

EIGHTH SUPPLEMENT
TO
CONDOMINIUM DECLARATION
FOR
VAIL RACQUET CLUB CONDOMINIUMS

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, Vail Racquet Club Condominiums, a general partnership, and predecessor in interest to Vail Racquet Club Condominiums, a limited partnership, which latter is hereinafter called "Declarant," caused to be recorded a Condominium Declaration for Vail Racquet Club Condominiums in Book 232, page 484, et seq., of the records of the Clerk and Recorder of Eagle County, Colorado; and

WHEREAS, Section 33 of the recorded Declaration provides for the enlargement of the Vail Racquet Club Condominiums condominium project by constructing additional condominium buildings and improvements on separate property, which condominium units may be submitted to this condominium project, such submission to be expressed in a supplement to the Declaration and a supplement to the Condominium Map of Vail Racquet Club Condominiums; and

WHEREAS, by the First Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 237, page 931 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, said general partnership submitted an additional building to said Declaration; and

WHEREAS, by the Second Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 243, page 933 et seq. of the records of the Clerk and Recorder of Eagle County, Colorado, said general partnership submitted an additional building to said Declaration; and

WHEREAS, by the Third Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 250, page 693 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Fourth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 255, page 845, et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Fifth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 263, page 518, et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Sixth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 270, page 999 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Seventh Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 288, page 575 et seq., of the records of the Clerk and

Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, Declarant has completed the construction of an additional building and other improvements on the separate real property situate in the County of Eagle, State of Colorado, which property is described on the attached Exhibit 1, which by this reference is made a part hereof and which property is depicted on the Eighth Supplement to Map of Vail Racquet Club Condominiums; and

NOW, THEREFORE, Declarant does hereby submit to this condominium project such additionally constructed building, improvements and real property, in accordance with the following terms and conditions;

1. Division of Property into Condominium Units. The real property described on Exhibit 1 consists of one parcel denominated Tract L on which is constructed Building 13. The property devoted to Building 13 is Tract L as shown on the Eighth Supplement to the Condominium Map. The said real property denominated Tract L and the improvements thereon are hereby divided into 18 separate fee simple estates, each such estate consisting on one apartment unit and its appurtenant limited common elements together with an appurtenant undivided interest in and to the general common elements, as hereinafter provided. Each such condominium unit shall be identified by number as provided on said Eighth Supplement to the Map of Vail Racquet Club Condominiums.

<u>Unit No.</u>	<u>Proportion of General Common Elements</u>
1	1/28
2	1/28
3	1/28
4	1/28
5	1/28
6	1/28
7	1/28
8	1/28
9	1/14
10	1/14
11	1/14
12	1/14
13	1/14
14	1/14
15	1/14
16	1/14
17	1/14
18	1/14

2. Limited Common Elements. Portions of the general common elements are reserved for the exclusive use of the owners of certain of the units and such areas are referred to as "limited common elements." The limited common elements so reserved are as defined on Exhibit 1 hereto.

3. Supplement to Condominium Map. The Supplement to the Map depicting the location of each unit, both horizontally and vertically, together with the engineering and other data as is provided under Section 2 of the recorded Declaration shall not be filed for record until the building

has been substantially completed in order to permit the location, both horizontally and vertically, of the units. Such Map shall be termed "Eighth Supplement to Map of Vail Racquet Club Condominiums."

4. Description of Condominium Unit. Every contract, deed, lease, mortgage, trust deed, will or other instrument may legally describe a condominium unit by its identifying unit and building number followed by the words "Vail Racquet Club Condominiums" with further reference to the Eighth Supplement to the Map thereof filed for record and the recorded Declaration and the Eighth Supplement thereto. Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect not only the unit but also the general common elements and the limited common elements appurtenant thereto. Each such description shall be construed to include a non-exclusive easement for ingress and egress and use of all of the general common elements, including easements, together with the right to the exclusive use of the limited common elements.

