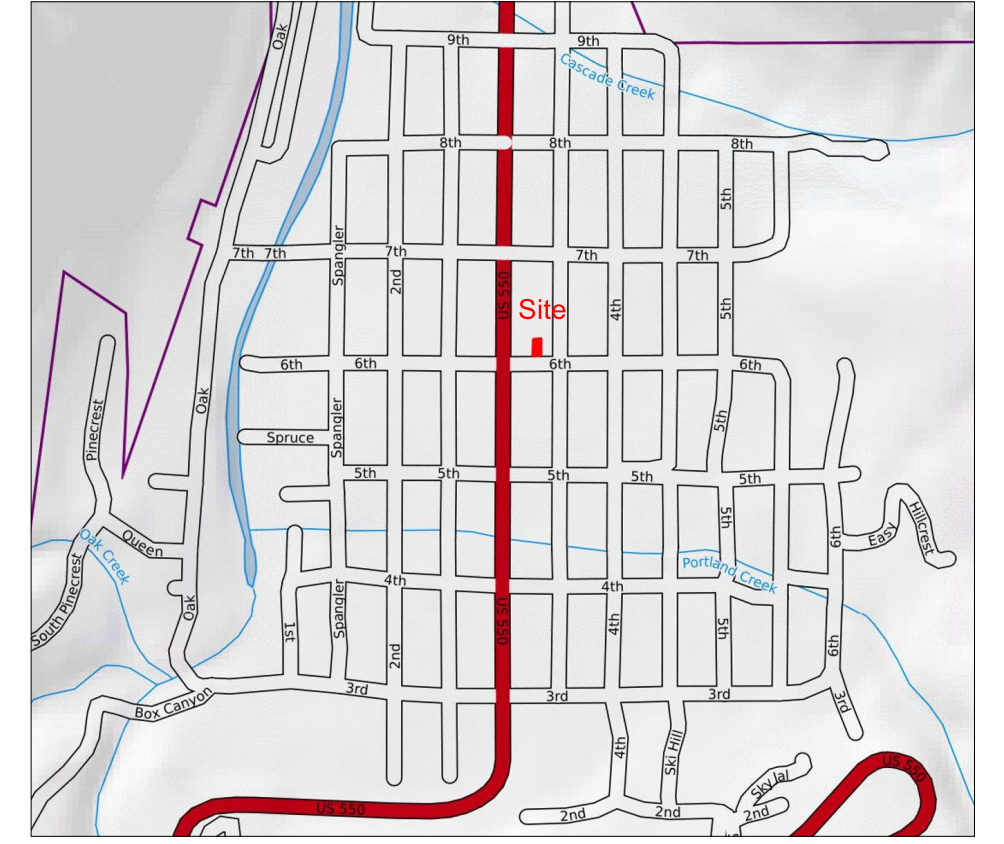
Lane Thomasson
Lane Thomasson
xc: Client

S & S CONDOMINIUMS

UNIT #1 & UNIT #2
 Lot 3 of the S & S Subdivision, Block 18
 City of Ouray, County of Ouray, State of Colorado
 Sec. 31 T44N R8W N.M.P.M.

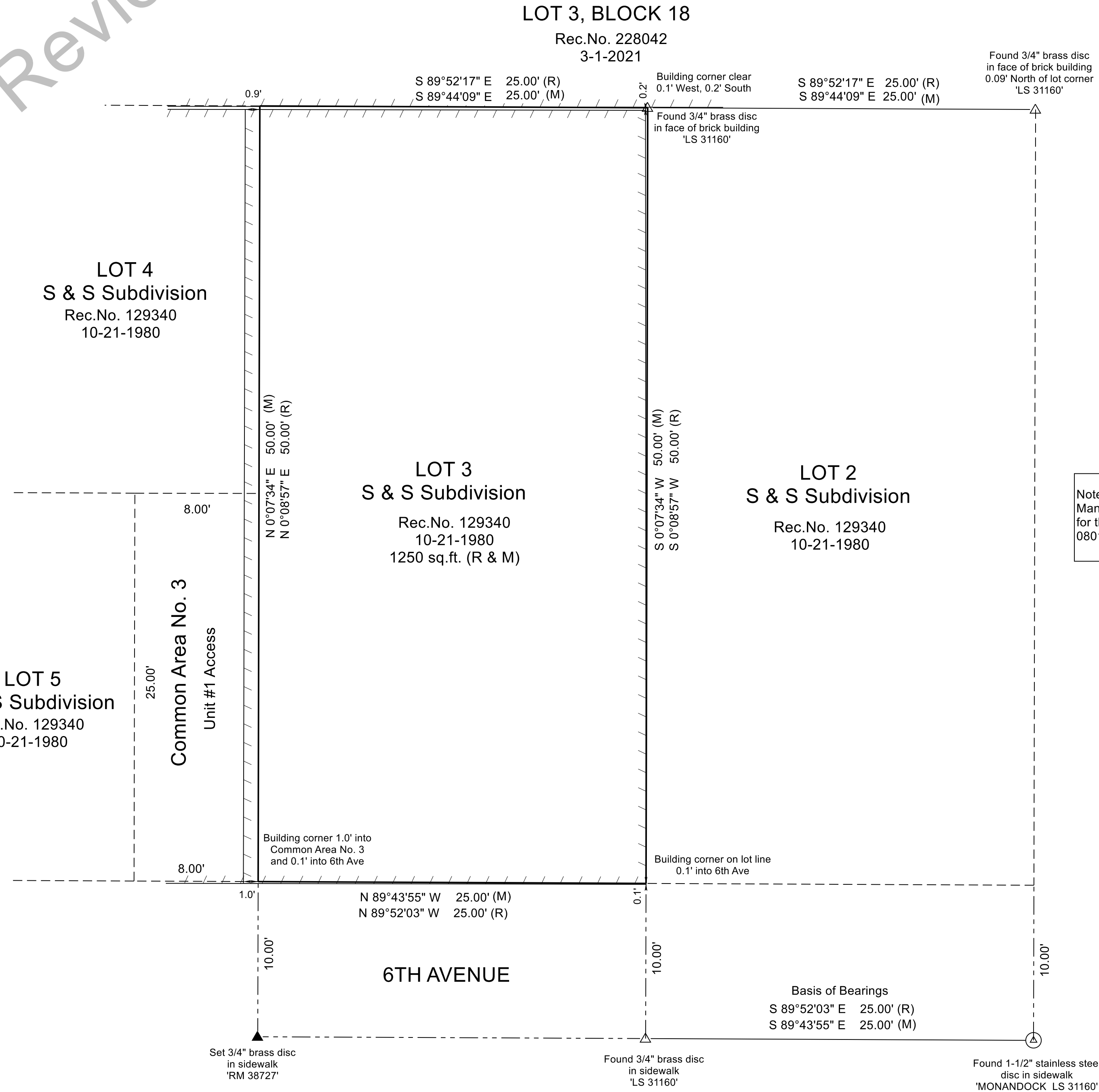


Scale: 1"=5'
 Linear Units: U.S. Survey Feet
 (R) - Record as per S & S Subdivision
 (M) - Measured at time of survey



Vicinity Map - not to scale

For City Review



Note: Lot 3 falls within Flood Zone C per Federal Emergency Management Agency (FEMA) Letter of Map Revision (LOMR) for the City of Ouray, Ouray County, Colorado (Community No. 080137 0318 C) effective 12-5-2005.

CERTIFICATE OF OWNERSHIP:

KNOW ALL MEN BY THESE PRESENTS, that we the undersigned owners of said property, located in the the City of Ouray, State of Colorado, being described as follows:

LOT 3, S AND S SUBDIVISION, ACCORDING TO THE PLAT RECORDED OCTOBER 21, 1980 UNDER RECEPTION NO. 129340, TOGETHER WITH AN UNDIVIDED 1/3 INTEREST IN COMMON AREA NO. 3 LOCATION IN THE S AND S SUBDIVISION, LESS AND EXCEPT THAT PART OF LOT 3, S AND S SUBDIVISION WHICH LIES BETWEEN THE EAST LOT LINE OF SAID LOT 3 AND THE CENTER LINE OF THE CURRENTLY EXISTING PARTY WALL ON OR NEAR THE EAST LINE OF SAID LOT 3, ALL COUNTY OF OURAY, STATE OF COLORADO.

HAVE BY THESE PRESENTS, caused to be laid out, platted, and subdivided the above described into lots, as shown on this plat, under the name and style of the S & S CONDOMINIUMS.

Erin Eddy, Manager
 OURLOCOL, LLC

STATE OF _____)
 COUNTY OF _____)

The foregoing signatures were acknowledged before me this _____ day of _____, 20____, by _____.
 My commission expires _____
 Witness my hand and seal _____
 Notary Public

CERTIFICATE OF LIEN HOLDERS:

The undersigned holders of mortgages, which encumber the land subdivided, hereby agree to the subdivision and dedications.

Mortgage: _____ by _____

STATE OF _____)
 COUNTY OF _____)

The foregoing signatures were acknowledged before me this _____ day of _____,
 20____ by _____.
 My commission expires _____
 Witness my hand and seal _____
 Notary Public

1. Basis of Bearings: The bearing of the south line of Lot 2, S & S Subdivision is N 1°22'40" E. Monuments are fully described and shown hereon. All bearings hereon are relative thereto.
2. According to Colorado Law, you must commence any legal action based upon any defect in this survey within three (3) years after you first discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten (10) years from date of certification shown hereon.
3. Any person who knowingly removes, alters, or defaces any legal land boundary monument and/or boundary monument accessory, commits a class 2 misdemeanor pursuant to C.R.S. 18-4-508.

Surveyor's Certification Statement

I, Timothy A. Pasek, a Professional Land Surveyor licensed in the State of Colorado, do hereby certify that this plat, consisting of two (2) sheet, accurately represents, to the best of my knowledge, information and belief, a survey made by me or under my responsible charge in accordance with applicable standards of practice. This survey is not a warranty or guarantee, expressed or implied. This survey does not show easements except those specifically shown hereon.

TREASURER'S CERTIFICATE:

I certify that as of today, there are no delinquent taxes due, nor are there any tax liens against the property described herein or any part thereof, and that all current tax and special assessments have been paid in full.

Date: _____, 20____
 _____, Ouray County Treasurer

ATTORNEY'S CERTIFICATE:

I certify that I have examined the title to the platted property and that the record owners and holders of encumbrances affecting the property have executed this plat and joined in the subdivision.

Attorney at Law Registration No. Date

APPROVAL OF PLANNING COMMISSION:

Approved by the City of Ouray Planning Commission this _____ day of _____, 20____

 Chair

APPROVAL OF CITY COUNCIL:

 Mayor

APPROVAL OF CITY ATTORNEY:

Attorney at Law Registration No. Date

RECORDER'S CERTIFICATE:

This plat was filed for record in the office of the Clerk and Recorder of Ouray County at _____M.
 on the _____ day of _____, 20____,
 in Book _____, Page _____, Reception No. _____.

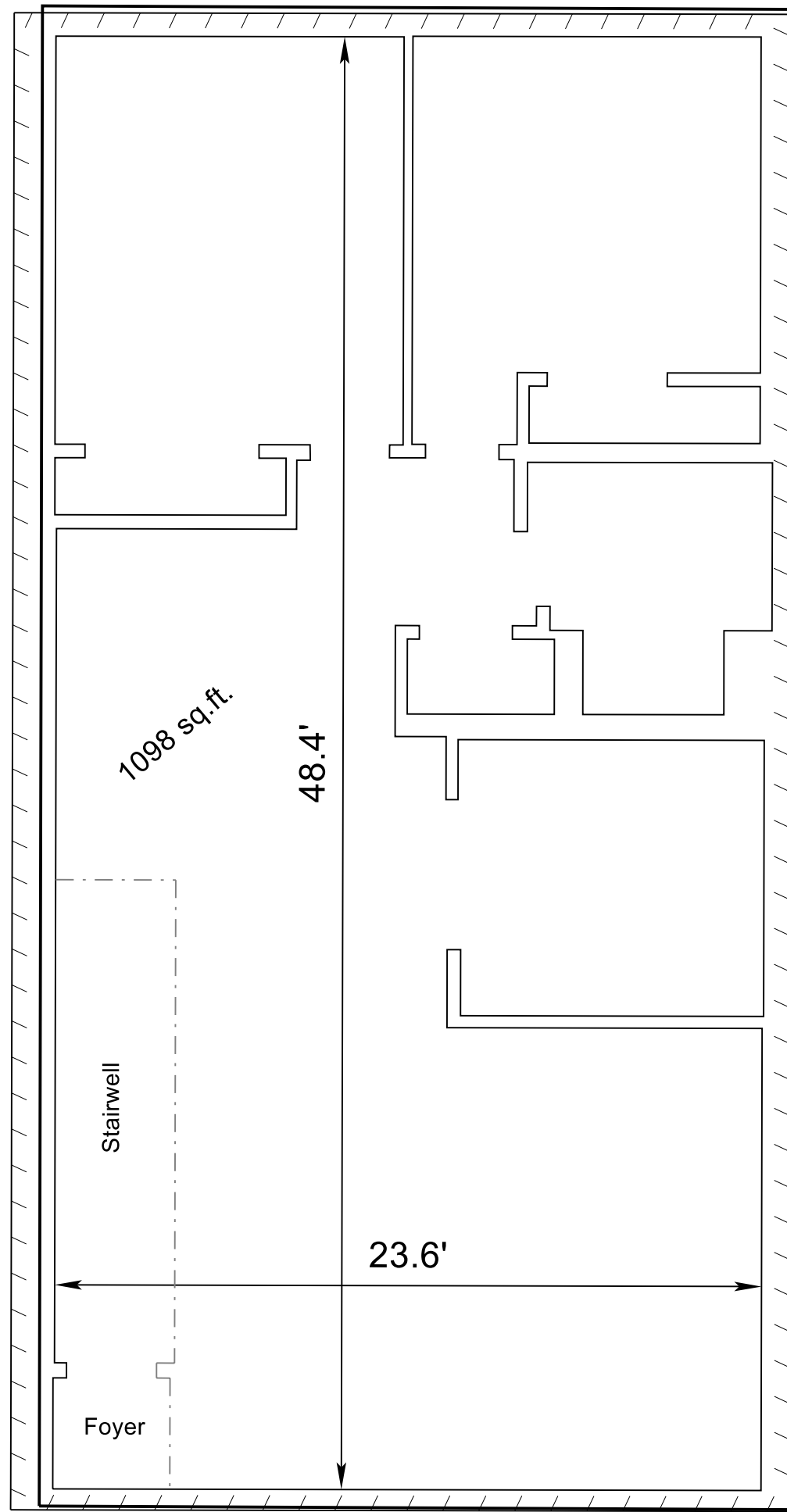
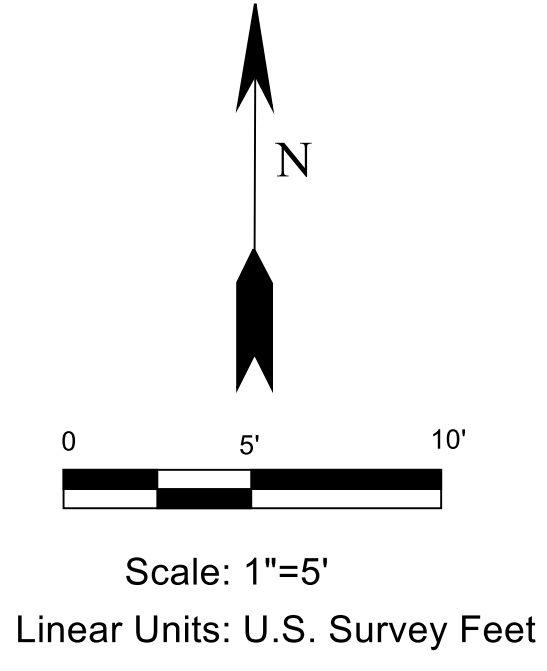
 County Clerk and Recorder

OURLOCOL, LLC P.O. Box 811 Ouray, CO 81427	
<small>Monadnock Mineral Services LLC P.O. Box 85 Ouray, CO 81427</small>	
Job No. J22-003	Sheet 1 of 2

