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BYLAWS

of

VICTORIANS AT BLEEKER
 HOMEOWNERS' ASSOCIATION
 (a Colorado non-profit corporation)

INTRODUCTION

These are the Bylaws of Victorians at Bleeker Homeowners' Association, a unit owner's association for the condominium common interest community known as Victorians at Bleeker (hereinafter the "Common Interest Community"). **Initial capitalized terms are defined in Article 1 of the Declaration.**¹

ARTICLE I
 NAME

The name of the corporation is Victorians at Bleeker Homeowners' Association (hereinafter the "Association").

ARTICLE II
 BOARD OF DIRECTORS²

Section 2.1 - Number and Qualification - Termination of Declarant Control. The affairs of the Common Interest Community and the Association shall be governed by the Board of Directors which until the termination of the period of Declarant control shall consist of three persons, and following such date shall consist of the seven (7) persons who are the Owners of the seven Units in the Common Interest Community. If any Unit is owned by a partnership or corporation, any officer, partner or employee of that Owner who is designated by that Owner to serve as a director shall be eligible to serve as a director and shall be deemed to be an Owner for the purposes of the preceding sentence. When more than one person holds an interest in a Unit, the persons holding an interest in that Unit shall select among themselves one person to serve as a Director.

¹ The Declaration referred to herein is the Condominium Declaration for Victorians at Bleeker recorded on July 7, 1997, as reception number 406036 of the office of the Clerk and Recorder of Pitkin County, Colorado.

² "Board of Directors" as used herein shall mean the same and be synonymous with the "Executive Board" as provided for in the Act, the Declaration and the Articles.



Section 2.2 - Powers and Duties. The Board of Directors may act in all instances on behalf of the Association, except as provided in the Declaration, the Articles, these Bylaws or the Act. The Board of Directors shall have, subject to the limitations contained in the Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community, which shall include the powers and duties set forth in Article 4 of the Declaration, the Articles and those set forth in the Act.

Section 2.3 - Standard of Care. In the performance of duties the Board of Directors is required to exercise (1) if appointed by the Declarant, the care required of fiduciaries of the Owners and (2) if elected by the Owners, ordinary and reasonable care.

Section 2.4 - Manager. The Board of Directors may employ a Managing Agent ("manager") for the Common Interest Community, at a compensation established by the Board of Directors, to perform duties and services authorized by the Board of Directors. The Board of Directors may delegate to the manager only the powers granted to the Board of Directors by these Bylaws under Section 2.2. Licenses, concessions and contracts may be executed by the manager pursuant to specific resolutions of the Board of Directors and to fulfill the requirements of the budget.

Section 2.5 - Regular Meetings. The first regular meeting of the Board of Directors shall occur concurrently with and at the time and place of each annual meeting of the Unit Owners. No notice shall be necessary in order to legally constitute such meeting, provided a majority of the directors are present. The Board of Directors may set a schedule of additional regular meetings by resolution, and no further notice is necessary to constitute regular meeting.

Section 2.6 - Special Meetings. Special Meetings of the Board of Directors may be called by the president or by a majority of the Board of Directors on at least five business days' notice to each director. The notice shall be hand-delivered or mailed and shall state the time, place and purpose of the meeting.

Section 2.7 - Location of Meetings. All meetings of the Board of Directors shall be held within the City of Aspen, unless all directors consent in writing to another location.

Section 2.8 - Waiver of Notice. Any director may waive notice of any meeting in writing. Attendance by a director at any meeting shall constitute a waiver of notice. If all the directors are present at any meeting, no notice shall be required, and any business may be transacted at such meeting.

Section 2.9 - Quorum of Board of Directors. At all meetings of the directors a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute a decision of the directors. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting. At any adjourned meeting at which a quorum is present, any business



which might have been transacted at the meeting originally called may be transacted without further notice.