5. Reservations, Easements. Declarant expressly reserves the following:

5-1. The right further to enlarge this condominium project as provided in Section 33 of the Condominium Declaration for Vail Racquet Club Condominiums;

5-2. Declarant expressly reserves to itself, its successors and assigns, the right to grant or otherwise create or define easements and rights-of-way over and across such portions of the property described on Exhibit 1 hereto as Declarant may from time to time determine to be necessary or convenient to the achievement of the following purposes:

5-2-1. Installation, maintenance and replacement of necessary utilities serving the improvements on the property described on Exhibit 1 or any other portion of the condominium project or elsewhere;

5-2-2. Reasonable pedestrian and vehicular travel and access from one portion of the condominium project to another and to other property adjacent to or in the vicinity of the condominium project which is developed in conjunction therewith, or to any of the Vail Racquet Club facilities.

6. Ingress and Egress.

6-1. Declarant hereby grants to each condominium unit owner a perpetual and nonexclusive easement for ingress and egress between Meadow Drive and Building 13 and the parking area lying easterly from Building 13 as depicted within the bounds of said Tract L over and across that portion of the existing private roadway (denominated as Vail Racquet Club Drive) constructed on the property described in Section 35-1 of the Condominium Declaration as well as those portions of said Vail Racquet Club Drive extending from the easterly terminus of the property described in said Section 35-1 westerly and southwesterly to the intersection with Meadow Drive, as shown on the Second, Third, Fourth, Fifth and Sixth Supplements to Map of Vail Racquet Club Condominiums, for the use of each such owner, his family, guests, tenants and invitees. Such easement shall be appurtenant to said condominium unit and the transfer or encumbrance of a condominium unit shall transfer to the transferee such easement without any reference thereto. Declarant, for

itself, its successors and assigns, reserves the right to shift or relocate such roadway so long as reasonably comparable access to Building 13 is maintained.

6-2. Declarant expressly reserves to itself, its successors and assigns, the right hereafter to grant similar nonexclusive easements over and across those portions of the existing roadway (denominated as Vail Racquet Club Drive) lying within the bounds of the property described on Exhibit 1 hereto in connection with the development of the remainder of the condominium project.

7. General

7-1. The provisions of this instrument shall be in addition and supplemental to the provisions contained in the recorded Declaration of Vail Racquet Club Condominiums.

7-2. If any of the provisions of this instrument or any section, sentence, clause, phrase or word, or the application thereof in any circumstances be invalidated, such invalidity shall not affect the validity of the remainder of this instrument, and the application of any such provisions, paragraphs, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

7-3. The provisions of this instrument shall be in addition and supplemental to the Condominium Ownership Act of the State of Colorado and to all other provisions of law.

7-4. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

8. Partition. The provisions of Section 7 of the Condominium Declaration shall not be construed to permit the owner or owners of any condominium unit to partition said unit, and each unit shall always be and remain a single unit, although owned in undivided interests as permitted by the Condominium Declaration.

9. Easements for Encroachments. The provisions of Section 9 of the Condominium Declaration are intended and shall be construed to provide easements for any further encroachments due to repair or maintenance of the general common elements or any portion thereof.

10. Indemnification - Mortgages. The provisions of Section 10 of the Condominium Declaration shall not be construed to require that the holder of a first mortgage or first deed of trust be required to indemnify the owners of other units against liability arising from the acts of the owner of the unit encumbered by said mortgage or deed of trust.

11. Assessments - Advances by Mortgages. The last two lines of Section 18-1 of the Condominium Declaration, reading as follows:

"additional advances made thereon prior to the date such assessment lien becomes choate, as hereinafter provided",

shall be so construed that the lien of additional advances made in good faith prior to the date that the holder of such first mortgage or first deed of trust is notified in writing that assessments have not been paid shall nevertheless be prior to the lien of such assessments.

12. Unpaid Assessments - Mortgages. The provisions of Section 19-2 of the Condominium Declaration shall not be construed to make the holder of a first mortgage or first deed of trust liable for unpaid assessments accruing against the unit encumbered by its lien prior to the date that such lienholder shall acquire title to such unit, whether by foreclosure of such lien or by deed in lieu of foreclosure.