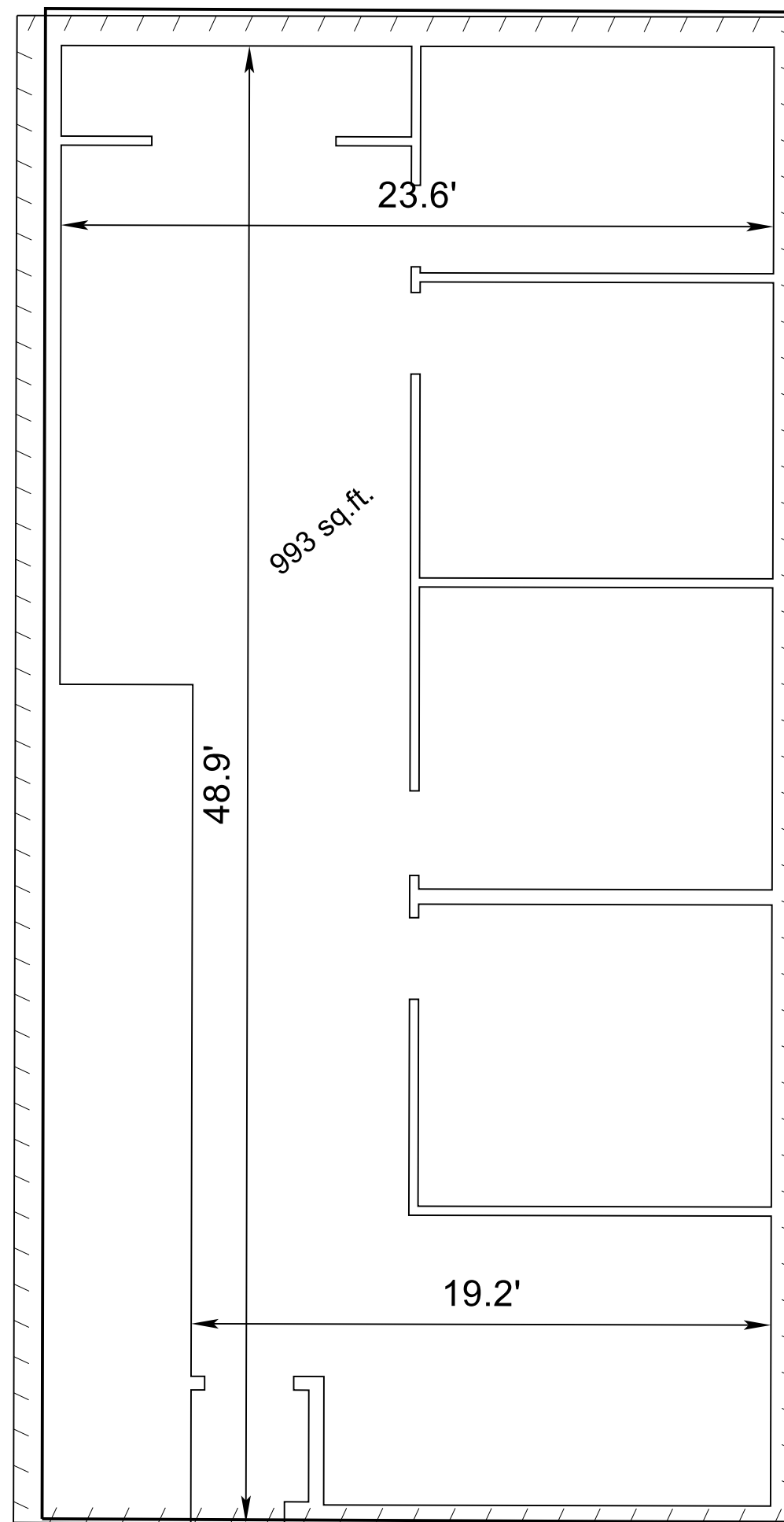
S & S CONDOMINIUMS

UNIT #1 & UNIT #2

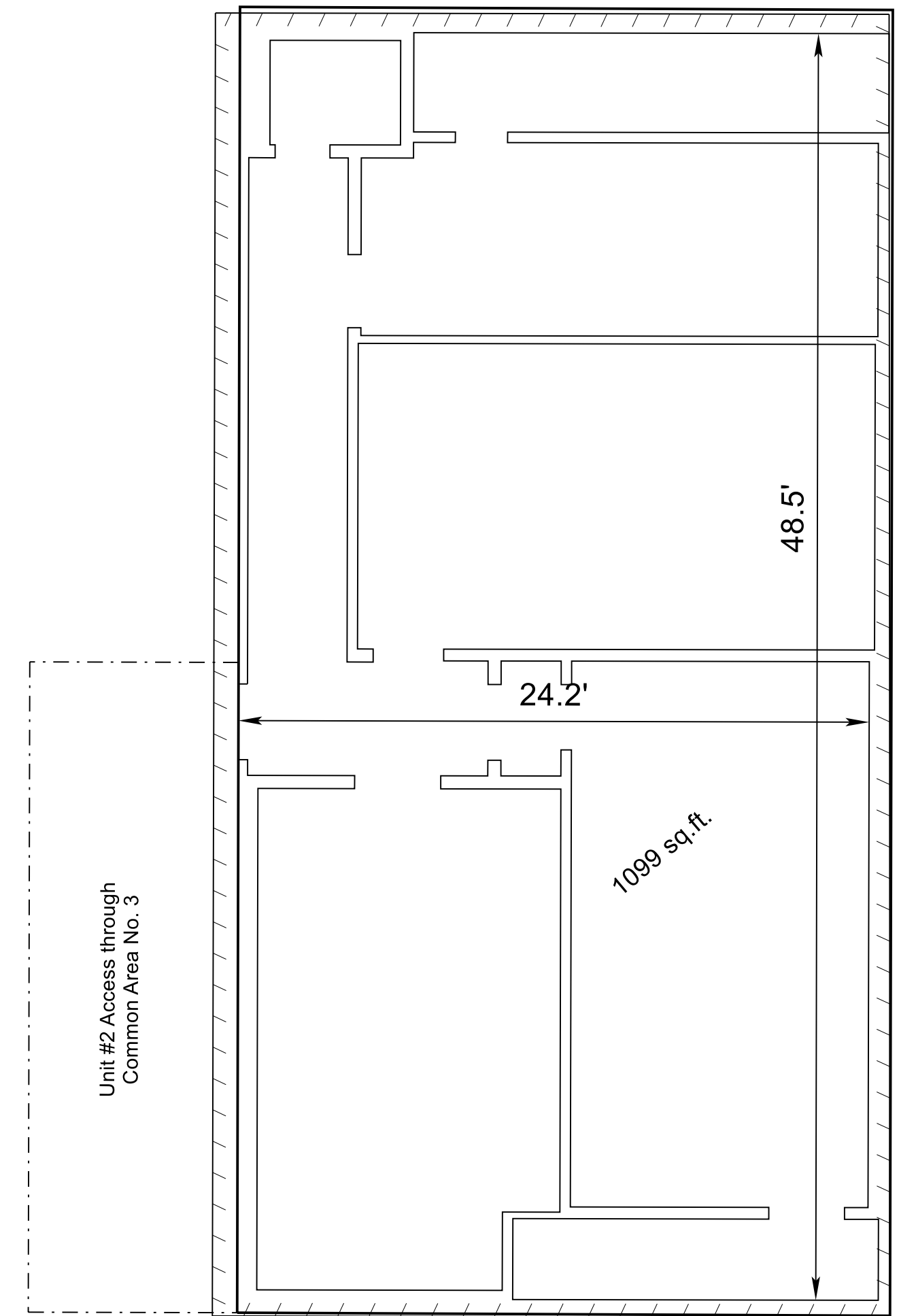
Lot 3 of the S & S Subdivision, Block 18
 City of Ouray, County of Ouray, State of Colorado
 Sec. 31 T44N R8W N.M.P.M.



Unit #1 - Top Level

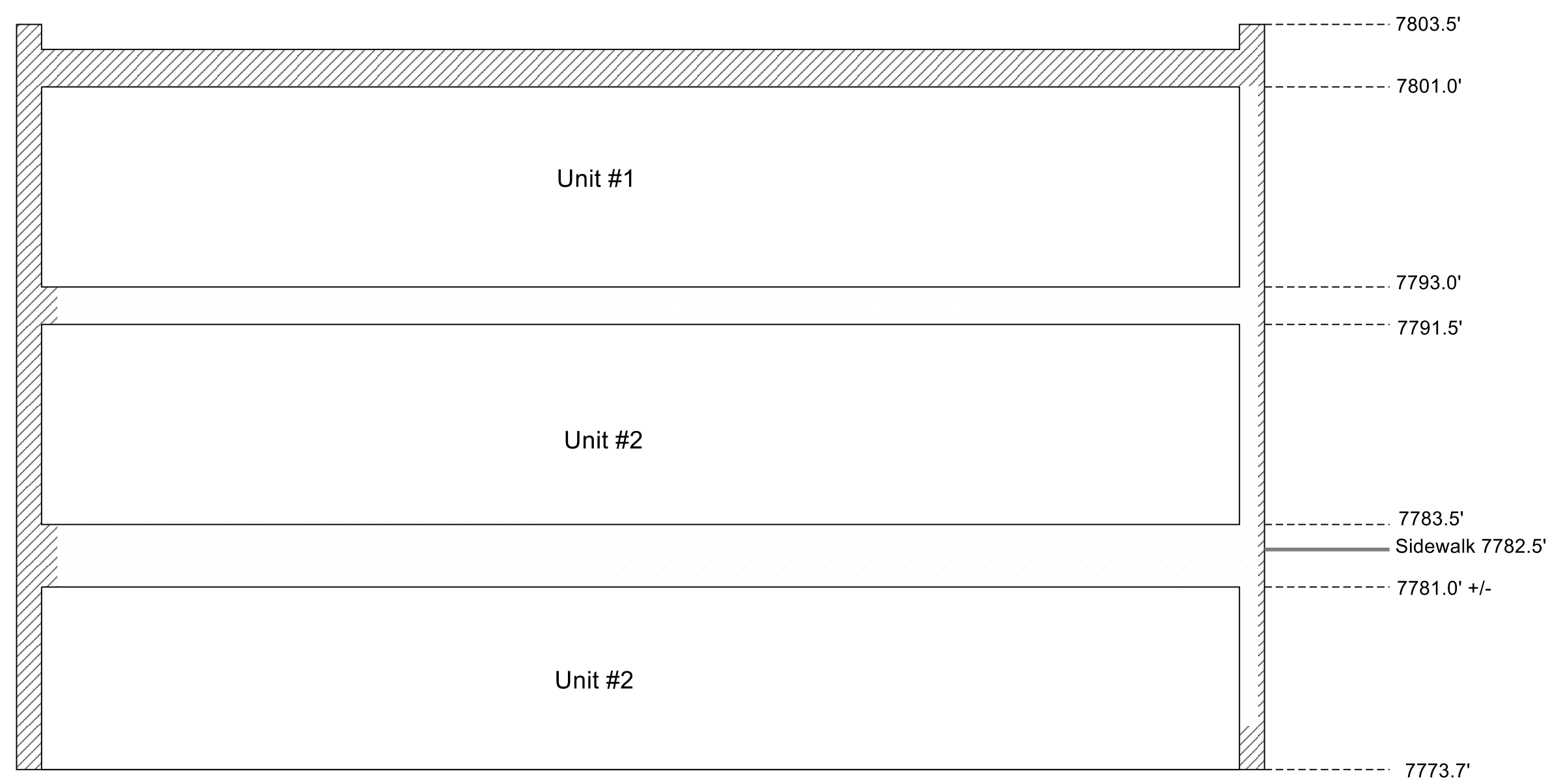


Unit #2 - Ground Level

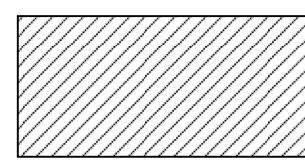


Unit #2 - Basement Level

For City Review



Building Profile



- General Common Structural Elements

For City Review

**DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS
OF
S&S CONDOMINIUMS
CITY OF OURAY, OURAY COUNTY, COLORADO**

THIS DECLARATION, made on the date hereinafter set forth by OURLOCOL, LLC, a Colorado limited liability company with an address of 917 Main Street, Ouray, CO 81427 (hereinafter referred to as "**Declarant**").

RECITALS:

a) Declarant is the owner of certain real property and improvements described as Lot 3, S&S Subdivision, according to the plat recorded October 21, 1980, under Reception No. 129340, together with an undivided 1/3 interest in common area No. 3 located in the S&S Subdivision, less and except that part of Lot 3 S&S Subdivision which lies between the east lot line of said Lot 3 and the centerline of the existing party wall on or near the east lot line of said Lot 3, City of Ouray, County of Ouray, State of Colorado, commonly known as 304 and 306 6th Avenue, Ouray, CO 81427 (the "**Property**").

b) Declarant intends to delineate the Property into Units and to create a Condominium pursuant to the Colorado Common Interest Ownership Act of the State of Colorado (C.R.S. Sections §§38-33.3-101 et seq., "the **Act**"). To define and establish the rights, powers, duties, conditions and restrictions of Unit ownership in S&S Condominiums, Declarant hereby publishes and records this Declaration.

c) Declarant has caused the "S&S Condominium Owners Association, Inc." (the "**Association**") to be incorporated under the laws of the State of Colorado, for the purpose of exercising the functions as herein set forth.

d) The initial number of Condominium Units shall be two (2).

**ARTICLE I
SUBMISSION/DEFINED TERMS**

Section 1.01 Submission of Real Estate. The Declarant hereby submits the Property above, together with all easements, rights, and appurtenances thereto and the buildings and improvements erected or to be erected thereon (collectively, the "**Real Estate**") to the provisions of the Act as it may be amended from time to time and to the terms and conditions of this Declaration. In the event the Act is repealed, the Act on the effective date of this Declaration shall remain applicable. Further, Declarant hereby declares that all of the Real Estate described above shall be held or sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the Real Estate and be binding on all parties having any right, title or interest in the Real Estate or any part thereof, their heirs, legal representatives, successors, and assigns and shall inure

to the benefit of each Unit Owner thereof. For purposes of the Act, the Common Interest Community shall be a Condominium.

Section 1.02 Defined Terms. Unless defined herein, each capitalized term in this Declaration or in the Map shall have the meaning specified or used in the Act.

(a) “Agency” means any agency or corporation such as Housing and Urban Development, Veteran’s Administration (“VA”), Federal National Mortgage Association (“FNMA”) or Federal Home Loan Mortgage Corporation (“FHLMC”) that purchases or insures residential mortgages.

(b) “Allocated Interest” means, with respect to a Unit, a fraction or percentage of undivided interests in the Common Elements and in the Common Expenses of the Association allocated to such Unit and the votes in the Association allocated to such Unit. The Allocated Interests are specifically set forth in Section 5.01 hereof.

(c) “Articles” means the Articles of Incorporation for the S&S Condominium Owners Association, Inc., a Colorado non-profit corporation, currently on file with the Colorado Secretary of State and any amendments that may be made to those Articles from time to time.

(d) “Annual Assessment” means the Assessment levied pursuant to an annual budget.

(e) “Assessments” means the Annual, Special and Default Assessments levied pursuant to Article VI below. Assessments are also referred to as Common Expense Liability as defined under the Act.

(f) “Association” means the S&S Condominium Owners Association, Inc., a Colorado non-profit corporation, and its successors and assigns.

(g) “Association Documents” or “Governing Documents” means this Declaration, the Articles, the Bylaws, the Map, and any procedures, rules, regulations or policies adopted under such documents by the Association. All provisions of the Association Documents or Governing Documents shall be given the same force and effect as if set forth in the Declaration.

(h) “Building” whether one or several structures, means that portion of the Improvements consisting of physical building structures and appurtenant components and described as such on the Map.

(i) “Budget” means a written itemized estimate of the Common Expenses to be incurred by the Association in performing its functions under this Declaration and adopted by the Board pursuant to Section 6.07 of this Declaration.

(j) “Bylaws” means the Bylaws adopted by the Association, as amended from time to time.

(k) “Clerk and Recorder” means the office of the Clerk and Recorder in the County of Ouray, State of Colorado.

(l) “Commercial Unit” means a Unit which may be used for commercial purposes, as allowed and provided for herein.

(m) “Common Element” means all portions of the Project except the Units. The Common Elements are owned by the Owners in undivided interests according to the Allocated Interests as defined in Section 1.02(b) above and consist of General Common Elements, General Common Structural Elements and Limited Common Elements.

(1) “General Common Elements” and “General Common Structural Elements” mean all tangible physical property of the Project except Limited Common Elements and the Units.

(2) “Limited Common Elements” means those parts of the Common Elements which are either limited to or reserved in this Declaration, on a Map, or by action of the Association, for the exclusive use of an Owner of a Unit or are limited to and reserved for the common use of more than one, but fewer than all Owners.

(n) “Common Expenses” means (i) all expenses expressly declared to be common expenses by the Declaration or the Bylaws of the Association; (ii) all other expenses of administering, servicing, conserving, managing, maintaining, repairing or replacing the Common Elements; (iii) insurance premiums for the insurance carried under Article IX hereof; and (iv) all expenses lawfully determined to be common expenses by the Executive Board.

(o) “Declaration” means this Declaration and the Map, and any amendments and supplements to the foregoing.

(p) “Eligible Mortgagee” means a First Mortgagee (as hereinafter defined) who (i) is also a bank, savings and loan association, insurance company, real estate mortgage investment trust, pension fund, an agency of the United States Government, mortgage banker, the Federal National Mortgage Associations (“FNMA”), the Federal Home Loan Mortgage Corporation (“FHLMC”) or any other lender generally recognized as an institutional lender, and (ii) has notified the Association, in writing, of its name and address, and that it holds the First Mortgage on one or more Units. The notice must include the Unit number and street address of the Unit on which is has such security interest. This notice shall be deemed to include a request that the Eligible Mortgagee be given the information and afforded the rights described in Articles X and XII below.

(q) “Executive Board” means the means the Association Board of Directors, designated as the body governing the affairs of the Association and elected by the Members, all pursuant to the Corporation Act, this Declaration and the Articles of Incorporation and Bylaws. A member of the Executive Board need not be a Member of the Association.

(r) “First Mortgage” means any Mortgage the priority of which is not subject to any monetary lien or encumbrance except liens for taxes or other liens that are given priority by statute.

(s) “First Mortgagee” means any person named as a Mortgagee in any First Mortgage.

(t) “Improvements” means all structures and improvements located above, on or below the

surface of the Property, including the Building and all sidewalks, stairways and utility installations constructed pursuant to this Declaration.

(u) “Manager” means a person or entity engaged by the Association to perform certain duties, powers or functions of the Association, as the Executive Board may authorize from time to time.

(v) “Map” means the Condominium Map of the Project recorded with the Clerk and Recorder of Ouray County, Colorado, depicting a plan of all or a part of the Property subject to this Declaration and any supplements and amendments thereto.

(w) “Member” means every person or entity that holds membership in the Association.

(x) “Mortgage” means any mortgage, deed of trust or other document pledging any Unit or interest therein as security for payment of a debt or obligation.

(y) “Mortgagee” means any person or entity named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person under such Mortgage.

(z) “Owner” means the owner of record, whether one or more persons or entities, of fee simple title to any Unit and “Owner” also includes the purchaser under a contract for deed covering a Unit with a current right of possession and interest in the Unit.

(aa) “Owner’s Agent” means members of the Unit Owner’s family, or the Unit Owner’s agent, employee, invitee, licensee or tenant.

(bb) “Project” means the common interest community created by this Declaration and as shown on the Map consisting of the Property, the Units and the Common Elements.

(cc) “Residential Unit” means a Unit which may be used for residential purposes, as allowed and provided for herein.

(dd) “Successor Declarant” means any person or entity to whom Declarant assigns any or all of its rights, obligations or interest as Declarant, as evidenced by an assignment or deed of record executed by both Declarant and the transferee or assignee and recorded with the Clerk and Recorder.

(ee) “Supplemental Declaration” means an instrument which amends this Declaration.

(ff) “Supplemental Map” means a supplemental Map of the Project which depicts any change in the Project through a Supplemental Declaration.

(gg) "Unit" means a Residential Unit and a Commercial Unit, each of which is an airspace unit which is bounded by the unfinished interior surfaces of the exterior walls (or demising walls, where two such Units adjoin each other), floors, ceilings, windows and window frames and doors and door frames of a Building, and which is separately identified on the Map. The boundaries of the Units shall be further defined by the provisions of Section 38-33.3-202 of the Act. Each Unit includes an appurtenant undivided interest in the Common Elements as identified on the Map. The term "Unit" does not include any utility facility running through the Unit that serves more than one Unit, or any other Common Element or part thereof located within the Unit.