Section 2.10 - Compensation. No director may receive any compensation from the Association for acting as a director, except as may be set and approved by resolution adopted by a majority vote of the total vote of the Owners at a regular or special meeting of the Association. A director may receive reimbursement for necessary expenses actually incurred in connection with the director's duties as are approved by the Owners.

Section 2.11 - Consent to Corporate Action. If all the directors or all directors of a committee established for such purposes, as the case may be, severally or collectively consent in writing to any action taken or to be taken by the Association, and the number of the directors constitutes a quorum, that action shall be a valid corporate action as though it had been authorized at a meeting of the directors or the committee, as the case may be. The secretary shall file these consents with the minutes of the meetings of the Board of Directors.

Section 2.12 - Telephone Communication in Lieu of Attendance. A director may attend a meeting of the directors by using an electronic or telephonic communications method whereby the director may be heard by the other members and may hear the deliberations of the other members on any matter properly brought before the directors. The director's vote shall be counted and the presence noted as if that director were present in person on that particular matter.

Section 2.13 - Open Meetings. All regular and special meetings of the Association's Board of Directors shall be open to attendance by all members of the Association or their representatives.

Section 2.14 - Executive Sessions. The Board of Directors may hold an executive or closed door session and may restrict attendance to board members and such other persons requested by the board during a regular or specially announced meeting or a part thereof. The matters to be discussed at such an executive session shall be limited to:

- (a) Matters pertaining to Association employees or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association;
- (b) Consultation with legal counsel concerning imminent court proceedings or disputes or matters that are privileged or confidential between attorney and client;
- (c) Investigative proceedings concerning possible or actual criminal misconduct;
- (d) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting such matters from public disclosure;
- (e) Any matter which would constitute an unwarranted invasion of individual privacy if disclosed.

The president or the acting chair of the meeting shall announce the general matter of the discussion prior to the time the board convenes an executive session. The directors shall not adopt any rule or regulation during an executive session. A rule or regulation may only be validly adopted during a regular or special meeting or after the directors goes back into regular session following an executive session. The minutes of all meetings at which an executive session was held shall indicate that the meeting was an executive session and shall include the general subject matter of the session.

ARTICLE III MEMBERS/OWNERS

Section 3.1 - Annual Meeting. Annual meetings of the members of the Association shall be held in June at such date as set forth in the notice. At these meetings, the Board of Directors shall be designated by the Owners, in accordance with the provisions of Article II of the Bylaws, subject to the Declarant's right to appoint the Board of Directors during the period of Declarant Control. The Owners may transact other business as may properly come before them at these meetings.

Section 3.2 - Special Meetings. Special Meetings of the Association may be called by the president, by a majority of the members of the Board of Directors or by Owners comprising fifty percent (50%) of the votes in the Association.

Section 3.3 - Place of Meetings. Meetings of the Owners shall be held at the Common Interest Community or may be adjourned to a suitable place convenient to the Owners in the vicinity of Aspen, Colorado, as may be designated by the Board of Directors or the President.

Section 3.4 - Notice of Meetings. The secretary or other officer specified in the Bylaws shall cause notice to be hand delivered or sent postage prepaid by United States mail to the mailing address of each Unit or to the mailing address designated in writing by the Owner, not less than ten (10) nor more than fifty (50) days in advance of a meeting. No action shall be adopted at a meeting except as stated in the notice.

Section 3.5 - Waiver of Notice. Any Owner may, at any time, waive notice of any meeting of the Owners in writing, and the waiver shall be deemed equivalent to the receipt of notice.

Section 3.6 - Adjournment of Meeting. At any meeting of Owners, a majority of the votes in the Association who are present at the meeting, either in person or by proxy, may adjourn the meeting to another time.

Section 3.7 - Order of Business. The order of business at all meetings of the Owners shall be as follows:

- (a) Roll call (or check-in procedure);

- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports;
- (e) Designate the names of the persons serving as the Board of Directors (if required and noticed);
- (f) Ratification of budget (if required and noticed);
- (g) Unfinished business; and
- (h) New Business.