Each capitalized term not otherwise defined in this Declaration or in the Map shall have the same meanings specified or used in the Act.

ARTICLE II NAMES/DESCRIPTION OF REAL ESTATE

Section 2.01 Name and Type.

(a) Common Interest Community. The type of Common Interest Community created hereunder is a Condominium pursuant to the Act. The name of the Condominium is S&S Condominiums.

(b) Association. The name of the Association is the S&S Condominium Owners Association, Inc. Declarant has caused the Association to be incorporated as a non-profit corporation under the laws of the State of Colorado.

Section 2.02 Real Estate. The Project is located in the City of Ouray, Ouray County, State of Colorado. The Real Estate within which the Project is located is described as Lot 3, S&S Subdivision, according to the plat recorded October 21, 1980, under Reception No. 129340, together with an undivided 1/3 interest in common area No. 3 located in the S&S Subdivision, less and except that part of Lot 3 S&S Subdivision which lies between the east lot line of said Lot 3 and the centerline of the existing party wall on or near the east lot line of said Lot 3, City of Ouray, County of Ouray, State of Colorado.

Section 2.03 Utility Easements. Easements for utilities shall include a blanket utility and storm water drainage easement over and across all of the Common Elements including both the General Common Elements, General Structural Common Elements and the Limited Common Elements and such other easements as may be established pursuant to the provisions of this Declaration, or granted by authority reserved in any recorded document. Also see Article XI hereof.

Section 2.04 Easements for the Executive Board. Each Unit shall be subject to an easement in favor of the Executive Board (including its agents, employees and contractors) to perform its obligations pursuant to this Declaration. The Association is granted the right to establish from time to time, by declaration or otherwise, utility and other easements, permits or licenses over the General Common Elements for the best interest of all the Owners and the

Association. Also see Article XI hereof.

ARTICLE III THE ASSOCIATION

Section 3.01 General Purposes and Powers. The Association, through its Executive Board, shall perform functions and manage the Project as provided in this Declaration so as to further the interest of the residents, occupants, tenants and guests of the Project and Members of the Association. Any purchaser of a Unit shall be deemed to have assented to, ratified and approved such designation and management. The Association shall have all power necessary or desirable to effectuate such purposes.

Section 3.02 Authority of the Association. The business affairs of the Project shall be managed by the Association. The Association shall be governed by its Articles of Incorporation and Bylaws, as amended from time to time. The Executive Board may, by written resolution, delegate authority to a Manager or managing agent for the Association, provided no such delegation shall relieve the Executive Board of final responsibility.

Section 3.03 Specific Powers.

Except as provided in the Bylaws and the Act, the Executive Board may act in all instances on behalf of the Association, to:

- a) Exercise all the powers, authority and duties as necessary and proper, to manage the business and affairs of the Project.
- b) Exercise all of the powers, authority and duties permitted or set forth in the Act, the Association Documents, and the Colorado Revised Nonprofit Corporation Act.
- c) Assign its right to future income, including the right to assign its right to receive Common Expense Assessments, but only upon the affirmative vote of the Unit Owners of Units to which at least two-thirds of the votes in the Association are allocated at a meeting called for that purpose.
- d) Hire and discharge employees, independent contractors and agents.
- e) Control Owner's use and occupancy of their respective Units in order to assure Unit Owners of eligibility of the Project for any Agency. In this regard, the Association may adopt rules and regulations with respect to rental of Units to non-Owners.
- f) Adopt and amend bylaws, policies and rules and regulations.
- g) Adopt and amend budgets for revenues, expenditures and reserves and collect Assessments.

h) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or one or more Unit Owners on matters affecting the Project.

i) Make contracts and incur liabilities, except that any contract providing for the services of Declarant may not exceed three years and must provide for termination by either party without cause and without payment of a termination fee on ninety days or less written notice.

j) Regulate the use, maintenance, repair, replacement and modification of the Common Elements.

k) Cause additional improvements to be made as part of the Common Elements.

l) Acquire, hold, encumber and convey in the name of the Association any right, title or interest to real or personal property, except that Common Elements may be conveyed or subjected to a security interest only if: (i) Owners entitled to cast at least two-thirds (2/3rds) of the votes agree to that action, (ii) the provisions of subsection 10.03 are followed with respect to approval of Eligible Mortgagees, and (iii) if all Owners of Units to which any Limited Common Element is allocated agree in order to convey that Limited Common Element or subject it to a security interest.

m) Grant easements, leases, licenses and concessions through or over the Common Elements.

n) Impose and receive any payments, fees or charges for the use, rental or operation of the General Common Elements.

o) Impose charges for late payment of Assessments, recover reasonable attorney fees and other legal costs for collection of Assessments and other actions to enforce the power of the Association, regardless of whether or not suit was initiated, and after notice and opportunity to be heard, levy reasonable fines for violations of Association Documents.

p) Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid Assessments.

q) Should any Unit Owner fail to pay any water or sewer charge or any common element charges imposed by the City of Ouray for his Unit, the Association shall have the ultimate obligation to pay such charges in accordance with the rules and regulations of the City of Ouray Municipal Code.

r) Provide for indemnification of its officers and Executive Board and maintain directors' and officers' liability insurance.

Section 3.04 Membership. Every person or entity who is a record Unit Owner of a fee interest in any Unit which is subject to this Declaration shall be a Member of the Association, including contract sellers. Membership shall be appurtenant to and may not be separated from ownership of any Unit. An Owner shall not transfer, pledge or alienate his membership in the Association in any way, except upon the sale or encumbrance of his Unit and then only to the

purchaser or Mortgagee of his Unit. If any Unit is owned by more than one person, or by a partnership, joint venture, corporation or other such entity, the owners thereof shall designate, in writing, to the Association, the name and address of the agent of the Owner to whom all legal or official assessments, liens, levies or other such notices may be properly and lawfully mailed. Upon the failure to so designate an agent, the Association shall be deemed to be the agent for receipt of notices to such Owners.

Section 3.05 Directors. The affairs of the Project and the Association shall be governed by an Executive Board of the Association which, until the first Unit is sold, shall consist of one person, and following such date shall consist of three (3) persons. All non-Declarant-appointed members of the Executive Board shall be Unit Owners.

Section 3.06 Books and Records. The Association shall make available for inspection, upon request, during normal business hours or under other reasonable circumstances, to Owners and to Mortgagees, current copies of the Association Documents and the books, records and financial statements of the Association prepared pursuant to the Bylaws. The Association may charge a reasonable fee for copying such materials. The Association shall maintain such books and records as may be required under the Act.

Section 3.07 Declarant Control.

a) The Declarant shall have the reserved powers, pursuant to Section 303(5) of the Act, to appoint and remove officers and members of the Executive Board during the term of Declarant Control. "Declarant Control" begins with the appointment of the initial Executive Board and continues until the earlier of (i) sixty (60) days after conveyance of seventy-five percent (75%) of all Units in the ordinary course of business to Unit Owners other than the Declarant; (ii) two (2) years after the last conveyance of a Unit by the Declarant in the ordinary course of business to a Unit Owner other than Declarant; or (iii) two (2) years after the right to add new Units was last exercised. Under the Act, Declarant Control is further extinguished, to the extent stated, sixty (60) days after the following events: (1) Declarant conveys twenty-five percent (25%) of the Units that may be created to Owners other than Declarant, to the extent of twenty-five percent (25%) of the members of the Executive Board (minimum of one), and (2) Declarant conveys fifty percent (50%) of the Units that may be created to Owners other than Declarant, to the extent of thirty-three and one-third percent (33 1/3%) of the members of the Executive Board.

b) The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before termination of the period of Declarant Control, but, in that event, the Declarant may require, for the duration of the period of Declarant Control, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

Section 3.08 Indemnification. To the full extent permitted by law, each officer and director of the Association shall be and is hereby indemnified by the Unit Owners and the Association against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon him/her in any proceeding to which he/she may be a party, or in which he/she may become involved, by reason of being or having been an officer or director of the Association, or

any settlements thereof, whether or not he/she is an officer or director of the Association at the time such expenses are incurred; except in such cases wherein such officer or director is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties; provided that in the event of a settlement the indemnification shall apply only when the Executive Board approves such settlement and reimbursement as being for the best interest of the Association.

**ARTICLE IV
UNITS, COMMON ELEMENTS AND
LIMITED COMMON ELEMENTS**

Section 4.01 Number of Units

- a) The initial number of Units in the Project is two (2).

Section 4.02 Identification of Units/Unit Descriptions. Each Unit, the appurtenant interest in the General Common Elements and the appurtenant use of the Limited Common Elements, shall comprise one Unit, shall be inseparable and may be transferred, leased, devised or encumbered only as one Unit. Any attempted transfer of the appurtenant interest in the General Common Elements or Limited Common Elements shall be void unless the Unit to which that interest is allocated is also transferred. The identification number or letter of each Unit is shown on the Map. Every contract for sale, deed, lease, Security Interest, will or other legal instrument may legally describe a Unit as follows:

" Unit _____ of the S&S Condominiums, City of Ouray, County of Ouray, State of Colorado, together with the appurtenant interest in the Common Elements, as depicted on and in accordance with the Condominium Map thereof recorded on _____, 20__, at Reception No. _____ and the Declaration recorded on _____, 20__, at Reception No. _____, in the records of the County Clerk and Recorder of Ouray County, Colorado as amended from time to time."

The reference to the Declaration and Map in any instrument shall be deemed to include any supplement(s) or amendment(s) to the Declaration or Map, without specific references thereto.

Section 4.03 Boundaries of Units. The boundaries of each Unit are as depicted on the Condominium Map of the Project.

a) Inclusions. Together with the appurtenant interest in the Common Elements, each Unit includes the spaces and improvements lying within the boundaries described above, as depicted on the Map. Each Unit also includes the spaces and improvements within the spaces containing water heating facilities, all electrical switches, wiring, pipes, ducts, conduits, smoke detector or security systems and communications, television, telephone and electrical receptacles and boxes serving that Unit exclusively, the surface of these items being within the boundaries of that Unit, whether or not the spaces are contiguous.

b) Exclusions. Except when specifically included by other portions or this Declaration or by the Map, the following are excluded from each Unit: The spaces and improvements lying

outside the boundaries described above.

c) Noncontiguous Portions. Certain Units may include special portions or pieces of equipment, such as air conditioning compressors, meter boxes, utility connection structures, air or gas pump and storage facilities and storage portions, which are situated in buildings or structures that are detached from the Unit. Such special equipment or storage portions are a part of the Unit, notwithstanding their non-contiguity with the principal portions.

Section 4.04 Limited Common Elements.

The areas depicted on the Map as Limited Common Elements are Limited Common Elements for the exclusive use of those Units as denoted on the Map subject to the right of the Association to maintain, repair and replace the Limited Common Elements. The Unit Owner which has the exclusive use of a Limited Common Element, subject to these Declarations, the Articles, the Bylaws and the rules of the Association, shall be responsible for maintaining all Limited Common Elements appurtenant to that Unit. Should the Association maintain, repair or replace any Limited Common Element due to a failure by the applicable Unit Owner to do so, the Unit Owner shall reimburse the Association for any and all expenses incurred by the Association in the maintenance, repair or replacement of said Limited Common Element.

In the event damage is caused to the Common Elements and/or the Limited Common Elements by a Unit Owner, such Unit Owners guest or tenant, subject to such rights as may exist with regard to insurance payments, the Unit Owner shall reimburse the Association for any and all expenses incurred by the Association correcting and repairing such damage.

Section 4.05 General Common Elements.

a) All portions of the Real Estate described in Article II, Section 2.02 not designated on the Map as a Limited Common Element, all portions of structures and the Real Estate which are not designated as being within the Unit boundaries in Section 4.03 above, or are not listed as Limited Common Elements in Section 4.04 above, are General Common Elements. Said General Common Elements are designated on the Map as "General Common Element" or "General Common Structural Element." Specifically, the structure behind the interior drywall, the foundations, the roofs, the exterior of the buildings and all landscaping shall be General Common Elements.

b) The Association shall be responsible for the maintenance, repair, improvement and replacement of any General Common Element as hereinafter set forth.

c) The Declarant reserves, through twenty-five (25) years after the recording of this Declaration, the right to allocate areas as Common Elements. The Declarant may allocate or assign Common Elements (i) by making such an allocation in a recorded instrument, (ii) by recording an appropriate amendment or supplement to this Declaration, (iii) by recording a supplement to the map or plat, or (iv) by recording the allocation or assignment in the minutes or records of the Association. Such allocations by the Declarant may be made as a matter of reserved right by the Declarant.

Section 4.06 Unit Owners' Easements of Enjoyment. Every Unit Owner shall have a right and easement of enjoyment in and to any General Common Elements and such easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

a) The right of the Association to promulgate and publish rules and regulations which each Unit Owner and their guests shall strictly comply with.

b) The right of the Association to suspend the voting rights and rights to use the General Common Elements by a Unit Owner for any period during which any assessment against his Unit remains unpaid; and for a period not to exceed sixty days for any infraction of its published rules and regulations.

c) The right, power and authority of the Association to grant any easement, right-of-way, license, lease, dedication, transfer or conveyance or grant of any similar interest affecting the General Common Elements, to the extent permitted by the Act, if the grant is approved by the affirmative vote of a majority of all Unit Owners having votes appurtenant to all Units, and consented to, in writing, by the holders of first lien Security Interests in the Units whose Unit Owners vote affirmatively; provided, that the granting of easements for public utilities or for other public purposes consistent with the intended use of such Common Elements shall not be deemed a transfer within the meaning of this clause. Any easement, right-of-way, license or similar interest granted by the Association pursuant to this Section shall state that the grant was approved by a majority all Unit Owners, and by the corresponding holders of first lien Security Interests.

d) The right of the Association to close or limit the use of the Common Elements while maintaining, repairing and making replacements in the Common Elements.

e) The Development and Special Declarant Rights of the Declarant reserved in this Declaration.

f) No Owner or occupant shall place any structure or improvement whatsoever upon the Common Elements, nor shall any Owner or occupant engage in any activity which will temporarily or permanently impair free and unobstructed access to or use of all parts of the Common Elements (excepting Limited Common Elements) by all Owners and by the Association.

ARTICLE V ALLOCATED INTERESTS

Section 5.01 Allocated Interest. The Allocated Interest in the Common Elements, the Common Expense liability and the voting rights in the Association allocated to each Unit are as follows:

(a) For Unit 1 – 51%

(b) For Unit 2 – 49%

ARTICLE VI
COVENANT FOR COMMON EXPENSE ASSESSMENTS

Section 6.01 Creation of Association Lien and Personal Obligation to Pay Common Expense Assessments. Declarant, for each Unit, shall be deemed to covenant and agree, and each Owner, by acceptance of a Deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association annual Common Expense Assessments, annual or special Limited Common Element Expense Assessments, insurance assessments (assessed in proportion to risk), utility assessments (assessed in proportion to usage) and such other assessments as may be imposed by the Association. Such assessments, including fees, charges, late charges, attorney fees, fines and interest charged by the Association shall also be the personal obligation of the Owner of such Unit at the time when the assessment or other charges became or fell due. The personal obligation to pay any past due sums due the Association shall not pass to a successor in title unless expressly assumed by them. No Owner may become exempt from liability for payment of the Common Expense Assessments by waiver of the use or enjoyment of the Common Elements or by abandonment of the Unit against which the Common Expense Assessments are made. All Assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reduction thereof shall be permitted by any reason including, without limitation, any claim that the Association or the Executive Board is not properly exercising its duties and powers under this Declaration.

The Association's annual or special Common Expense Assessments, annual or special Limited Common Element Expense Assessments, insurance assessments (assessed in proportion to risk), utility assessments (assessed in proportion to usage) and such other assessments as imposed by the Association, including fees, charges, late charges, attorney fees, fines and interest charged by the Association, shall be a charge on each Unit and shall be a continuing lien upon the Unit against which each such assessment or charge is made. If any Assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment becomes due.

Section 6.02 Apportionment of Common Expenses and Limited Common Element Expenses. Except as provided in this Declaration, all Common Expense Assessments shall be assessed against all Units in accordance with formula for liability for the Common Expenses as set forth in this Declaration.

Section 6.03 Purpose of Assessments. The assessments levied by the Association through its Executive Board shall be used exclusively for the purposes of promoting the health, safety, and welfare of the residents and guests of the Project and the Members of the Association. Such purposes shall include, but shall not be limited to the following: the improvement, maintenance, repair, upkeep and reconstruction of the Common Elements and for the painting, landscape care and snow removal and any other maintenance obligations which may be deemed desirable for the common benefit of the Unit Owners or for the maintenance of property values, or for the payment of expenses which may be incurred by virtue of agreement with or requirement of the City of Ouray, Ouray County or other government authorities. The assessments may also be used to provide insurance of various types, and in such amounts deemed appropriate by the Executive Board. Also, a portion of the assessments may be used to provide a reserve fund for the

replacement, repair, and maintenance of Common Elements of the real estate which must be replaced on a periodic basis.

Section 6.04 Annual Assessment/Commencement of Common Expense. The Annual Assessment for Common Expenses may be made on an annual basis against all Units and shall be based upon the Association's advance budget of the cash requirements needed by it to provide for the administration and performance of its duties during such assessment year. Common Expense Assessments shall be due and payable in monthly, quarterly, or annual installments, or in any other manner, as determined by the Executive Board. Failure to make payment within thirty (30) days of the due date thereof shall cause the total amount of such Unit Owner's Common Expense Assessment for the remainder of that fiscal year to become immediately due and payable at the option of the Board. Any assessment not timely paid shall bear interest at the rate of 1.5% per month or portion thereof. Further, subject to the provisions of the Act, the Association may bring an action at law or in equity, or both, against any Unit Owner personally obligated to pay such overdue assessments, charges or fees, or monthly or other installments thereof, and may also proceed to foreclose its lien against such Unit Owner's Unit. An action at law or in equity by the Association against a Unit Owner to recover a money judgment for unpaid assessments, charges or fees, or monthly or other installments thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien therefor. Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessment, charges or fees, or monthly or other installments thereof, which are not fully paid when due. The Association shall have the power and right to bid on or purchase the Association votes appurtenant to ownership thereof, convey or otherwise deal with the same. If a foreclosure action is filed to foreclose any Assessment Lien, and a Unit Owner abandons or leaves vacant his or her Unit, the Board may take possession and rent said Unit or apply for the appointment of a receiver for the Unit without prior notice to the Unit Owner. The rights of the Association shall be expressly subordinate to the rights of any holder of a first lien Security Interest as set forth in its deed of trust or mortgage (including any assignment of rents), to the extent permitted under the Act.

Section 6.05 Lien Priority. The lien of the Association under this Section is prior to all other liens and encumbrances on a Unit except: 1) liens and encumbrances recorded before the recordation of the Declaration; 2) a first lien Security Interest on the Unit (except as allowed by the Act with regard to the limited lien priority allowed to the Association); and 3) liens for real estate taxes and other governmental assessments or charges against the Unit. This Section does not affect the priority of mechanics' or materialmen's liens. The lien of the Association under this Article is not subject to the provision of any homestead exemption as allowed under State or Federal law. Sale or transfer of any Unit shall not affect the lien for said assessments or charges except that sale or transfer of any Unit pursuant to foreclosure of any first lien Security Interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture shall only extinguish the lien of assessment charges as provided by applicable State law. No such sale, transfer, foreclosure, or any proceeding in lieu thereof, including deed in lieu of foreclosure, nor cancellation or forfeiture shall relieve any Unit from continuing liability for any assessment charges thereafter becoming due, nor from the lien thereof.

Section 6.06 Budget. The budget shall be submitted to the Owners, pursuant to Section 303(4) of the Act. Common Expense Assessments shall be due and payable annually or in periodic installments, or in any other manner as determined by the Executive Board. Common Expense Assessments may begin on the first day of the month in which conveyance of the first Unit to an Owner other than Declarant occurs. The omission or failure of the Executive Board to levy the Assessment for any period shall not be deemed a waiver, modification or a release of the Owners from their obligation to pay.

Section 6.07 Special Assessments. In addition to the Annual Assessments, the Association may levy in any fiscal year one or more Special Assessments, payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of improvements within the Common Elements or for any other expense incurred or to be incurred as provided in this Declaration. This Section 6.07 shall not be construed as an independent source of authority for the Association to incur expense, but shall be construed to prescribe the manner of assessing expenses authorized by other sections of this Declaration. Any amounts assessed pursuant to this Section shall be assessed to Owners according to their Allocated Interests for Common Expenses, subject to the right of the Association to assess only against the Owners of affected Units any extraordinary maintenance, repair or restoration work on fewer than all of the Units shall be borne by the Owners of those affected Units only, and any extraordinary insurance costs incurred as a result of the value of a particular Owner's Unit or the actions of a particular Owner or Owner's Agents shall be borne by that Owner. Notice in writing of the amount of such Special Assessments and the time for payment of the Special Assessments shall be given promptly to the Owners, and no payment shall be due less than ten (10) days after such notice shall have been given.

Section 6.08 Default Assessments. All monetary fines assessed against an Owner pursuant to the Association Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Association Documents, shall be a Default Assessment and shall become a lien against such Owner's Unit which may be foreclosed or otherwise collected as provided in this Declaration. Notice of the amount and due date of such Default Assessment shall be sent to the Owner subject to such Assessment at least ten (10) days prior to the due date.

Section 6.09 Payment by Mortgagee. Any Mortgagee holding a lien on a Unit may pay any unpaid Assessment payable with respect to such Unit, together with any and all costs and expenses incurred with respect to the lien, and upon such payment that Mortgagee shall have a lien on the Unit for the amounts paid with the same priority as the lien of the Mortgagee.

Section 6.10 Statement of Status of Assessment Payment. Upon payment of a reasonable fee set from time to time by the Executive Board and upon fourteen (14) days' written request to the Association's registered agent by personal delivery or certified mail, first-class postage prepaid, return receipt, any Owner, designee of Owner, Agency, Mortgagee, prospective Mortgagee or prospective purchaser of a Unit shall be furnished with a written statement setting forth the amount of the unpaid Assessments, if any, with respect to such Unit. Unless such statement shall be issued by personal delivery or by certified mail, first class postage prepaid, return receipt requested, to the inquiring party (in which event the date of posting shall be deemed the date of delivery) within

fourteen (14) days after receipt of the request, the Association shall have no right to assert a lien upon the Unit over the inquiring party's interest for unpaid Assessments which were due as of the date of the request.

**ARTICLE VII
RESTRICTIONS ON USE, ALIENATION AND
OCCUPANCY**

Subject to the Development Rights and Special Declarant Rights reserved by the Declarant, the following use restrictions apply to all Units and to the Common Elements:

Section 7.01 Use/Occupancy.

(a) Each Owner may use the General and Limited Common Elements in accordance with the purpose for which they are intended, without hindering and encroaching upon the lawful rights of the other Owners, and subject to the use and occupancy restrictions set forth here. There shall be no obstruction of General Common elements without the prior written consent of the Association, except as specifically provided for herein. No restriction, impairment, or interference with any right of ingress or egress provided for in this Declaration shall be permitted at any time without the prior written of the Owner thereof and the Executive Board. Nothing shall be altered on, constructed in, or removed from the General Common Elements except upon the prior written consent of the Association. No Improvements located upon a Unit shall be occupied in any manner at any time prior to being fully completed in accordance with approved plans nor shall any Improvements when completed, be in any manner occupied until there is compliance with all requirements, conditions, covenants, and restrictions herein set forth;

(b) Each Owner of a Residential Unit shall be entitled to exclusive ownership and possession of his Residential Unit. The Residential Unit shall be used and occupied for residential or home occupation purposes in strict accordance with all applicable governmental, zoning, land use and other regulations. Unit 1, as identified on the Map, is delineated as a Residential Unit.

(c) Each Owner of a Commercial Unit shall be entitled to exclusive ownership and possession of his Commercial Unit. The Commercial Unit shall be used and occupied for commercial purposes in strict accordance with all applicable governmental, zoning, land use and other regulations. Unit 2, as identified on the Map, is delineated as a Commercial Unit.

(d) Without limiting any other rights or obligations hereunder, the following uses of Units, including appurtenant Limited Common Elements, are specifically prohibited: bars, nightclubs, dance halls, restaurants, and other similar type businesses which, in the sole opinion of the Executive Board, routinely cause unacceptably loud noises and/or odors to be emitted.

(e) No activity shall be conducted which will increase the rate charged for or cause the cancellation of any insurance maintained by the Declarant or the Association, or which would violate any law;

(f) No animals shall be kept which bother or constitute a nuisance to any other Owner, Declarant or adjoining landowner, with such additional restrictions as may be imposed by Association-promulgated rules and regulations;

(g) No activities shall be conducted within the Project and no improvements may be constructed within the Project which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged within the Project;

and no open fires shall be lighted or permitted within the Project except (i) in a contained barbecue unit while attended and in use for cooking purposes, (ii) within a safe and well-designed interior stove or fireplace, or an exterior patio fireplace or stove;

(h) No activity shall be conducted which generates noises which are excessively loud, odors which are offensive, nor any activity be conducted which is or may become a nuisance or cause significant disturbance or annoyance to others;

(i) There shall be no storage of waste and garbage except in covered sanitary containers shielded from the public view and the view of neighboring Owners. Refuse piles shall not be permitted;

(j) All exterior lighting shall comply with any applicable City of Ouray ordinance. Seasonal decorative lighting such as Christmas lighting shall be permitted, which may be subject to Association promulgated rules and regulations. Under no circumstances are mercury vapor or similar lights permitted;

(k) No junk vehicle, inoperative vehicle, or vehicle under repair shall be parked, stored or maintained in the Project.

(l) No structures or other improvement of any type shall be constructed within any Common Element without the consent of the Association.

(m) All use, maintenance, repair, replacement and modification of the General Common Elements shall be subject to regulation by the Association.

(n) No Unit or any interest therein may be offered or sold under any "timesharing" or "interval ownership" plan, or any similar plan.

(o) Subject to the provisions of Section 3.03(e) hereof, an Owner shall have the right to lease his Unit in its entirety upon such terms and conditions as the Owner may deem advisable. Any lease shall be in writing and shall provide that the lease is subject to the terms of this Declaration, the Articles, Bylaws and any rules and regulations promulgated by the Association. Any failure of a lessee of a Unit to comply with the terms of this Declaration or any other Association Documents shall be a default under the lease enforceable by the Association as a third party beneficiary, whether or not the lease contains such a provision.

(p) No alteration or additions to the Common Elements or the exterior of any Unit of any kind (including, without limitation, change in color, texture, street number signage, doors or windows) shall be made unless first approved in writing by the Executive Board. The Executive Board shall exercise reasonable judgment to the end that all modifications to the Common Elements or Unit exteriors conform to and harmonize with existing surroundings and structures. In any event, the exterior of the Units shall be kept in good condition and is consistent and uniform, so that color schemes, materials, renovations and repairs are uniformly performed and maintained. The Executive Board has the absolute right to deny any requested changes which the Executive Board reasonably determines do not conform to and harmonize with said existing surroundings and structures. All construction activities shall be planned and carried out with a minimum of disruption, unsightliness and noise.

(q) No sign, poster, billboard or advertising device of any kind shall be allowed or displayed anywhere within the Project without the prior written approval of the Executive Board, except that the designated Commercial Unit shall be entitled to erect a sign relating to the business taking place within that Commercial Unit, which sign must comply with the applicable requirements of the City of Ouray. No sign shall be offensive or objectionable in the reasonable discretion of the Board.

To the extent than any of the foregoing use restrictions are also addressed by City of Ouray ordinance or regulation, the more restrictive of the two shall control.

Section 7.02 Maintenance.

a) Maintenance by Owners. Each Owner shall maintain and keep in repair the interior of his or her Unit, including the fixtures thereof to the extent current repair shall be necessary in order to avoid damaging other Unit Owners, and the surfaces (excluding the roofing elements) of Limited Common Elements allocated to the Unit. All fixtures and equipment installed with the Unit commencing at a point where the utilities enter the Unit shall be maintained and kept in repair by the Owner of such Unit. An Owner shall do no act or any work that will impair the structural soundness or integrity of the Common Elements or impair any easement. Each Owner shall be responsible for the maintenance of the interior non-supporting walls of his Unit, and the surface materials thereon such as plaster, drywall, paneling wallpaper, paint, tile and carpeting of the perimeter walls, ceilings and floors within the Unit, including Unit doors, windows and screens.

b) Owner's Failure to Maintain or Repair. In the event that a Unit (including the allocated Limited Common Elements) is not properly maintained and repaired, and if the maintenance responsibility for the unmaintained portion of the Unit lies with the Owner of the Unit, or in the event that the Unit is damaged or destroyed by an event of casualty and the Owner does not take reasonable measures to diligently pursue the repair and reconstruction of those portions of the damaged or destroyed Unit for which the Owner is responsible to substantially the same condition in which they existed prior to the damage or destruction, then the Association, after notice to the Owner and with the approval of the Executive Board (after a determination by the Executive Board that the condition of such Unit negatively impacts other Owners or the value of other Units within the Project) shall have the right to enter upon the Unit to perform such work as is reasonably required to restore the Unit to a condition of good order and repair. All costs incurred by the Association in connection with the restoration shall be reimbursed to the Association by the Owner of the Unit, upon demand. All unreimbursed costs shall be a lien upon the Unit until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid Assessment levied in accordance with Article VI of this Declaration.

c) Maintenance by Association. Except as otherwise provided herein, the Association shall be responsible for the maintenance and repair of the Common Elements, including all Limited Common Elements, General Common Elements and General Common Structural Elements, whether located inside or outside of Units (except as set forth in Section 7.02(a) above and unless necessitated by damage caused by the negligence, misuse or tortious act of a Unit Owner or Owner's Agent as set forth in Section 7.02(d) below), which shall be the Common Expense of all Owners. This maintenance shall include, but shall not be limited to, upkeep, repair and replacement, subject to any insurance then in effect, of all landscaping and walls which an Unit Owner is not required to maintain as set forth in Section 7.02(a), gates signage, irrigation systems, sidewalks, driveways and improvements, if any (which shall include without limitation snow removal services unless performed by another private or public organization formed for such purposes), located in the Common Elements, Declarant shall have the right, but not the obligation, to do so at the expense of the Association. The Association shall also be responsible for snow removal from that portion of the individual Units which are dedicated parking areas immediately

adjacent to the Unit garages.

d) Association Maintenance as Common Expense. The cost of maintenance and repair by the Association shall be a Common Expense of all of the Owners, to be shared by each Unit Owner according to the Allocated Interests therefore as set forth in Article V of this Declaration. Damage to the interior or any part of a Unit 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 instance of the Association shall also be a Common Expense of all of the Owners. However, if such damage is caused by negligent or tortious acts of a Unit Owner or Owner's Agent, then such Unit Owner shall be responsible and liable for all of such damage and the cost thereof, to the extent that Owner or Owner's Agent's negligence caused such damage, which must be timely paid.

e) Easement for Maintenance. Each Owner and the Association shall have the irrevocable right, to be exercised by the Executive Board or officers or employees of the Association, 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 another Unit. In the event insurance proceeds under Article IX are payable to an Owner but the maintenance responsibility of the area to which such proceeds relate is the Association's, the Association shall complete any such repair or replacement at the Owner's cost.

f) Limited Common Element Damage. In the event of damage or destruction of a Limited Common Element from any cause other than the negligence or tortious acts of an Owner or Owner's Agent, the then Owner of the Unit to which the Limited Common Element is attributable shall bear the expense to repair or rebuild the Limited Common Element to its previous condition. To the extent applicable, any Owner shall bear the cost of such damage to the extent of such Owner's or Owner's Agent's negligence.

g) Association Power. The Association shall be the right and power to prohibit storage or other activities deemed unsafe, unsightly, unreasonably noisy or otherwise offensive to the senses and perceptible from another Unit or the Common Elements. No Owner shall make any addition or other alteration to any portion of the Common Elements, no matter how minor, without the express written consent of the Executive Board.

Section 7.03 Nuisances. No Nuisance shall be permitted within the Project, nor any use, activity or practice which is the source of unreasonable annoyance or embarrassment to, or which unreasonably offends or disturbs, any Unit Owner or which may unreasonably interfere with the peaceful enjoyment or possession or the proper use of a Unit or Common Element, or any portion of the Project by Unit Owners. Further, no unlawful use shall be permitted within the Project or any portion thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Project or a portion thereof shall be observed. As used herein, the term nuisance shall not include any activities of Declarant which are reasonably necessary to the Project and construction of improvements within the Project provided, however, that such activities of the Declarant shall not unreasonably interfere with any Unit Owner's use and enjoyment of his Unit,

or any Unit Owner's ingress and egress to or from their Unit and a public way.

Section 7.04 No Restrictions on Mortgaging of a Unit. There are no restrictions on the right of the Unit Owners to mortgage or otherwise encumber a Unit. There is no requirement for the use of a specific lending institution or particular type of lender.

Section 7.05 Rules and Regulations. In furtherance of the provisions of this Declaration, and the general plan, rules and regulations concerning and governing the Project any portion thereof may be adopted, amended, or repealed, from time to time, by the Executive Board, or its successors and assigns. The Executive Board may establish and enforce penalties for the infraction thereof.

ARTICLE VIII RESERVED DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

Section 8.01 Reserved Development Rights and Special Declarant Rights. Subject to applicable City of Ouray ordinances and regulations, the Declarant reserves, through twenty-five (25) years after the recording of this Declaration, the following Development Rights and Special Declarant Rights:

a) the right to relocate boundaries between unsold adjoining Units, enlarge Units, enlarge the Common Elements, reduce or diminish the size of unsold Units, subdivide Units or complete or make improvements, as the same may be indicated on Maps filed of record or filed with the Declaration;

b) the right to create or construct additional Common Elements and Limited common Elements (the "Additional Improvements") to Convert Units into Common Elements;

c) the right to withdraw all or any portion of the property; provided, however, that no portion of the Property may be withdrawn after a Unit in that portion of the Property has been conveyed to a purchaser;

d) the right to exercise any development rights reserved or allowed in the Act;

e) the right to use, and to permit others to use, easements through the Common Elements as may be reasonably necessary;

f) the right to make the Project subject to a master association and master declaration;

g) the right to merge or consolidate the Project with another Common Interest Community or Condominium;

h) the right to appoint or remove any officer of the Association or any Director during the Declarant Control period;

i) the right to amend the Declaration in connection with the exercise of any development

right.

j) the right to amend the Declaration or Map in connection with the exercise of any development right or to correct typographical or other errors to bring the Declaration or Map into conformance with applicable law.

Section 8.02 Additional Reserved Rights. In addition to the rights set forth above, subject to applicable City of Ouray ordinances and regulations, Declarant also reserves the following additional rights (the "Additional Reserved Rights"):

a) Sales. The right to maintain sales offices, management offices and models in Units or on the Common Elements.

b) Signs. The right to maintain signs and advertising in the Project and to advertise the Project.

c) Dedications. The right to establish, from time to time, by dedication or otherwise, public ways, utility and other easements for purposes including but not limited to public access, access, paths, walkways, skyways, drainage, recreation areas, parking areas, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions and exclusions.

d) Use Agreements. The right to enter into, establish, execute, amend, and otherwise deal with contracts and agreements for the use, lease, repair, maintenance or regulations of parking and/or recreational facilities and/or Common Elements, and/or the maintenance of the exterior of Units and appurtenant landscaping, which may or may not be a part of the Project.

e) Construction Easement. Declarant expressly reserves the right to perform warranty work, and repairs and construction work and to store materials in secure areas, in Units and in Common Elements, and the future right to control such work and repairs, and the right of access thereto, until completion. All work may be performed by Declarant without the consent or approval of any Unit Owner or holder of a Mortgage. Declarant has such an easement through the Common Elements as may be reasonably necessary for exercising Declarant's reserved rights in this Declaration. Such easement includes the right to construct underground utility lines, pipes, wires, ducts, conduits, and other facilities across the Property.

f) Other Rights. The right to exercise any additional reserved right created by any other provision of this Declaration or the Act.

Section 8.03 Rights Transferable/Right Transferred.

(a) Any rights created or reserved under this Article or the Act for the benefit of Declarant may be transferred to any person by an instrument describing the rights transferred recorded in the real property records of Ouray County. Such instrument shall be executed by the transferor Declarant and the transferee.