Section 3.8 - Voting.

(a) If only one of several owners of a Unit is present at a meeting of the Association, the owner present is entitled to cast all the votes allocated to the Unit. If more than one of the owners are present, the votes allocated to the Unit may be cast only in accordance with the agreement of a majority in interest of the owners. There is majority agreement if any one of the owners casts the votes allocated to the Unit without protest being made promptly to the person presiding over the meeting by another owner of the Unit. The votes allocated to a Unit shall be as set forth in the Declaration.

(b) Votes allocated to a Unit may be cast under a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person, each owner of a the Unit may vote or register protest to the casting of votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may revoke a proxy given under this section only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates ninety (90) days after its date, unless it specifies a shorter term. If a proxy is note dated it shall be deemed void.

(c) The vote of a corporation or trust may be cast by any officer of that corporation or officer or trustee of that trust in the absence of express notice of the designation of a specific person by the directors or trustees or bylaws of the owning corporation or trust. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The votes of a limited liability company may be cast by any manager of the owning limited liability company in the absence of express notice of the designation of a specific person by the owning limited liability company. The chair of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership, limited liability company or trust is qualified to vote.



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Section 3.9 - Quorum. Except as otherwise provided in these Bylaws, the Owners present in person or by proxy at any meeting of Owners representing not less than 50 percent of the votes in the Association shall constitute a quorum at that meeting.

Section 3.10 - Majority Vote. The vote of a majority of the votes in the Association present in person or by proxy at a meeting of Owners at which a quorum shall be present shall be binding on all Owners for all purposes except where a higher percentage vote is required in the Declaration, the Articles, these Bylaws, by the Act or by the Colorado Nonprofit Corporation Act.

ARTICLE IV OFFICERS

Section 4.1 - Designation. The principal officers of the Association shall be the president and the secretary-treasurer, who shall be elected by the Board of Directors. The Board of Directors may appoint an assistant treasurer, an assistant secretary and other officers as it finds necessary. The president and secretary-treasurer need to be directors.

Section 4.2 - Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors. They shall hold office at the pleasure of the Board of Directors.

Section 4.3 - Removal of Officers. Upon the affirmative vote of a majority of the directors, any officers may be removed, either with or without cause. A successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for that purpose.

Section 4.4 - President. The president shall be the chief executive officer of the Association. The director shall preside at all meetings of the Owners and the Board of Directors. The president shall have all of the general powers and duties which are incident to the office of president of a nonprofit corporation organized under the laws of the State of Colorado, including but not limited to the power to appoint committees from among the Board of Directors or the Owners from time to time as the president may decide is appropriate to assist in the conduct of the affairs of the Association. The president may fulfill the role of treasurer in the absence of the treasurer. The president may cause to be prepared and may execute amendments, attested by the secretary, to the Declaration and these Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

Section 4.5 - Secretary-Treasurer. The secretary-treasurer shall keep the minutes of all meetings of the Owners and the Board of Directors. The secretary-treasurer shall have charge of the Association's books and papers as the Board of Directors may direct and shall perform all the duties incident to the office of secretary of a non-profit corporation organized under the laws of the State of Colorado. The secretary-treasurer may cause to be prepared and may attest to the execution by the president of amendments to the Declaration and the Bylaws on behalf of the

Association, following authorization or approval of the particular amendment as applicable. The secretary-treasurer shall be responsible for Association funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. This officer shall be responsible for the deposit of all monies and other valuable effects in depositories designated by the Owners and shall perform all the duties incident to the office of treasurer of a nonprofit corporation organized under the laws of the State of Colorado. The secretary-treasurer may endorse on behalf of the Association, for collection only, checks, notes, and other obligations and shall deposit the same and all monies in the name of and to the credit of the Association banks designated by the Owners. Except for reserve funds described below, the secretary-treasurer may have custody of and shall have the power to endorse for transfer, on behalf of the Association, stock, securities or other investments owned or controlled by the Association or as fiduciary for others. Reserve funds of the Association shall be deposited in segregated accounts or in prudent investments, as the Board of Directors decides. Funds may be withdrawn from these reserves for the purposes for which they were deposited, by check or order, authorized by the treasurer, and executed by two directors, one of whom may be the secretary-treasurer if the secretary-treasurer is also a director.