(b) Notwithstanding the foregoing, the Development Rights and Special Declarant Rights

of Declarant to relocate the boundaries of Units, to create new Units or Common Elements, and/or to further subdivide Units and the right of the Declarant to designate the type of use allowed in Units, shall be transferred and assigned to the title Owner of those Units within those levels for the maximum period of time reserved to the Declarant. The foregoing rights are subject to the following additional terms and conditions: (i) the Unit Owners of the Units affected must comply with the requirements of C.R.S. §38-33.3-210 and C.R.S. §38-33.3-209(6); (ii) the authority of the Owners of the specified Units to make these changes is not limited by or subject to the consent of the Association or any other person; and (iii) the express written consent may be required of the Declarant, or, alternatively, the Declarant may veto and reject the proposed changes as it determines in its sole discretion, which powers of the Declarant to require approval by it or to veto the change shall exist as long as the above rights exist.

Section 8.04 No Further Authorizations Needed. The consent of Unit Owners or holders of Mortgages shall not be required for the Declarant to exercise any reserved rights, and subject to applicable City of Ouray ordinances and regulations, Declarant may proceed without limitation at its sole option. Declarant may exercise any reserved rights on all or any portion of the property in whatever order Declarant, in its sole discretion, determines. Declarant shall not be obligated to exercise any reserved rights or to expand the Project beyond the number of Units initially submitted.

Section 8.05 Amendment of the Declaration or Map. If Declarant elects to exercise any reserved rights, Declarant shall comply with the Act.

Section 8.06 Interpretation. Recording of amendments by the Declarant to the Declaration and the map or plat in the office of the Clerk and Recorder of Ouray County, Colorado shall automatically effectuate the terms and provisions of that amendment. Further, such amendment shall automatically:

- i) vest in each existing Unit Owner the reallocated Allocated Interests appurtenant to their Unit; and
- ii) vest in each existing Security Interest a perfected security interest in the reallocated Allocated Interests appurtenant to the encumbered Unit.

Further, upon the recording of an Amendment to the Declaration, the definitions used in this Declaration shall automatically be extended to encompass and to refer to the property, as expanded and, the Development Property, or any part thereof, or the Additional Improvements, shall be added to and become a part of the Property for all purposes. All conveyances of Units after such amendment is recorded shall be effective to transfer rights in all Common Elements, whether or not reference is made to any Amendment of the Declaration or plat or map. Reference to the Declaration and plat or map in any instrument shall be deemed to include all Amendments to the Declaration, and the plat and/or map without specific reference thereto.

Section 8.07 Maximum Number of Units. The maximum number of Units currently allowed on the Property is two (2). Additional Units may only be created with the approval of the City after compliance with applicable City processes and standards.

Section 8.08 Construction. The buildings, structures and types of improvements to be placed on the Property or the Development Property or any part thereof shall be of a quality equal to or better than the Improvements previously constructed on the Property, and to the extent reasonably feasible shall be of similar size, style or configuration. Except as otherwise restricted in this Declaration or by the Act, the Improvements may be located anywhere on the property reserved for future development or on the Development Property.

Section 8.09 Reciprocal Easements. If all or part of any property is withdrawn ("Withdrawn Property"):

i) the Unit Owner(s) of the property and/or Withdrawn Property shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the Project; and

ii) The Unit Owner(s) shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the Property and Withdrawn Property.

Section 8.10 Termination of Reserved Rights. The rights reserved to Declarant, for itself, its successors and assigns, shall expire as set forth above or in the Act, unless (i) reinstated or extended by the Association, subject to whatever terms, conditions, and limitations the Executive Board may impose on the subsequent exercise of the expansion rights by Declarant, or (ii) extended as allowed by law.

Section 8.11 Reserved Rights Subject to City Ordinance. All Reserved Development Rights, Special Declarant Rights and Additional Reserved Rights as provided in this Declaration shall be subject to applicable City of Ouray ordinances and regulations, and nothing contained herein shall serve to supersede or circumvent said ordinances and regulations.

ARTICLE IX INSURANCE/CONDEMNATION

Section 9.01 Insurance Carried. Out of the assessments levied under this Declaration, the Association shall obtain and maintain in full force and effect to the extent reasonably available, and at all times, the insurance coverage set forth herein and as set forth in the Act, which insurance coverage shall be provided by financially responsible and able companies duly authorized to do business in the State of Colorado. Commencing not later than the time of the first conveyance of a Unit to a person other than a Declarant, the Association shall maintain, to the extent reasonably available, policies with the following terms or provisions:

a) All policies of insurance shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Unit Owner and shall provide that such policies may not be canceled or modified without at least twenty (20) days prior written notice to all of the Unit Owners, holders of first lien Security Interests and the Association.

b) If requested, duplicate originals of all policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all holders of first lien Security Interests at least ten (10) days prior to expiration of the then current policies.

c) All liability insurance shall be carried in blanket form naming the Association, the Board, the manager or managing agent, if any, the officers of the Association, the Declarant, holders of first lien Security Interests, their successors and assigns and Unit Owners as insured.

d) Prior to obtaining any policy of casualty insurance or renewal thereof, pursuant to the provisions hereof, the Board may obtain an appraisal from a duly qualified real estate or insurance appraiser, which appraiser shall reasonably estimate the full replacement value of the Common Elements, without deduction for depreciation, review any increases in the cost of living, and/or consider other factors, for the purpose of determining the amount of the insurance to be effected pursuant to the provisions hereof. In no event shall any casualty insurance policy contain a co-insurance clause for less than one hundred percent (100%) of the full insurable replacement cost.

e) Unit Owners may carry and are advised to carry other insurance for their benefit and at their expense, provided that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance carried by Unit Owners and provided, further, that the policies of insurance carried by the Association shall be primary, even if a Unit Owner has other insurance that covers the same loss or losses as covered by policies of the Association. In this regard, Declarant discloses that the Association's insurance coverage, as specified hereunder and under the Act, does not obviate the need for Unit Owners to obtain insurance for their own benefit.

f) All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Unit Owner guilty of a breach of warranty, act, omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to the Unit Owner's interest, or who permits or fails to prevent the happening of any events, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under any such policy, as to the interests of all other insured Unit Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

Section 9.02 Hazard Insurance on the Common Elements. Insurance of fire, with extended coverage, vandalism, malicious mischief, all-risk, replacement cost, agreed amount (if the policy includes co-insurance), special condominium, building ordinance and inflation guard endorsements attached, in amounts determined by the Executive Board to represent not less than the full then current insurable replacement cost of the Building located on the Property including all of the Units and Common Elements, including all fixtures, interior and perimeter walls and floors, partitions, decorated and finished surfaces of interior and perimeter walls, floors, and ceilings, doors, windows and other elements or materials comprising a part of the Units and including any fixtures, equipment or other property within the Units which are to be financed by a Mortgage to be purchased by an Agency including FNMA and FHLMC, and excluding any betterments and improvements made by Unit Owners and building excavations and foundations. Maximum deductible amounts for such policy shall be determined by the Executive Board,

provided, however, that if an Agency requires specific deductibles, the Executive Board shall follow such Agency's requirements. In the event the Project has central heating or cooling or contains a steam boiler, coverage for loss or damage resulting from steam boiler and machinery equipment accidents in an amount equal to the lesser of \$2,000,000.00 or the insurable value of the buildings housing the boiler or machinery shall also be obtained. The Association shall obtain insurance covering the original specifications of each Unit. Each Unit Owner shall be responsible for obtaining additional or supplemental insurance covering any additions, alterations, or improvements to his Unit which increase the replacement value of his Unit. In the event that satisfactory arrangement is not made for additional insurance by the Unit Owner, the Unit Owner shall be responsible for any deficiency in any resulting insurance loss recovery and the Association shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements. Any additional premiums attributable to the original specifications of a Unit for which the insurance is increased as herein provided may be the subject of a lien for nonpayment as provided in Article VI hereof in the event the Association pays such premium for a Unit Owner.

All policies shall contain a standard non-contributory mortgage clause in favor of each holder of first lien Security Interests, and their successors and assigns, which shall provide that the loss, if any thereunder, shall be payable to the Association for the use and benefit of such holders of first lien Security Interests, and their successors and assigns, as their interests may appear of record in the records of the office of the Clerk-and Recorder of the County of Ouray, Colorado. If obtainable, the Association shall also obtain the following and any additional endorsements deemed advisable by the Executive Board: (a) an Inflation guard endorsement by a Construction Code endorsement, (c) a demolition cost endorsement, (d) a contingent liability from operation of building laws endorsement, and (e) an increased cost of construction endorsement.

Section 9.03 Comprehensive Liability Insurance. Comprehensive general public liability and property damage insurance for the Project in such amounts as the Executive Board deems desirable, provided that such coverage shall be for at least \$1,000,000 for bodily injury, including deaths and property damage arising out of a single occurrence insuring the Association, the Executive Board, the Manager or managing agent, or both, if any, and their respective agents and employees, and the Unit Owners from liability in connection with the operation, maintenance and use of Common Elements and must include a "severability of interest" clause or specific endorsement. Such coverage shall also include legal liability arising out of contracts of the Association and such other risks as are customarily covered with respect to condominiums similar to the Project in the Ouray County, Colorado including automobile liability insurance if appropriate. The Executive Board shall not enter into employment contracts or independent contractor contracts of any kind unless the contracting party provides evidence (such as a Certificate of Insurance) to the Executive Board that such party has current and satisfactory insurance, including workers compensation insurance, commercial general liability insurance and automobile insurance on all of which the Association is named as an additional insured.

The insurance policies may be carried in blanket policy form naming the Association as the insured, for the use and benefit of and as attorney-in-fact for the Unit Owners. Each Unit Owner shall be an insured person under the policy with respect to liability arising out of such Unit Owner's interest in the Common Elements or membership in the Association. Each Mortgagee and its

successors or assigns shall be a beneficiary of the policy in the percentages of Common Expenses for the Unit, which the Mortgage encumbers. The insurance company shall waive its rights of subrogation under the insurance policy against any Unit Owner or member of the Unit Owner's household. No act or omission by any Unit Owner, unless acting within the scope of such Unit Owner's authority on behalf of the Association, shall void the insurance policy or be a condition to recovery under the insurance policy. If, at the time of a loss under an insurance policy described above there is other insurance in the name of the Unit Owner covering the same risk covered by the policy, the Association's policy shall provide primary insurance.

Insurance coverage on the furnishings and other items of personal property belonging to an Owner and any additions and alterations to a Unit which increase the Unit's replacement value above that of the original specifications for the Unit (unless financed by a Mortgage to be purchased by FNMA or FHLMC), casualty and public liability insurance coverage for each Unit and the Limited Common Elements associated therewith and workman's compensation insurance covering work within each Unit or on the Limited Common Elements associated therewith shall be the responsibility of the Owner of the Unit.

Section 9.04 Fidelity Insurance. The Association may obtain adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the parts of its officers, directors, trustees and employees and on the part of all others who handle or are responsible for handling the funds of the Association, including persons who serve the Association with or without compensation. The clause "officers, directors, trustees and employees" shall not include any officer, director, agent or employee of Declarant or any officer, director, agent or employee of any independent, professional manager or managing agent theretofore or hereafter employed by the Association. The fidelity coverage or bonds should be in an amount sufficient to cover the maximum funds that will be in the control of the Association, its officers, directors, trustees and employees.

Section 9.05 Worker's Compensation and Employer's Liability Insurance. If applicable, the Association shall obtain worker's compensation and employer's liability insurance and all other similar insurance with respect to its employees in the amounts and forms as may now or hereafter be required by law.

Section 9.06 Officers' and Directors' Personal Liability Insurance. The Association may obtain officers' and directors' personal liability insurance to protect the officers and directors from personal liability relation to their duties and responsibilities in acting as officers and directors on behalf of the Association.

Section 9.07 Flood Insurance. The Association, if required by holders of the first lien Security Interests, or by a governmental agency, shall purchase and maintain flood insurance.

Section 9.08 Other Insurance. The Association may obtain insurance against such other risks, of similar or dissimilar nature, including flood insurance, as it shall deem appropriate with respect to the Association responsibilities and duties.

Section 9.09 Insurance Premium. Except as assessed in proportion to risk, if permitted under the terms of this Declaration, insurance premiums for the above provided insurance shall be

a Common Expense to be included a part of the annual assessments levied by the Association.

Section 9.10 Managing Agent Insurance. The manager or managing agent, if any, shall be insured to the same extent as the Association, as herein provided, and as provided in the Act, for the benefit of the Association, and shall maintain and submit evidence of such coverage to the Association.

Section 9.11 Waiver of Claims Against Association. As to all policies of insurance maintained by or for the benefit of the Association and Unit Owners, the Association and the Unit Owners hereby waive and release all claims against one another, the Board and Declarant, to the extent of the insurance proceeds available, whether or not the insurance damage or injury is caused by the negligence of or breach of any agreement by and of said persons.

Section 9.12 Annual Insurance Review. The Board shall review the insurance carried by and on behalf of the Association at least annually, for the purpose of determining the amount of insurance required.

Section 9.13 Adjustments by the Association. Any loss covered by an insurance policy described above shall be adjusted by the Association, and the insurance proceeds for that loss shall be payable to the Association, and not to any holder of a first lien Security Interest. The Association shall hold any insurance proceeds in trust for the Association, Unit Owners and holders of first lien Security Interests as their interests may appear. The proceeds must be distributed first for the repair or restoration of the damaged property and the Association Unit Owner and holders of first lien Security Interests are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged property has been completely repaired or restored.

Section 9.14 Duty to Repair. Any portion of the Project for which insurance proceeds are available under this Article which damaged or destroyed must be repaired or replaced promptly by the Association, except as provided in the Act.

Section 9.15 Condemnation and Hazard Insurance Allocations and Distributions. In the event of a distribution of condemnation proceeds or hazard insurance proceeds to the Unit Owners, the distribution shall be as the parties with interests and rights are determined or allocated by record, and pursuant to the Act.

ARTICLE X

SPECIAL RIGHTS OF HOLDERS OF FIRST LIEN SECURITY INTERESTS

Section 10.01 General Provisions. The provisions of this article are for the benefit of holders, insurers, or guarantors of holders of first lien Security Interests recorded within the Common Interest Community. To the extent applicable, necessary or proper, the provisions of this Article apply to both this Declaration and to the Articles and Bylaws of the Association. A holder, insurer or guarantor of a first lien Security Interest who has delivered a written request to the Association containing its name, address, the legal description and the address of the Unit upon which it holds a Security Interest, shall be considered an "Eligible Holder." Eligible insurers and

guarantors of a first lien Security Interest shall have the same rights as Eligible Holder.

Section 10.02 Special Rights. Eligible Holders shall be entitled to: (a) timely written notice from the Association of any default by a mortgagor of a Unit in the performance of the mortgagor's obligations under this Declaration, the Articles of Incorporation, the Bylaws or the Rules and Regulations, which default is not cured within sixty (60) days after the Association learns of such default; b) examine the books and records of the Association during normal business hours; c) receive a copy of financial statements of the Association, including any annual audited financial statement; (d) receive written notice of all meetings of the Executive Board or Members of the Association; (e) designate a representative to attend any such meetings; (f) written notice of any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; g) written notice of abandonment or termination of the Association of the plan contemplated under this Declaration; (h) thirty (30) days written notice prior to the effective date of any proposed, material amendment to this Declaration, the Articles of Incorporation, or the Bylaws; (i) thirty (30) days written notice prior to the effective date of termination of any agreement for professional management of the Association or the Common Elements, when professional management had been required previously under the terms of any Lien or Insurance Agreement for the Project or by an Eligible Holder; and (ii) immediate written notice as soon as the Association receives notice or otherwise learns of any damage to the Common Elements or a Unit if the cost of reconstruction exceeds Twenty Thousand Dollars (\$20,000) and as soon as the Association receives notice or otherwise learns of any condemnation or eminent domain proceedings or other proposed acquisition with respect to any portion of the Common Elements or any Units.

Section 10.03 Special Approvals. Unless at least all of the Eligible Holders of first lien Security Interests (based on one vote for each mortgage owned) of Units in the Association and requisite Unit Owners have given their written approval, neither the Association nor any Member shall (a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements or any improvements thereon which are owned, directly or indirectly, by the Association (except that the granting of access easements, utility easements, drainage easements and water facilities easements or easements for other public purposes consistent with the intended use of such real estate by the Association shall not be deemed within the meaning of this provision); (b) change the method of determining the obligations, Assessments or other charges which may be levied against Members or the method of allocating distributions of hazard insurance policy proceeds or condemnation awards; (c) by act or omission change, waive or abandon any scheme or regulation, or enforcement thereof, pertaining to architectural approval of improvement of Units, including the architectural design of the exterior appearance of Units, or the upkeep of the Common Elements; (d) fail to maintain the casualty, fire and extended coverage insurance as elsewhere provided in this Declaration; (e) use hazard insurance proceeds for losses other than the repair, replacement or reconstruction of the improvements which were damaged or destroyed; (f) take action to terminate the legal status of the Project after substantial destruction or condemnation occurs; (g) amend any material provision of this Declaration; and (h) establish self management by the Association when professional management has previously been required by the legal documents for the Project or by an Eligible Holder. An amendment shall not be deemed material if it is for the purpose of correcting technical errors, or for clarification only. If an Eligible Holder of a first lien Security Interest receives written request for approval of the proposed act, omission,

change or amendment by certified or registered mail, with a return receipt requested, and does not deliver or post to the requesting party a negative response within 30 days, it shall be deemed to have approved such request.

Section 10.04 Payment of Insurance Premiums. Any holder of a first lien Security Interest shall be entitled to pay any taxes or other charges which are in default and which may or have become a lien against a Unit or any of the Common Elements and may pay any overdue premiums on hazard insurance policies or secure new hazard insurance coverage for the Common Elements or Units, and the holder of a first lien Security Interest making such payments shall be entitled to immediate reimbursement therefor from the Association.

ARTICLE XI EASEMENTS

Section 11.01 Recorded Easements. The Property shall be subject to all easements as shown on any Map or plat, those of record, those provided in the Act (including easements for encroachment set forth in Section 214 of the Act and an easement for maintenance of any such encroachment), and otherwise as set forth in this Declaration.

Section 11.02 Declarant 's Rights Incident to Construction. Declarant, for itself and its successors and assigns, and the Association, hereby reserves an easement for construction, utilities, drainage, ingress and egress over, in, upon, under and across the Common Elements, together with the right to store materials on the Common Elements, to build and maintain temporary walls, and to make such other use of the Common Elements as may be reasonably necessary or incident to any construction of the Units, or improvements on the Property or other real property owned by Declarant, or other properties abutting and contiguous to the Property; provided, however, that no such rights shall be exercised by Declarant in a way which unreasonably interferes with the occupancy, use, enjoyment or access to the Project by the Owners.

Section 11.03 Utility Easements. There is hereby created a blanket easement upon, across, over, in and under the Property for the benefit of the Common Elements and the Units and the structures and improvements situated on the Property for ingress and egress, storm water drainage, installation, replacing, repairing and maintaining all utilities, including, but not limited to, water, sewer, gas, telephone, cable TV and electricity. Said blanket easement includes future utility services not presently available to the Units which may reasonably be required in the future. By virtue of this easement, it shall be expressly permissible for the companies providing utilities to erect and maintain the necessary equipment on any of the Units and to affix and maintain electrical and/or telephone wires, circuits, conduits and pipes on, above, across and under the roofs and exterior walls of the improvements, all in a manner customary for such companies in the area surrounding the Property, subject to approval by the Association as to locations.

Section 11.04 Reservation of Easements, Exceptions and Exclusions. The Association is hereby granted the right to establish from time to time, by declaration or otherwise, utility and other easements, permits or licenses over the Common Elements for the best interest of all the Owners and the Association. Each Owner is hereby granted a perpetual non-exclusive right of ingress to and egress from the Owner's Unit over and across the General Common Elements and

Limited Common Elements appurtenant to that Owner's Unit, which right shall be appurtenant to the Owner's Unit, and which right shall be subject to limited and reasonable restriction on the use of Common Elements set forth in writing by the Association, such as for closure for repairs and maintenance.

Section 11.05 Emergency Access Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons to enter upon the Property in the proper performance of their duties.

Section 11.06 Support Easement. Each Unit is subject to a blanket easement for support and a blanket easement for the maintenance of structures or improvements presently situated or to be built in the future on the Property or any Expansion Property.

ARTICLE XII GENERAL PROVISIONS

Section 12.01 Enforcement; Arbitration. In the event of a violation of any of the terms of this Declaration, the Association or a Unit Owner or Unit Owners of any of the Units may enforce the restrictions, conditions, covenants and reservations imposed by the provisions of this Declaration. The Association may promulgate rules and regulations for notice and other procedures for dealing with any alleged violation of the terms of this Declaration or of any of the Association Documents. Such procedures or remedies as established by the Association shall be cumulative and in addition to the enforcement provisions as contained in this Declaration. Declarant, for each Unit, shall be deemed to covenant and agree, and each Unit Owner, by acceptance of a Deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and voluntarily agree, on their own behalf and on behalf of their heirs, successors and assigns, to submit any such enforcement action to arbitration under the provisions of the Uniform Arbitration Act, C.R.S. § 13-22-201 *et. seq.*, either to recover damages for such violation, including reasonable attorneys fees incurred in enforcing these covenants, or to restrain such violation or attempted violation. The process for designating an arbitrator shall be as follows: A party demanding arbitration of a dispute under this provision shall, in writing, submit a name of an arbitrator to the other parties to the dispute. The other parties shall have ten days from the date of the receipt of notice of designation of the arbitrator to object and name an alternate Arbitrator. Failure to object and designate an alternate arbitrator in writing within ten days shall be deemed to be an acceptance of the arbitrator so designated. If an alternate arbitrator is designated within the ten days, the initial party who designated the original arbitrator shall have ten days to object to the alternate arbitrator. If no such objection is received, the alternate arbitrator shall be the arbitrator of the dispute. If there is a timely written objection to the alternate arbitrator, the original and the alternate arbitrator shall jointly select a third arbitrator who shall be the sole arbitrator of the dispute. In the event the original and alternate arbitrators are not able to agree upon a third arbitrator, one shall be appointed by any court of competent jurisdiction. The parties agree that any arbitration held pursuant to this section shall be binding upon the parties and shall not be appealable to the courts except for the reasons listed in the Uniform Arbitration Act as cited above. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all of its costs and expenses including reasonable attorney's fees, arbitrator's fees and reasonable out-of-pocket expenses. "Prevailing party" shall mean the party

whose position is most nearly upheld in arbitration. If a dispute involves the Declarant or the Association, no Person shall file a memorandum of *lis pendens* or similar instrument that would encumber, create a lien upon or otherwise cloud the title to land owned by either the Declarant or the Association. Failure of the Association, the Declarant or of any Unit Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Executive Board may post on a bulletin board at a conspicuous place on the Common Area notices of any covenant violations by members and copies of any recorded statements. Failure to post shall not affect the validity of any lien or action to redress any covenant violation.

Section 12.02 Severability. Each of the provisions of this Declaration shall be deemed independent and severable. If any provision of this Declaration or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this Declaration which can be given effect without the invalid provisions or applications.

Section 12.03 Term of Declaration. The covenants and restrictions of this Declaration shall run with and bind the land in perpetuity.

Section 12.04 Amendment of Declaration by Declarant. Until the first Unit has been conveyed by Declarant by deed recorded in the office of the County Clerk and Recorder of the County of Ouray, Colorado, any of the provisions, covenants, conditions, restrictions and equitable servitudes contained in this Declaration may be amended or terminated by Declarant by the recordation of a written instrument, executed by Declarant, setting forth such amendment or termination. Thereafter if Declarant shall determine that any amendments to this Declaration shall be necessary in order to make non-material changes, such as the correction of a technical, clerical or typographical error or clarification of a statement, then, subject to the following sentence of this Section, Declarant shall have the right and power to make and execute any such amendments without obtaining the approval of any Unit Owners. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Declarant to make or consent to an amendment under this section on behalf of each Unit Owner and holder of a Security Interest. Each deed, Security Interest, other evidence of obligation or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of Declarant to make, execute and record an amendment under this Section.

Section 12.05 Amendment of Declaration by Unit Owners. Except as otherwise provided in this Declaration, and subject to provisions elsewhere contained in this Declaration requiring the consent of Declarant or others, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration may be amended or repealed at any time and from time to time upon approval of sixty-seven percent (67%) of all of the votes in the Association and with the written consent of the Association. The amendment or repeal shall be effective upon the recordation in the office of the Clerk and Recorder of Ouray County, State of Colorado, of a certificate, setting forth the, amendment in full and certifying that the amendment has been approved as set forth above, and containing the written consent and approval of the Association.

Document must be filed electronically.
Paper documents are not accepted.
Fees & forms are subject to change.
For more information or to print copies
of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Incorporation for a Nonprofit Corporation

filed pursuant to § 7-122-101 and § 7-122-102 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name for the nonprofit corporation is S&S Condominium Owners Association, Inc.

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the nonprofit corporation's initial principal office is

Street address 310 Sixth Avenue
(Street number and name)

Ouray CO 81427
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

Mailing address PO Box 811
(leave blank if same as street address) (Street number and name or Post Office Box information)

Ouray CO 81427
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

3. The registered agent name and registered agent address of the nonprofit corporation's initial registered agent are

Name
(if an individual) _____
(Last) (First) (Middle) (Suffix)

OR

(if an entity) Hockersmith & Whitmore, LLC
(Caution: Do not provide both an individual and an entity name.)

Street address 917 Main St.
(Street number and name)

Second Floor
Ouray CO 81427
(City) (State) (ZIP Code)

Mailing address
(leave blank if same as street address)

PO Box 646
(Street number and name or Post Office Box information)

Ouray CO 81427
(City) (State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent above has consented to being so appointed.

4. The true name and mailing address of the incorporator are

Name
(if an individual) Eddy Erin
(Last) (First) (Middle) (Suffix)

OR

(if an entity) _____
(Caution: Do not provide both an individual and an entity name.)

Mailing address PO Box 811
(Street number and name or Post Office Box information)

Ouray CO 81427
(City) (State) (ZIP/Postal Code)
Colorado United States
(Province – if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The corporation has one or more additional incorporators and the name and mailing address of each additional incorporator are stated in an attachment.

5. (If the following statement applies, adopt the statement by marking the box.)

The nonprofit corporation will have voting members.

6. Provisions regarding the distribution of assets on dissolution:

Upon the dissolution of the corporation, after paying or making provisions for the payment of all of the liabilities of the corporation, all the assets of the corporation shall be turned over to members in substantially equal amounts as determined by the Board of Directors. If the corporation is exempt under section 501(c)(3) of the internal revenue code, or corresponding section of any future federal tax code, the assets of the corporation shall be distributed for one or more exempt purpose under said section, or to the federal government, or to a state or local government, for a public purpose, as the board of directors shall determine. Any such assets not so disposed of shall be disposed of by the District Court for the County of Ouray and State of Colorado, exclusively for such purposes or to such organization or organizations, as such court shall determine, which are organized and operated exclusively for such purposes.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

8. (**Caution:** *Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.*)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____.
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes. This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

Thomasson Lane Parkin
(Last) (First) (Middle) (Suffix)
917 Main St.
(Street number and name or Post Office Box information)
Ouray CO 81427
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

BYLAWS
of
S&S CONDOMINIUMS OWNER’S ASSOCIATION, INC.,
a Colorado Non-Profit Corporation

These are the Bylaws of S&S Condominiums Owner’s Association, Inc. (the “Association”), which shall operate under the Colorado Revised Nonprofit Corporation Act, as amended (the “CRNCA”) and the Colorado Common Interest Ownership Act, as amended (the “Act”). Terms used herein shall have the meaning set forth in the Declaration and in the Act.

ARTICLE I
OFFICES

The principal office of the Association shall be 917 Main St., Second Floor, Ouray, Colorado 81427 (Mailing address: PO Box 646, Ouray, CO 81427).

The Executive Board of Directors, in its discretion, may keep and maintain other offices within or without the State of Colorado wherever the business of the Association may require.

ARTICLE II
MEMBERSHIPS

A. Memberships. There shall be one membership in the Association for each of the "Owners" of a "Unit", as those terms are defined in the Declaration of Conditions, Covenants and Restrictions of S&S Condominiums, City of Ouray, Ouray County, Colorado recorded on _____, 2022, at Reception No. _____, *et seq.*, in the office of the Clerk and Recorder of Ouray County, Colorado (the “Declaration”) existing in the Common Interest Community described in said Declaration. While there may be multiple owners of a Unit, each being a member in the Association, in no event shall more than one vote per Unit be cast on any matter in which members of the Association are entitled to vote, the vote for any Unit owned by multiple owners being exercised as determined among such Owners. No person or entity other than an Owner of a Unit may be a member of the Association.

B. Transfer of Membership. A membership in the Association and the share of a membership in the assets of the Association shall not be assigned, encumbered, or transferred in any manner except as an appurtenance to transfer title to the Unit to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of trust, or other security instrument on a Unit as further security for a loan secured by a lien on such Unit. A transfer of membership shall occur automatically upon the transfer of title to the Unit to which the membership pertains, but the Association shall be entitled to treat the person or persons in whose name or names the membership is recorded on the books and records of the Association as the member for all purposes until such time as evidence of a transfer of title, satisfactory to the Association, has been submitted to the secretary.

A transfer of membership shall not release the transferor from liability for obligations accrued incident to such membership prior to such transfer. In the event of dispute as to ownership appurtenant thereto, title to the Unit, as shown in the records of the County Clerk and

Recorder of Ouray County, Colorado, shall be determinative.

C. Voting Rights. Where the vote of the Member is required or permitted by the statutes of the State of Colorado, the Declaration, or by the Articles of Incorporation or these Bylaws, Members shall be entitled to only one vote per Unit in the Association.

Where there are co-owners of a Unit (whether by joint tenancy, tenancy in common, or otherwise) any one of such co-owners present or represented by proxy, shall be accepted automatically by the Association as the agent and attorney in fact for other co-owners not present or represented by proxy, for the purpose of casting the vote of that membership. If more than one of the Owners is present, the vote allocated to the Unit may be cast only in accordance with the agreement of a majority of the Owners of that Unit. Majority agreement exists if any one of the Owners casts the vote allocated to the Unit without protest being made promptly to the person presiding over the meeting by another Owner of the Unit. If a majority of Owners of a Unit cannot agree as to the casting of a vote, then the Association may disregard or any attempted vote by a minority Owner. Voting by proxy shall be permitted. Proxies must be executed in writing by the Owner or co-owner or his duly authorized attorney-in-fact, and must be filed with the secretary before the appointed time of each meeting. No proxy shall be valid after eleven months from the date of its execution unless a shorter term is specified in the proxy. The Association may suspend the voting rights of a member for failure to comply with the rules or regulations of the Association or for failure to comply with any other obligations of a Unit Owner under the Declaration.

D. Annual Meeting. An annual meeting of the members for the purpose of voting on such matters as properly may come before the meeting shall be held on the third Wednesday in March of each year at a convenient location in Ouray County, Colorado, to be selected by the Executive Board of Directors.

E. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors or by written request of one or more of the votes of the outstanding memberships, and shall be held at a convenient location in Ouray County, Colorado, to be selected by the person calling the meeting.

F. Meeting to Approve Annual Budget. At the annual meeting of the Owner/Members or at a special meeting of the Owner/Members called for such purpose, the Owner/Members shall be afforded the opportunity to veto the budget of projected revenues, expenditures and reserves for the Association's next fiscal year as proposed by the Executive Board. A summary of the proposed budget approved by the Executive Board shall be mailed to the Owner/Members within thirty (30) days of its adoption along with a notice of meeting of the Association Members to be held not less than ten (10) nor more than fifty (50) days after mailing of the summary to the Members (or in the alternative, together with a ballot and information sufficient to satisfy the provisions of Section 109 of the CRNCA and subparagraph J below). Unless sixty-seven percent (67%) of all Units entitled to vote veto the proposed budget, the budget is ratified. There are no quorum requirements for this meeting. In the event the proposed budget is vetoed, the budget last ratified by the Members continues until such time as the Members ratify a subsequent budget proposed by the Executive Board as provided below.

G. Notices and Waivers. Notices of annual and special meetings of the members must be given in writing and must state the place, day and hour of the meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called. Such notice shall be delivered not less than ten or more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting, and shall be given to each such Owner or co-owner of a membership entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to such Owner or co-owner at his address as it appears on the records of the Association, with postage prepaid thereon.

Written waiver of notice signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

H. Quorum: Vote Required; Adjournment. The votes represented by person or by proxy for two (2) Units shall constitute a quorum at any meeting of members. If a quorum exists, the action by a majority of the votes present or represented by proxy shall be the act of the members. If a quorum does not exist, a majority of the votes present in person or by proxy may adjourn the meeting for a period of time not exceeding thirty days. If at the adjourned meeting less than a quorum is present those present shall constitute a quorum, and a majority of the votes cast shall be sufficient to pass all resolutions, or acts.

I. Action of Members without a Meeting. Any action required to be taken or any action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority (unless a greater percentage is required by these Bylaws, the Articles of Incorporation, the Act or the CRNCA) of all of the Owners of memberships entitled to vote with respect to the subject matter thereof. Each Unit shall be entitled to one vote, and one Owner or co-owner of said Unit shall execute the consent set forth herein above.

J. Voting by Mail. Except as limited by subparagraph H. of Article III, the Executive Board may decide that voting of the Members on any matter required or permitted by the statutes of Colorado, the Declaration, the Articles of Incorporation, or these Bylaws shall be by written ballot. Pursuant to the CRNCA, any action that may be taken at any annual, regular or special meeting of Members may be taken without a meeting if the Secretary delivers a written ballot to every Member entitled to vote on the matter. "Delivery" to the Member of the ballot, and the Member's return of the completed ballot shall be made by the same methods available for providing notice to a member set forth in subparagraph G of this Article II above.

1. A written ballot shall: (i) set forth each proposed action; and (ii) provide an opportunity to vote for or against each proposed action.

2. Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes

cast by ballot.

3. All solicitations for votes by written ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than the election of a member of the Executive Board; (iii) specify the time by which a ballot must be received by the Association in order to be counted; and (iv) be accompanied by written information sufficient to permit each person casting such ballot to reach an informed decision on the matter.

4. A written ballot, once received by the Association, may not be revoked unless the Owner casting the written ballot appears in person at a meeting convened to consider any one or more of the matters on the ballot.

ARTICLE III EXECUTIVE BOARD OF DIRECTORS

A. Number; Qualification. The Declaration shall govern the appointment of members of the Executive Board during the period of Declarant Control. The initial Executive Board of Directors shall consist of one (1) member, whose name and address is Erin Eddy, PO Box 646, 917 Main Street, Ouray, CO 81427. After the first Unit is sold to a person other than the Declarant, the Executive Board shall consist of three (3) members. Only Owners, eligible to vote and otherwise in good standing, or officers of any corporate Owner of a Unit, or a partner in any partnership owning a Unit, or trustee of any trust owning a Unit, may be elected or appointed to fill a vacancy on the Executive Board; provided, however, Declarant shall have the right to appoint members to the Executive Board and to have members remain on the Executive Board as provided in the Declaration and the Act. In the case where, through removal or resignation, the total number of Executive Board members is less than three, the Executive board will be considered properly constituted until such vacancies are filled.

B. Qualification; Term. Directors must be members of this corporation, or officers of any corporate Owner of a Condominium, or a partner in any partnership owning a Condominium, or trustee of any trust owning a Condominium. Directors shall be elected by the members at annual meetings and shall serve until the next annual meeting of members or until their successors are duly elected and qualified.

C. Succession Upon Transfer of Unit or Resignation of Director. Upon the transfer of any Unit by an owner serving on the Executive Board, or the resignation of any owner serving on the Executive Board, the seat occupied by such director shall be deemed vacant, and such vacancy shall be filled forthwith by the remaining members of the Executive Board. Each person so elected or appointed to fill a vacancy shall serve on the Executive Board for the remainder of the term of the director so replaced.

D. Meetings. There shall be a regular meeting of the Executive Board immediately following the annual meeting of the members of the Association, and the Board may establish regular meetings to be held at such other places and at such other times as it may determine from time to time. After the establishment of the time and place for such regular meetings, no further

notice thereof need be given. Special meetings of the Board may be called by the president, or, upon written request delivered to the secretary of the Association by any one Director.

E. Notices and Waiver. The secretary shall give three days notice of special meetings to each Director. Such notice may be given orally, in person or by telephone, or in writing, served on or mailed to each Director. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Executive Board of Directors need be specified in the notice of waiver of such meeting.