Section 4.6 - Agreements, Contracts, Deeds, Checks, etc. Except as provided in Sections 4.4, 4.5 and 4.8 of these Bylaws, all agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any officer of the Association or by any other person or persons designated by the Board of Directors.

Section 4.7 - Compensation. No officer shall receive any compensation from the Association for acting as an officer, except as may be set and approved by resolution adopted by a total of the majority vote of the votes in the Association at a regular or special meeting of the Association. An officer may also receive reimbursement for necessary expenses actually incurred in connection with Association duties, as are approved by the Board of Directors.

Section 4.8 - Statements of Unpaid Assessments. The secretary-treasurer, assistant treasurer, a manager employed by the Association or, in their absence, any officer having access to the books and records of the Association may prepare, certify, and execute statements of unpaid assessments, in accordance with Section 38-33.3-316 of the Act.

The Association may charge a reasonable fee for preparing statements of unpaid assessments. The amount of this fee and the time of payment shall be established by resolution of the Board of Directors. The Association may refuse to furnish statements of unpaid assessments until the fee is paid. Any unpaid fees may be assessed as a Common Expense against the Unit for which the statement is furnished.

ARTICLE V
VIOLATION

Section 5.1 - Abatement and Enjoinment of Violations by Owners. The violation of any of the Rules and Regulations adopted by the Association or the breach of any provisions of the Declaration shall give the Board of Directors the right, after notice and hearing, except in case of an emergency, in addition to any other rights set forth in these Bylaws:

(a) To enter the Unit or Limited Common Element in which, or as to which, the violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition (except for additions or alterations of a permanent nature that may exist in that Unit) that is existing and creating a danger to the Common Elements contrary to the intent and meaning of the provisions of the Declaration. The Board of Directors or the Association shall not be deemed liable for trespass by this action; or

(b) To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

Section 5.2 - Fine for Violation. By resolution, following notice and hearing, the Board of Directors may levy a fine of up to Fifty Dollars (\$50.00) per day for each day that a violation of the Declaration or Rules and Regulations persists after notice and hearing.

Section 5.3 - Hearing Procedure. The Board of Directors shall not impose a fine, suspend voting, or infringe upon any other rights of a member or other occupant for violations of rules unless and until the following procedure is followed:

(a) Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying:

- (i) the alleged violation;
- (ii) the action required to abate the violation; and
- (iii) a time period, not less than ten (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that further violation of the same rule may result in the imposition of a sanction after notice and hearing if the violation is not continuing.

(b) Notice. At any time within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty or if the same rule is subsequently violated, the Board of Directors or its delegate shall serve the violator with

written notice of a hearing to be held by the Board of Directors in executive session. The notice shall contain:

- (i) the nature of the alleged violation;
- (ii) the time and place of a hearing, which time shall not be less than ten (10) days from the giving of the notice;
- (iii) an invitation to attend the hearing and produce any statement, evidence, and witness on is or her behalf, and
- (iv) the proposed sanction to be imposed.

(c) **Hearing.** The hearing shall be held in executive session pursuant to the notice of hearing, affording the alleged violator a reasonable opportunity to be heard. If the violator is on the Board of Directors, the violator shall not participate as a director or be involved in the deliberations of the directors for the purposes of the hearing. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

Section 5.4 - Liabilities and Indemnification. The directors and officers of the Association shall have the liabilities, and be entitled to indemnification, as provided in Colorado's nonprofit corporation laws and the Act.

ARTICLE VI RECORDS

Section 6.1 - Records and Audits. The Association shall maintain financial records. The financial records shall be maintained and audited in accordance with the Act and Article 4 of the Declaration. The cost of the audit shall be a Common Expense unless otherwise provided in the Declaration.

Section 6.2 - Examination. All records maintained by the Association or the manager shall be available for examination and copying by any Owner, any holder of a Security Interest in a Unit or its insurer or guarantor, or by any of their duly authorized agents or attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice.

Section 6.3 - Records. The Association shall keep the following records:

- (a) 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



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holds a mortgage on the Unit, the amount of each Common Expense assessment, the date on which each assessment comes due, the amounts paid on the account and the balance due;

- (b) An account for each Owner showing any other fees payable by the Owner;
- (c) An account of any capital expenditures in excess of \$1,000 approved by the Board of Directors or the Owners for the current and next two succeeding fiscal years;
- (d) A record of the amount and an accurate account of the current balance of any reserves for capital expenditures, replacement and emergency repairs, together with the amount of those portions of reserves designated by the Association for a specific project;
- (e) The most recent regularly prepared balance sheet and income and expense statement, if any, of the Association;
- (f) A record of any unsatisfied judgments against the Association and the existence of any pending suits in which the Association is a defendant;
- (g) A record of insurance coverage provided for the benefit of Owners and the Association;
- (h) A record of any alterations or improvements to Units or Limited Common Elements which violate any provisions of the Declaration of which the Board of Directors has knowledge;
- (i) A record of any violations, with respect to any portion of the Common Interest Community, of health, safety or building codes or laws, ordinances, or regulations of which the Board of Directors has knowledge;
- (j) A record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Elements;
- (k) Balance sheets and other records required by local corporate law;
- (l) Tax returns for state and federal income taxation;
- (m) Minutes of proceedings of incorporators, the Board of Directors, Owners, committees of the Board of Directors and the Owners and waivers of notice; and
- (n) A copy of the most current versions of the Declaration, Bylaws, Rules and Regulations, and resolutions of the Board of Directors and the Owners, along with their exhibits and schedules.

ARTICLE VII
MISCELLANEOUS

Section 7.1 - Notices. All notices for the Association or the Board of Directors shall be delivered to the office of the manager, or, if there is no manager, to the office of the Association, or to such other address as the Board of Directors may designate by written notice to all Owners and to all holders of Security Interests in the Units who have notified the Association that they hold a Security Interest in a Unit. Except as otherwise provided, all notices to any Owner shall be sent to the Owner's address as it appears in the records of the Association. All notices to holders of Security Interests in the Units shall be sent by registered or certified mail to their respective addresses, as designated by them in writing to the Association. All notices shall be deemed to have been given when mailed, except notices of changes of address, which shall be deemed to have been given when received.

Section 7.2 - Fiscal Year. The fiscal year of the Association shall be the calendar year unless the Board of Directors shall establish a different fiscal year for the Association.

Section 7.3 - Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 7.4 - Office. The principal office of the Association shall be at the Common Interest Community or at such other place as the Board of Directors may from time to time designate.

Section 7.5 - Working Capital. A working capital fund is to be established in the amount of two months' regular budgeted initial Common Expense assessments, measured as of the date of the first assessment, for all Units as they are created in proportion to their respective Allocated Interests in Common Expenses. Any amounts paid into this fund shall not be considered as advance payment of assessments. Each Unit's share of the working capital fund may be collected and then contributed to the Association by the Declarant at the time the sale of the Unit is closed or at the termination of Declarant control pursuant to Section 5.12 of the Declaration, if earlier. Until paid to the Association, the contribution to the working capital shall be considered an unpaid Common Expense Assessment, with a lien on the Declarant's unsold Units pursuant to the Act. Until termination of Declarant control of the Board of Directors, the working capital shall be deposited without interest in a segregated fund. While the Declarant is in control of the Board of Directors, the Declarant cannot use any of the working capital funds to defray its expenses, reserve contributions or construction costs or to make up budget deficits.