Written waiver of notice signed by a Director, whether before or after the time stated therein, shall be the equivalent to the giving of such notice. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

F. Quorum; Vote Required; Adjournment. At any meeting of the Executive Board after sale of a Unit by Declarant, two (2) of the number of Directors acting and qualified shall constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Executive Board, except as otherwise specifically required by law, the Articles of Incorporation, these Bylaws or the Declaration. If a quorum does not exist, a majority of the Directors present may adjourn the meeting for a time not exceeding thirty days. If a quorum is not present at such adjourned meeting, those present shall constitute a quorum, and a vote of a majority shall be sufficient to pass all resolutions or other acts.

G. Action of Directors without a Meeting. Any action required to be taken, or any action which may be taken, at a meeting of the Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken shall be signed by a majority of the Directors entitled to vote with respect to the subject matter thereof.

H. Types of Communication in Lieu of Attendance. Any member of the Executive Board may attend a meeting of the Executive Board by: (i) using an electronic or telephonic communication method whereby the member may be heard by the other members and may hear the deliberations of the other members on any matter properly brought before the Executive Board; or (ii) by participating in "real time" e-mail communication when all Board members are participating in this form of communication. The vote of such member shall be counted and the presence noted as if that member was present in person on that particular matter.

ARTICLE IV OFFICERS

A. General. The officers of the Association may consist of a president, one or more vice presidents, a secretary and a treasurer or a combined secretary-treasurer. The officers of the Association shall serve at the pleasure of the Executive Board, and the Executive Board may appoint such other officers, agents, factors and employees as it may deem necessary or desirable. Officers may be, but need not be, members of the Association. Any person may hold two or

more offices simultaneously.

B. President. The president shall be the principal executive officer of the Association and, subject to the control of the Executive Board, shall direct, supervise, coordinate and have general control over the affairs of the Association and shall have the powers generally attributable to the chief executive officer of the Association. The president shall preside at all meetings of the members of the Association.

C. Vice President. Vice presidents may act in place of the president in case of this death, absence, inability or failure to act and shall perform such other duties and have such authority as is from time to time delegated by the Executive Board or by the president.

D. Secretary. The secretary shall be the custodian of the records and of the seal of the Association and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law and that the books, reports, and other documents and records of the Association are properly kept and filed; shall keep minutes of the proceedings of the members and of the Executive Board; shall keep a record of the names and addresses of the Owners and co-owners entitled to vote and, in general, shall perform all duties incident to the office of the secretary and such other duties as may, from time to time, be assigned to him by the Executive Board or by the president.

E. Treasurer. The treasurer shall have charge and custody of and be responsible for all funds and securities of the Association, shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board of Directors, shall keep correct and complete books and records of account and records of financial transactions and conditions of the Association and shall submit such reports thereof as the Executive Board may, from time to time, require and, in general, shall perform all the duties incident to the office of the treasurer, and such other duties as may from time to time be assigned to him by the Executive Board of Directors or by the president.

F. Compensation. Subject to the restrictions in these By-laws, officers, agents, factors and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Executive Board. It is, to be specifically understood, however, that appointment of an officer, agent, factor or employee shall not of itself create contractual rights to compensation for services performed as such officer, agent, factor or employee.

ARTICLE V CONTRACTS, CONVEYANCE, CHECKS AND MISCELLANEOUS

A. Contracts. The Executive Board may authorize any officer or agent of the Association to enter into any contract or execute and deliver any instrument in the name of the Association, except as otherwise specifically required by the Articles of Incorporation or these Bylaws.

B. Conveyances and Encumbrances. Association property may be conveyed or encumbered by authority of the Executive Board or such other person or persons to whom such

authority may be delegated by resolution of the Board. Conveyances or encumbrances shall be by instrument executed by the president or a vice president and the secretary, or executed by such other person or persons to whom such authority may be delegated by the Board.

C. Checks. All checks, drafts, notes and others for the payment of money shall be signed by the president or a vice president or the treasurer, or shall be signed by such other officer or officers of the Association as shall be duly authorized by resolution of the Executive Board. Any check, draft, or note in excess of \$1,000.00 shall require the express approval of the Executive Board and the signature of at least two (2) officers of the Association.

D. Fiscal Year. The fiscal year of the Association shall be the calendar year.

E. Seal. There shall be no corporate seal.

ARTICLE VI RIGHTS AND OBLIGATIONS OF THE ASSOCIATION AND THE MEMBERS

A. Annual Assessments. The Executive Board of Directors may fix, levy, and collect assessments in the manner and for the purposes specified in the Declaration, and the members shall pay assessments as therein provided.

B. Other Rights and Obligations. The Executive Board may act in all instances on behalf of the Association in the performance of all obligations and duties and the exercise all rights and powers of the Association as set forth in the Declaration and the Act. All the relative rights and duties of the Association and the members as therein prescribed shall be binding on said parties to the same extent as if set forth in full in these Bylaws. Without limiting the generality of the foregoing the Executive Board shall have the following duties and powers:

1. Adopt and amend Bylaws and Rules and Regulations.
2. Adopt and amend budgets for revenues, expenditures and reserves. As part of the adoption of the regular budget the Executive Board shall include an amount which, in its reasonable business judgment, will establish and maintain an adequate reserve fund for the expansion, modification or replacement of improvements to the Common Elements based upon the age, remaining life and the quantity and replacement cost of improvements to the Common Elements.
3. Suspend the voting interests allocated to a Unit, and the right of an Owner to cast such votes, or by proxy the votes of another, during any period in which such Owner is in default in the payment of any Assessment, or, after notice and hearing, during any time in which an Owner is in violation of any other provision of the Governing Documents.
4. Hire and discharge managing agents.
5. Hire and discharge employees, independent contractors and agents.
6. Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violations of the Governing Documents in the Association's name, on behalf of the Association or on behalf of two or more Owners in matters affecting the Common Interest Community.

7. Make contracts and incur liabilities.
8. Regulate the use, maintenance, repair, replacement and modification of all property within the Project.
9. Cause additional improvements to be made as a part of the Common Elements.
10. Acquire, hold, encumber and convey, in the Association's name, any right, title or interest to real estate or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to Section 312 of the Act.
11. Grant easements for any period of time, including permanent easements, and grant leases, licenses and concessions, through, over or under the Common Elements.
12. Impose and receive, on behalf of the Association, a payment, fee or charge for services provided to Owners and for the use, rental and operation of the Common Elements.
13. Establish from time to time, and thereafter impose, charges for late payment of Assessments or any other sums due and, after notice and hearing, levy a reasonable fine for a violation of the Governing Documents.
14. Impose a reasonable charge for the preparation and recording of amendments to the Declaration or statements of unpaid Assessments.
15. Provide for the indemnification of the Association's officers and the Executive Board to the extent provided by law, provide for the indemnification of committee members to the extent the Executive Board deems just and reasonable, and maintain directors' and officers' liability insurance.
16. Declare the office of a member of the Executive Board to be vacant in the event such member shall fail to participate in three (3) regular meetings of the Executive Board during any one year period.
17. Appoint any committee as required or permitted by the Declaration or these Bylaws or as may be deemed appropriate by the Executive Board to carry out its purposes and duties, and by resolution, establish committees, permanent and standing, to perform any of the above functions under specifically delegated administrative standards as designated in the resolution establishing the committee.
18. By resolution, set forth policies and procedures which shall be considered incorporated herein by reference as though set forth in full, and which provide for corporate actions and powers which are different than those set forth in the CRNCA but which are permitted by the CRNCA to be "otherwise set forth in the Bylaws." Such resolutions shall be given the same force and effect as if specifically enumerated in these Bylaws.
19. Exercise any other powers conferred by the Declaration, the Articles of Incorporation, these Bylaws, the Act or the CRNCA.
20. Exercise any other power necessary and proper for the governance and operation of the Association.
21. Exercise any other power that may be exercised in the state by a legal entity of the same type as the Association.

C. Tax exempt requirements. If the Association is a tax exempt organization within the meaning of Federal law, the Association shall meet these requirements:

1. the Association is organized and operated to provide for acquisition, construction, management, maintenance and care of the Association's property;
2. a minimum of 60% of the organization's income must come from Member's assessments, special assessments or dues;

3. a minimum of 90% of the annual expenditures of the association shall be spent to acquire, construct, manage maintain and care or improve its property;
4. no part of the association's net earnings shall inure to the benefit of any private shareholder or individual; and
5. substantially all of the dwelling units in the Common Interest Community shall be used by individuals for residences.

ARTICLE VII INDEMNIFICATION

A. Actions Other Than by or in the Right of the Association. The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit, proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or she is or was a member of the Executive Board or officer of the Association, who is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) judgments, fines, amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner which such individual reasonably believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Determination of any action, suit or proceeding by judgment, order settlement or conviction, or upon a pleas of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner he or she reasonably believed to be in the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe his or her conduct was unlawful. Such liability shall be satisfied within thirty (30) days after request therefore if there exists adequate operating funds but, if not, the funds shall be raised by a special assessment of the Owners as quickly as possible, with the need of Owners' approval.

B. Actions By or in the Right of the Association. The Association shall indemnify any person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure judgment in its favor by reason of the fact that such person is or was a member of the Executive Board of officer of the Association or is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner which he or she reasonably believed to be in the best interests of the Association; but no indemnification shall be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable for negligence, recklessness or willful misconduct in the performance of his or her duty in the Association unless, and to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses if such court deems it proper.

C. Successful on the Merits. To the extent that a member of the Executive Board or any

manager, officer, project manager, employee, fiduciary or agent of the Association has been wholly successful on the merits in defense of any action, suit or proceeding referred to in subparagraphs A or B of this Article VII, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection therewith.

D. Determination Required. Any indemnification under of subparagraphs A and B of this Article VII (unless ordered by a court) and as distinguished from subparagraph C of this Article VII, shall be made by the Association only as authorized by the specific case upon a determination that indemnification of the member or the Executive Board or officer is proper in the circumstances because such individual has met the applicable standard of conduct set forth in subparagraphs A and B above. Such determination shall be made by the Executive Board by majority vote of a quorum consisting of those members of the Board who were not parties to such action, suit or proceeding or, if a majority of disinterested members of the Executive Board so directs, by independent legal counsel or by member entitled to vote thereon. Such determination shall be reasonable, based on substantial evidence of record, and supported by written opinion. The Executive Board shall provide a copy of its written opinion to the officer or Executive Board member seeking indemnification upon request.

E. Payment in Advance of Final Disposition. The Association shall pay for or reimburse the reasonable expenses incurred by a former or current member of the Executive Board or officer who is a party to a proceeding in advance of final disposition of the proceeding if (i) the member of the Executive Board or officer furnishes to the Association a written affirmation of the Executive Board member's good faith belief that he or she has met the standard of conduct described in subparagraphs A or B of this Article VII; (ii) the Executive Board member or officer furnishes to the Association a written understanding, executed personally or on the Executive Board member's or officer's behalf to repay the advance if it is ultimately determined that the Executive Board member or officer did not meet the standard of conduct; and (iii) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article. The undertaking required in this subparagraph E shall be an unlimited general obligation of the Executive Board but need not be accepted by the Executive Board member or officer or may be accepted without reference to financial ability to make repayment.

F. No Limitation of Rights. The indemnification provided by this Article VII shall not be deemed exclusive or nor a limitation upon any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the Members or disinterested members of the Executive Board, or otherwise, nor by any rights which are granted pursuant to the Act or CRNCA. Upon a vote of the Executive Board, the Association may also indemnify a Member appointed by the Executive Board to serve on a committee (when such committee member is not also a member of the Executive Board) upon such terms and conditions as the Executive Board shall deem just and reasonable.

G. Directors and Officers Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a member of the Executive Board or an officer of the Association against any liability asserted against him or her and incurred by such

individual in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify such individual against such liability un the provisions of this Article VII.

ARTICLE VIII RECORDS

A. Records and Audits. The Association shall maintain financial records. The cost of any audit or review shall be a Common Expense unless otherwise provided in the Declaration. An audit or review shall be done no less often than every three years, unless otherwise provided for in the Declaration, the Act or as determined by the Executive Board.

B. Examination. All records maintained by the Association or the Manager shall be available for examination and copying by any Owner or by any of their duly authorized representatives, at the expense of the person examining the records, during normal business hours and after reasonable notice in accordance with the CRNCA and the Act.

C. Records. The Association shall keep the following records:

1. An account for each Unit, which shall designate the name and address of each Owner, the name and address of each mortgagee who has given notice to the Association that it holds a mortgage on the Unit, the amount of each Common Expense Assessment, the dates on which each Assessment comes due, the amounts paid on the account and the balance due;
2. The current operating budget;
3. A record of insurance coverage provided for the benefit of Owners and the Association for the immediately preceding three years;
4. Tax returns for state and federal income taxation for the preceding seven years;
5. Minutes of proceedings of incorporators, Owners, Members, Executive Board and its committees (including written consents), and waivers of notice;
6. A copy of the most current versions of the Articles of Incorporation, Declaration, these Bylaws, Rules and Regulations, and resolutions of the Executive Board, along with their exhibits and schedules;
7. All written communications to Owners (which communications shall only be made available to the Owner with whom the Association has communicated);
8. A list of the names and business or home addresses of the current members of the Executive Board and officers;
9. A copy of the Association's most recent corporate report filed with the Colorado Secretary of State in accordance with the CRNCA; and
10. Such other records as the Executive Board shall determine from time to time are necessary and desirable.

ARTICLE IX AMENDMENTS

A. Articles of Incorporation. Amendments may be made to the Articles of Incorporation in the manner provided by the laws of the State of Colorado by vote of the membership of the

Association at any annual or special meeting of the membership, provided that the notice of such meeting states that such amendment is to be considered.

B. Bylaws. These Bylaws may at any time and from time to time be amended, altered or repealed by the Executive Board of Directors, or by vote of the membership of the Association, at any annual or special meetings provided that the notice of such meeting states that such amendment, alteration or repeal is to be considered.

C. Limitation on Amendments/Conflicts of Documents. No amendment to the Articles of Incorporation or these Bylaws shall be contrary to or inconsistent with any provision of the Declaration. In case if any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; in the case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

ADOPTED AND APPROVED effective the ____ day of _____, 2022.

Erin Eddy, Board President

Community Development Department

320 6th Avenue | P.O. Box 468 Ouray, CO 81427
 buildinginspector@cityofouray.com | 970-325-7063



MASTER LAND USE APPLICATION FORM

Please submit the completed Master Land Use Application, any required submittals, and required fee to the Community Development Department for review.

APPLICATION SELECTION		
<i>Please select (✓) which type of application you are applying for and reference the corresponding application fee.</i>		
LAND USE APPLICATION TYPE	OURAY MUNICIPAL CODE REFERENCE	REQUIRED FEE
() Site Development Permit (SDP)	§7-4	\$200
() Conditional Use Permit	§7-5-F	\$200
() Variance Request	§7-5-G	\$500
() Rezone	§7-5-I	\$200
() Planned Unit Development (PUD) <i>via subdivision</i>	§7-8	\$500
() Subdivision – Sketch Plan	§7-7-C-2	\$200
() Subdivision – Preliminary Plat	§7-7-C-3	\$400
() Subdivision – Final Plat	§7-7-C-4	\$300
() Lot Split	§7-7-C-5	\$300
() Replat	§7-7-C-6	\$300
() Plat Amendment	§7-7-C-7	\$300
(X) Minor Subdivision	§7-7-C-8	\$250
() Mobile Home/RV Park	§7-5-J-3	\$300
() Condominiumization <i>via subdivision</i>	§7-10	
() Other:		

CONTACT INFORMATION	
Applicant Name: <u>Erin Eddy</u>	
Address: <u>917 Main St., Second Floor</u> City/State/ZIP: <u>Ouray, CO 81427</u>	
Phone: _____	Email: _____
Property Owner(s): <u>OURLOCOL, LLC</u>	
Address: <u>PO Box 811</u> City/State/ZIP: <u>Ouray, CO 81427</u>	
Phone: _____	Email: _____
Contact (<i>if different than Applicant</i>): <u>Lane Thomasson</u>	
Address: <u>917 Main St., Second Floor</u> City/State/ZIP: <u>Ouray, CO 81427</u>	
Phone: <u>970-325-4414</u>	Email: <u>lane@ouraylaw.com</u>

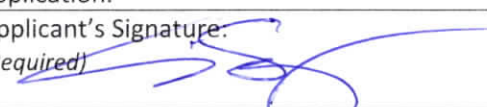

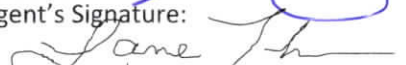
PROJECT INFORMATION	
Project Title: <u>S&S Subdivision</u>	
Site Address: <u>304 6th Avenue, Ouray, CO 81427</u>	
Parcel Number(s): <u>451531207014</u>	
Zoning District: <input checked="" type="checkbox"/> One <input type="checkbox"/> R-1 <input type="checkbox"/> R-2 <input type="checkbox"/> C-1 <input type="checkbox"/> C-2	
Proposed Use: <u>Residential and Commercial</u>	Existing Use: <u>Commercial</u>
Proposed Site Area (combined sq. ft.): <u>1250 sq ft</u>	

(Continued on back)

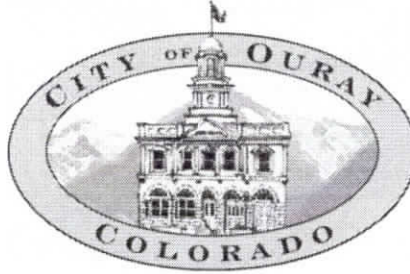
Existing Building sq. ft.: 3175 sq ft	Proposed Building sq.ft.: 3175 sq ft
# of Existing Lots: 1	# of Proposed Lots: 2
Project Description (brief): <u>The purpose of this application is to convert ownership of Units 1 and 2 into condominiums.</u> <u>Please see Project Narrative that is attached to this application for further information.</u>	
Is the property subject to natural/geologic hazards? (e.g. flooding, landslides, rockfall, debris flow) () Yes (x) No (✓) One	
If yes , briefly describe:	

SUBMITTAL REQUIREMENTS*	
<i>Required for ALL Land Use Application types.</i>	
	Completed Land Use Application (herein)
	Appropriate fees (outlined above; checks paid to the City of Ouray)
	Detailed Site Plan(s): 1) Electronic copy/PDF(s) submitted via email/flash drive to Community Development Department 2) 24"x 36" hard copies submitted to Community Development Department (<i>only if requested/required</i>)
	Project Narrative including purpose, goals, end-result, current conditions, etc. of proposed land use application (via electronic or hard copy submitted to Community Development Department)
	Any required information , material(s), and/or report(s). <i>See referenced Ouray Municipal Code section(s), above, for additional/supplemental required information and processes.</i> (via electronic or hard copy submitted to Community Development Department)
	Evidence of ownership or written notarized consent of legal owner(s). <i>Corporations or similar entities must provide written documentation on who is authorized to represent and act on behalf of the organization.</i> (via electronic or hard copy submitted to Community Development Department)
* INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED	

Per Ouray Municipal Code Section 7-3-B: Fees. The applicant is responsible for all costs incurred by the City which may include legal fees, postage, notice and publication costs, other professional services or charges by outside agencies for the review and processing of the applicant's request. The Applicant will be invoiced of such charges for payment within 30 days of mailing. Invoices not paid prior to the final decision meeting or action as requested, may cause the matter to be delayed to a subsequent date/time or the application could be denied. Please review the full statement in the Code regarding payment of fees.