Section 7.6 - Reserves. As part of the adoption of the regular budget, the Board of Directors shall include an amount which, in its reasonable business judgment, will establish and maintain an adequate reserve fund for the replacement of improvements to the Common Elements and those Limited Common Elements that it is obligated to maintain, based upon the age, remaining life, and replacement cost of major Common Element improvements.

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ARTICLE VIII
AMENDMENTS

The Bylaws may be amended only by complying with the same requirements for amendments to the Declaration as set forth in Article 14 of the Declaration.

CERTIFICATION

The foregoing are certified to be the Bylaws adopted by consent of Board of Directors of VICTORIANS AT BLEEKER HOMEOWNERS' ASSOCIATION, dated June 26, 1997.

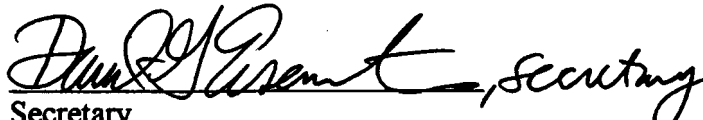

Secretary

EXHIBIT A TO CONDOMINIUM DECLARATION
FOR VICTORIANS AT BLEEKER

Lots A and B, Block 66, Original Aspen Townsite,

together with that certain non-exclusive easement and right of way for access, ingress and egress, driveway and underground utility purpose fifteen (15) feet in width over the northerly 5 feet of Lots K and L and the northerly 5 feet of the westerly 10 feet of Lot M, Block 66, original Aspen Townsite and the southerly 10 feet of the vacated alley in Block 66, original Aspen Townsite, adjacent and contiguous to Lots K and L and the Westerly 10 feet of Lot M,

together with all the interests, easements, rights, benefits, appurtenances and fixtures appurtenant thereto and/or associated therewith,

PITKIN COUNTY, COLORADO.

EXHIBIT B TO CONDOMINIUM DECLARATION
FOR VICTORIANS AT BLEEKER

<u>Unit Description</u>	<u>Designation</u>	<u>Common expense liability and undivided interest in the common elements allocated to Unit expressed as a percentage interest</u>	<u>Number of votes allocated to Unit</u>
Unit A	Free Market	20%	2
Unit B	Free Market	20%	2
Unit C	Resident Occupied	15%	1.5
Unit D	Resident Occupied	15%	1.5
Unit E	Category 4	10%	1
Unit F	Category 4	10%	1
Unit G	Category 4	10%	1

**EXHIBIT C TO CONDOMINIUM DECLARATION
FOR VICTORIANS AT BLEEKER**

**CERTAIN RESTRICTIONS ON AMOUNTS OF ASSESSMENTS
FOR THE BENEFIT OF THE RESTRICTED UNITS**

The following provisions are intended to supplement the provisions of the Declaration, in particular, **ARTICLE 5**. In the event of any inconsistency between the following provisions and the rest of the Declaration that cannot be interpreted by the Association and the Owner in a way which harmonizes the provision, then the following provisions shall control.

1. COMMON EXPENSE ASSESSMENTS

Estimated common expenses shall include, but not be limited to, cost of routine maintenance, repairs and renovations to and operation of the common elements, expenses of insurance premiums for insurance coverage as required by this Declaration or as deemed desirable or necessary by the Association, lawn mowing, and normal and regular care of the landscaping, sidewalks, driveway and grounds within the common elements, snow plowing, common water, sewer and utility charges, legal and accounting fees in such amounts as are authorized by the Executive Board, expenses and liabilities incurred by the Association under or by reason of this Declaration, and payment of any deficiencies or debts remaining from a previous assessment. The common expense assessment for the above listed common expenses (hereinafter "Unrestricted Common Expenses") shall be determined based on the Association's annual budget as approved by the Owners no less frequently than annually pursuant to the provisions of this Declaration.

The Association also may make common expense assessments for the following which shall be referred to as "Restricted Common Expense Items": property management, the creation of a reasonable and adequate contingency reserve or surplus fund for insurance deductibles and repairs and replacement of improvements within the common elements on a periodic basis, as needed, and landscaping and building improvements. The portion of the common expense assessment attributable to these Restricted Common Expense Items, with regard to Units C and D, shall not exceed \$100 per month and with regard to Units E, F and G, shall not exceed \$75 per month, unless the owners of Units C, D, E, F and G, all approve of and consent to the amount of assessment in excess of that limitation. These Restricted Common Expense Items shall be included within and be made a part of the Association's budget and shall be subject to approval of the Owners as provided by this Declaration.

2. SPECIAL ASSESSMENTS

In addition to the other assessments authorized herein, the Executive Board, subject to the limitations set forth below, may levy a special assessment 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, including the buildings or any portions thereof, landscaping or any other portions of the Common Elements, including fixtures or personal property

relating thereto, incurred in order to return or restore those items to their *original condition*. Special assessments may also be levied for the funding of any operating deficit incurred by the Association. Before any such special assessments shall be levied however, notice in writing of the amount of such special assessments and an explanation of the reasons therefor shall be provided to each owner and any such assessment must be approved by Owners to whom at least sixty-seven percent (67%) of the votes in the Association are allocated at a special meeting called for such purpose or at the annual meeting provided notice of the Special Assessment request is included in the notice for the meeting. Any such special assessment shall be levied against each unit in accordance with that unit's common expense liability determined in accordance with Paragraph 1.3(b) hereof. The Association shall not have the right to levy any other Special Assessments except as provided herein, unless such Special Assessment is approved by one hundred percent (100%) of the votes in the Association.

While as a general rule any amounts assessed as Special Assessments pursuant to this section shall be assessed to the Owners according to each Unit's common expense liability, the Association shall have the right to assess extraordinary maintenance, repair or restoration work on fewer than all the Units only to the Owners of those affected Units and any extraordinary insurance cost incurred as a result of the value of a particular owner's Unit or the actions of a particular Owner (or his agents, servants, guests, tenants, or invitees) to that Owner, provided however that any such assessment shall have the approval of Owners to whom at least sixty-seven percent (67%) of the votes of the Association are allocated.

**EXHIBIT D TO CONDOMINIUM DECLARATION
FOR VICTORIANS AT BLEEKER**

**THE RECORDING DATE FOR RECORDED EASEMENTS AND LICENSES
AND OTHER MATTERS OF RECORD WHICH THE
CONDOMINIUM COMMON INTEREST COMMUNITY
IS OR MAY BECOME SUBJECT TO:**

1. Reservations and exceptions as set forth in Deed from the City of Aspen recorded in Book 316 at Page 142 providing as follows: "That no title shall be hereby acquired to any mine of gold, silver, cinnabar or copper or to any valid mining claim or possession held under existing laws".
2. Easement Agreement recorded August 2, 1996, as Reception No. 395469.
3. Terms, conditions and restrictions as set forth in Ordinance No. 11, Series of 1996 by Aspen City Council, recorded April 14, 1997, as Reception No. 403368.
4. Easements as shown on the Condominium Map of the Victorians at Bleeker, as recorded.
5. Easements as set forth in this Declaration.

**ALL BOOK AND PAGE AND RECEPTION NO. REFERENCES ARE AS FOUND IN THE
OFFICE OF THE CLERK AND RECORDER OF PITKIN COUNTY, COLORADO.**

EXHIBIT E TO CONDOMINIUM DECLARATION
FOR VICTORIANS AT BLEEKER

CERTIFICATE OF COMPLETION

I hereby certify that as of this date all structural components of the buildings within the Victorians at Bleeker containing or comprising any Units thereby created are substantially completed.

DATED: _____

Registered Land Surveyor