CERTIFICATION	
By affixing my signature hereto, I certify under penalty of perjury that the information furnished herein is true and correct to the best of my knowledge and that I am the owner of the premises where the work is to be performed or am acting as the owner's authorized agent. I further agree to hold harmless the City of Ouray as to any claim (including costs, expenses and attorney's fees incurred in the investigation of such claim) which may be made by any person, including the undersigned, and filed against the City of Ouray, but only where such claim arises out of the reliance of the City, including its officers and employees, upon the accuracy of the information provided to the City as a part of this application.	
Applicant's Signature: (Required) 	Date: 3/25/22
Property Owner's Signature: (Required) 	Date: 3/25/22
Agent's Signature:  (If you are acting as an owner's agent, you must provide Authorization of Agent form)	Date: 3/28/2022

320 6th Avenue
PO Box 468
Ouray, Colorado 81427



970.325.7211
Fax 970.325.7212
www.cityofouray.com

City of Ouray Authorization of Agent Form

This form is required if someone other than the owner of a property will be acting as the Authorized Agent for a building project.

Property Information:

Project Address: 304 and 306 Sixth Avenue, Ouray, CO 81427

Parcel Number(s): 451531207014

Contact Information:

Owner's Name(s): OURLOCOL, LLC

Mailing Address: PO Box 811, Ouray, CO 81427

Phone: _____ Email Address: _____

Authorized Agent's Name: Lane Thomasson

Mailing Address: 917 Main St., Ouray, CO 81427

Phone: 970-325-4414 Email Address: lane@ouraylaw.com

I/we the undersigned owner/s of the above described real property located in the City of Ouray, Colorado hereby authorize:

Lane Thomasson, Attorney at Hockersmith & Whitmore, LLC

(Print name of authorized agent)

To act in my/our behalf in applying for permits from the City of Ouray as required by existing City of Ouray regulations pertaining to zoning, building, encroachments, excavation, and utilities.

Signature:  _____
(Property owner of record) Erin Eddy

Date: 3/22/22

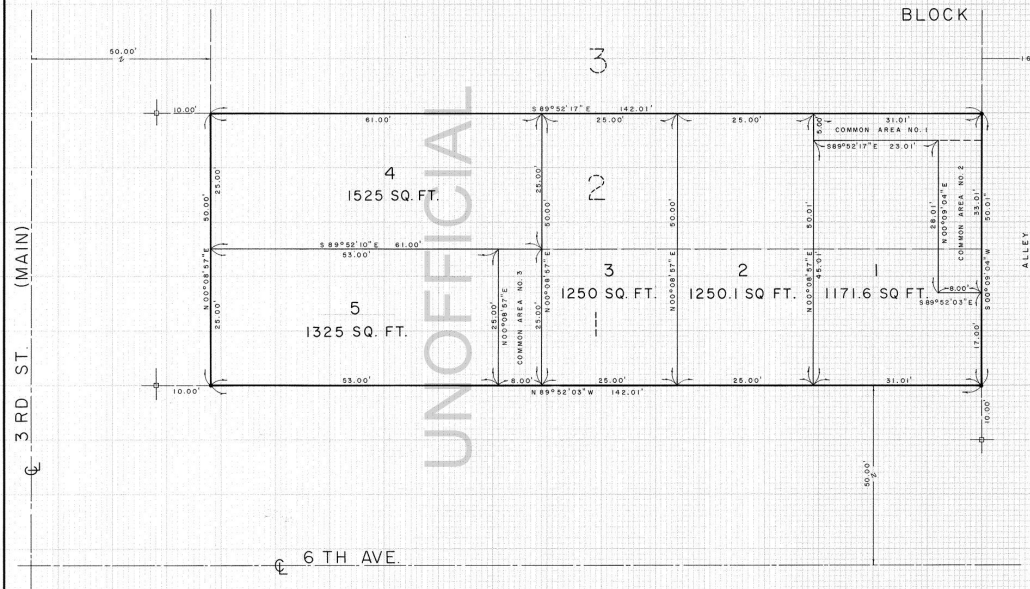
Signature: _____
(Property owner of record)

Date: _____

Signature: _____
(Property owner of record)

Date: _____

SANDS SUBDIVISION
A RESUBDIVISION OF LOT 1 AND 2 BLOCK 18
CITY OF OURAY, COLORADO



UNOFFICIAL DOCUMENT

CERTIFICATE OF OWNERSHIP

Know all men by these presents that the undersigned being the owners of certain lands in the City of Ouray, State of Colorado, being Lot 1 and Lot 2 Block 18 as hereon shown, have caused some to be laid out, plotted and subdivided under the name and style of SANDS Subdivision as shown.

Glen J. Bertrand
 Glen J. Bertrand
Colleen W. Bertrand
 Colleen W. Bertrand

STATE OF COLORADO
 COUNTY OF OURAY

The foregoing signatures were acknowledged before me this 16th day of October, A. D., 1980 by Glen J. Bertrand and Colleen W. Bertrand.

My commission expires 1/1/81
 Witness my hand and seal *Janet J. Taylor*
 Notary Public



ATTORNEYS CERTIFICATE

I certify that I have examined the title to the plotted property and that the record owners and all holders of encumbrances affecting the property have executed this plot and joined in the dedication of all roads, easements and public areas.

P. David Smith
 Attorney at Law
 Registration No. 7188
 Date 10/20/80

APPROVAL OF PLANNING COMMISSION

Approved by the City of Ouray Planning Commission this 13 day of October, A. D., 1980.

Carl W. Wainwright
 Chairman

APPROVAL OF CITY COUNCIL

Approved by the City Council this subseq day of October, A. D., 1980.

ATTEST
Shirley S. Mackley
 City Clerk
Margaret J. Petty
 Mayor

SURVEYORS CERTIFICATE

I, M. H. Smith, hereby certify that this survey and plot consisting of one sheet, was prepared under my direct supervision and that said survey and plot conforms to all requirements of Chapters 38-51-102, Colorado Revised Statutes 1973, as amended and all applicable Ouray City regulations.

M. H. Smith
 M. H. Smith L. S. 10738

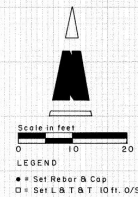


RECORDERS CERTIFICATE

This plot was filed for record in the office of the Clerk and Recorder of Ouray County on 3/15/81, on the 16th day of October, A. D., 1980, in Book 129340, Page Three Only.
 Reception No. 129340

Charles A. Davis
 County Clerk & Recorder

NOTE: Restrictions and Provisions pertaining to this subdivision are recorded in the office of the Ouray County Clerk and Recorder in Book 129340 at page 294 as Reception No. 129339



OCTOBER 1980

DEL-MONT CONSULTANTS, INC.
 ENGINEERS - SURVEYORS
 DELTA - MONTROSE, COLORADO

80121

129340

RESTRICTIONS FOR S and S SUBDIVISION
OURAY COLORADO

ROOF/DRAINAGE - All buildings shall have flat roofs constructed to minimum 100 lb./sq. ft. snow load with drainage through at least one 4" pipe. Lots 1, 2 and 3 shall drain to City storm sewer through South lot lines. Lot 4 shall drain to City storm sewer through West lot line. Lot 5 shall drain to City storm sewer through West or South lot line.

SEWER/WATER - Lots 1, 2 and 3 shall connect directly to sewer and water existing in 6th Avenue. Lot 4 shall connect to sewer and water existing in Main Street. Lot 5 shall connect to sewer and water in either 6th Avenue or Main Street.

ELECTRICAL/TELEPHONE - Common Area 2 may be used for location of meters for all lots, with overhead easements reserved over all lots for service to all lots of subdivision. Underground utility service to all lots is also available through Common Areas.

GARBAGE - Common Area 2 is also provided for use of all lot owners for dumpsters and other garbage containers. No garbage shall be stored at any other location in the subdivision.

ACCESS/FIRE PROTECTION - Rear entry access to first and second stories of all lots is provided by Common Areas 1 and 3. Common landing and staircase shall be built from second floor to ground level and Common Area 1 shall be roofed and enclosed by owners of Lot 1 at the time any building is built on said lot. Common landing and staircase shall be built from second floor to ground level and Common Area 3 shall be roofed and enclosed by owners of Lot 5 at the time any building is built on said lot.

ARCHITECTURAL - All exposed facades of buildings shall be 16 to 24 feet in height and of brick or brick veneer of a style typical from 1880 to 1920 in Ouray. All fire district rules and regulations shall be met. No building shall be over two stories in height. All common walls shall be party walls and adjoining land owners shall have the right to connect to or extend said walls as long as they pay the constructing party one-half of the cost of such part of the wall as shall be used. Any repairs to party walls shall be borne in proportion to the extent it is being used by lot owners.

PLANNING COMMISSION
PUBLIC HEARING PROCEDURE

1. The Chair shall introduce the agenda item and is responsible for administering oaths and affirmations; receiving evidence; regulating the course of the hearing; setting the time and place for continued hearings after applicant agrees; limiting the number of witnesses; issuing appropriate orders that control the subsequent course of the proceeding; and controlling the decorum and conduct of the proceeding.
2. Disruptive behavior, hearsay, and personal attacks will not be tolerated and refusal to comply with these guidelines will result in a warning and subsequent removal from the meeting for non-compliance after the warning.
3. The Chair shall ask each member of the governing body to disclose any conflicts requiring recusal, any personal or private interests not requiring recusal, or the specific substance of any ex-parte communications made by them.
4. The Chair shall announce all written public comment made by City residents or business owners or designated representatives received by the Friday prior to the hearing date are part of the public record and were included in the packet.
5. Rules for Hearing (to be read by the Chair)
 - A. All questions and comments by applicant, staff, or the public shall be directed to the governing body.
 - B. No applicant, staff member, or the public will be subject to cross examination except by the governing body.
 - C. The allotted time provided to speakers is three (3) minutes unless extended by the Chair. Up to one (1) additional minute may be allowed to resolve technical problems with the speaker's audio/visual setup but speakers should test their own equipment prior to the meeting. Any unused time may not be given to another. Cumulative testimony may be limited or eliminated by the Chair in his or her discretion.
 - D. If you are asked a question by the governing body, please respond to the question and refrain from adding additional comment beyond the answer to the question.
6. Hearing sequence
 - A. Staff presentation.
 - B. Applicant presentation.
 - C. Questions from governing body to applicant and/or staff.

- D. Public comment.
 - E. Questions from governing body to applicant and/or staff after publiccomment.
 - F. Rebuttal from staff.
 - G. Rebuttal from applicant.
 - H. Governing body deliberations (motion, second, discussion).
7. After a decision is made at the hearing, a written decision shall issue with findings of fact and conclusions of law, setting forth the grounds of the decision, based on the evidence presented at the hearing within five (5) business days unless otherwise defined within the City Code. The written decision shall be mailed (regular) to the last address furnished to the city by the Applicant. The decision shall be effective as to such Applicant on the date mailed or on such other date as is stated in the decision.
8. Unless otherwise provided by town charter, ordinance, or code or other law, the decision of the board is final subject only to judicial review pursuant to Colorado Rules of Civil Procedure 106(a)(4).

**PLANNING COMMISSION RESOLUTION NO. 22-02
CITY OF OURAY, COLORADO**

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF OURAY MAKING A RECOMMENDATION TO THE CITY COUNCIL OF THE CITY OF OURAY TO APPROVE AN AMENDMENT TO SECTION 7-5-J-6 ACCESSORY DWELLING UNITS OF THE OURAY MUNICIPAL CODE FOR THE PURPOSE OF INCENTIVIZING THE CONSTRUCTION AND LONG-TERM TENANCY OF ACCESSORY DWELLING UNITS (ADU).

WHEREAS, the Planning Commission has recognized the construction of ADUs help to diversify the housing stock on existing and developed properties for communities which are limited in available land for construction; and

WHEREAS, the Planning Commission has recognized the current owner-occupancy requirements for ADUs in the Ouray Municipal Code do not allow for long-term tenancy opportunities or incentives; and

WHEREAS, the Planning Commission and City Council held a Joint Work Session on March 21, 2022 with staff to discuss owner-occupancy requirements of Section 7-5-J-6 of the Ouray Municipal Code (OMC); and

WHEREAS, the Planning Commission believes incentives to encourage the construction and use of ADUs must be evaluated and monitored from time to time; and

WHEREAS, the City Council has directed the Planning Commission to amend Section 7-5-J-6 of the OMC to reflect changes discussed during the Joint Work Session.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Ouray hereby makes a recommendation of approval to the City Council to amend Section 7-5-J-6 of the Ouray Municipal Code as outlined in the attached Exhibit A.

ADOPTED by the Planning Commission of the City of Ouray at its Special Meeting on April 13, 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

Jeff Skoloda, Chairman

ATTEST:

Beverly Martensen, Deputy Clerk

Planning Commission Resolution No.22-02 - Exhibit A

Ouray Land Use Code (OLUC) Current ADU Regulations

REDLINE CHANGES PER COUNCIL DIRECTION 3/21/22

Section 7-2 Definitions

Accessory Dwelling means a dwelling unit that contains no less than 300 sq. ft. and no more than 1000 sq. ft. of floor area and is located on the same site as, but has a separate entrance from, a single-family or duplex dwelling.

Section 7-5 Zoning Regulations

Section 7-5-J-6 Accessory Dwelling Units

Dwelling units which meet the criteria of this Subsection may be allowed as an accessory use to a principal residential unit in the R-1, R-2, C-1 and C-2 districts provided that the dwelling units conform to the applicable requirements of said Districts.

- a. The accessory dwelling unit must be constructed in accordance with applicable requirements of Code adopted by the City pursuant to Chapter 6 of Ouray Municipal Code. It may be attached to or detached ~~to-from~~ the principal residential unit. Applicable dimensional requirements for a single family dwelling as set out in Table 7-5-D must be met for the premises.
- b. One off-street parking space shall be provided for the accessory unit in addition to any other required off-street parking.
- c. The accessory dwelling unit may not exceed 1,000 square feet of living area.
 - i. ~~One of the dwelling units on the property must be, and remain, owner occupied.~~ If the ~~other~~ dwelling units is-are rented, a minimum of a 30-day rental period shall be required by written lease.
- d. The accessory dwelling unit must be owned together with the principal residential unit, ~~and the lot or parcel upon which they are located,~~ in undivided ownership.
- e. The accessory dwelling unit may be served off of the water and sewer taps for the principal residence, in which case it shall not be subject to additional investment fees, and the primary residence and accessory dwelling unit shall be charged as a duplex for water and sewer service rates.
- f. The burden shall be upon the owner of any accessory dwelling unit to provide adequate proof to the City that the criteria of this Section are met. In the event that the City determines that the criteria have not been shown to be satisfied the unit may not be occupied as a residence.
- g. A dwelling unit constructed as a principal single-family home, which meets these criteria, may be converted to an accessory dwelling unit following construction of a new principal dwelling unit.

CHAPTER 7: Land Use and Development Code

Section 1: General Provisions

- 7.1.1 Title and effective date
- 7.1.2 Authority
- 7.1.3 Purpose of this Land Use Code
- 7.1.4 Applicability and Jurisdiction
- 7.1.5 Rules of Interpretation/Conflicting Provisions
- 7.1.6 Enforcement (moved from Administration)
- 7.1.7 Fees (moved from Administration)
- 7.1.8 Severability

Section 2: Definitions

Section 3: Administration (Includes everything in Site Development Permits plus other application requirements in code)

- 7.3.1 Purpose and Organization of Section
- 7.3.2 Summary Table of Procedures
- 7.3.3 Common Development Review Procedures
- 7.3.4 Specific Procedures and Approval Criteria (move from other sections)

Section 4: Zoning Districts

- 7.4.1 Purpose
- 7.4.2 Districts Established; Zoning Map
 - P1 – Parks Developed
 - P2 – Parks Conservation
 - R1 –Residential District
 - R2 - Residential High Density District (south of Rocket) I think we should rename these
 - R2 – Residential High Density District (north of Rocket)
 - C1 – Commercial District
 - C2 – Commercial Industrial – South of Rocket rename these too
 - C2 – Commercial Industrial – North of Rocket

Overlay Districts

Historic District (National and local)

Planned Development

Floodplain

Area of Joint Review

Section 5: Use Regulations

5.1 Table of Allowed Uses

5.2 Use Specific Standards

5.2.1 Home Occupations

5.2.2 Manufactured Home Park Standards

4.2.2 Recreational Vehicle Home Park Design Standards

Telecommunications Antenna and Tower Standards

Recreational Vehicle Parking *add workforce permissions?*

Accessory Dwelling Units

Medical Marijuana

Short Term Rentals

Outdoor Displays of Merchandise

Intermodal Shipping Containers

Workforce/affordable housing

Temporary Uses (180 days)

Section 6: Dimensional Requirements or Development Standards

5.1 Table of Dimensional Standards

5.2 Density/Lot Size

5.3 Setbacks

5.4 Building Height

5.5 Parking

5.6 Landscaping

Street Numbering

Snow Storage

Section 7: Subdivision Design and Improvement Standards

6.1 General

6.2 Purpose

6.3 Subdivision Design

6.4 Subdivision Dedication Requirements

6.5 Subdivision Improvements and Development Agreements

Section 8: Sign Code

Section 9: Nonconformities

Section 10: Impact fees

Section 12: Annexation (Joint Planning Commission)