13. Enlargement of Project - Assessments. Section 33 of the Condominium Declaration provides for enlargement of the condominium project through the construction of additional condominium buildings and other improvements. Pursuant thereto assessments are made for common expenses of the project as thereby enlarged from time to time. Section 33-3 provides that common expenses for items peculiar to such additional units shall be separately assessed. Section 33 is intended and shall be so construed that, so long as the several buildings in the condominium project are similar in size and construction, to the earlier buildings, assessments thereon shall be substantially equal regardless of when any building has been added to the project. Except as provided hereinafter for Units 1 through 8, which provisions shall govern the assessment of said Units 1 through 8, assessments within a given building shall then be based upon the proportion of the common elements applicable to each unit therein. The Board of Directors (Managers) shall be empowered to make the necessary determinations required hereunder, and its determinations, if reasonable and if made in good faith, shall bind all owners of units in the condominium project.

14. Insurance. Section 17 of the Condominium Declaration provides for insurance to be maintained against various hazards. In complying therewith the Board of Directors (Managers) shall observe the following additional provisions.

14-1. To the extent obtainable, policies shall involve standard premium rates, established by the Colorado Insurance Commissioner, and be written with companies licensed to do business in Colorado and having a Best's insurance report rating of AAA or better. No policy shall be obtained where: (i) under the terms of the insurance carrier's charter, by-laws or policy, contributions or assessments may be made against the mortgagor or mortgagee's designee; or (ii) by the terms of carrier's charter, by-laws or policy, loss payments are contingent upon action by the company's Board of Directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent mortgagees or the mortgagor from collecting insurance proceeds.

(1) Fire insurance shall be maintained with extended coverage and all risk endorsements, which endorsements shall include endorsements for vandalism, malicious mischief, boiler explosion and machinery with a minimum endorsed amount of \$50,000 per accident per location, insuring the entire condominium project and any other property, the nature of which is a common element (including all of the units, fixtures therein initially installed by the Declarant but not including furniture, furnishings or

other personal property supplied by or installed by unit owners) together with all service equipment contained therein in an amount equal to the full replacement value, without deduction for depreciation, and which shall contain a standard noncontributory mortgage clause in favor of each mortgagee of a condominium unit which shall provide that the loss, if any, thereunder, shall be payable to the Racquet Club Owners Association for the use and benefit of mortgagees as their interests may appear.

(2) If the condominium project is located in an area hereafter identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, a "blanket" policy of flood insurance on the condominium project in an amount which is the lesser of the maximum amount of insurance available under the Act or the aggregate of the unpaid principal balance of the mortgages on the condominium units comprising the condominium project shall be maintained.

(3) Public liability and property damage insurance shall be maintained in such limits as the Board of Directors (Managers) may from time to time determine, but not in an amount less than \$300,000 per injury, per person, per occurrence and umbrella liability limits of \$1,000,000 per occurrence, covering all claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the project. Said policy shall also contain a "severability of interest endorsement."

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

(5) The Association shall purchase and thereafter maintain fidelity coverage against dishonesty of employees, destruction or disappearance of money or securities and forgery. Said policy shall also contain endorsements thereto covering any persons who serve the Association without compensation.

14-2. All policies of insurance, to the extent obtainable, shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a condominium unit owner and shall provide that such policies may not be cancelled or modified without at least 10 days prior written notice to all of the insureds, including mortgagees. The insurance shall be carried in blanket form naming the Association as the insured, as attorney-in-fact for all of the condominium unit owners, which policy or policies shall identify the interest of each condominium unit owner (owner's name and unit number designation).

14-3. Determination of maximum replacement value shall be made annually. In no event shall the insurance policy contain a co-insurance clause for less than 90%

of the full replacement cost. Determination of maximum replacement value shall be made by one or more written appraisals to be furnished by a person or persons knowledgeable of replacement costs.

14-4. Unit owners may carry other insurance for their benefit and at their expense, provided that the liability of the carriers issuing insurance obtained by the Board of Directors (Managers) shall not be affected or diminished by reason of any such additional insurance carried by any unit owners. Insurance coverage on furnishings, including carpet, draperies, and other items of personal or other property belonging to an owner and public liability coverage within each unit shall be the sole and direct responsibility of the unit owner thereof, and the Board of Directors (Managers), the Association and the Managing Agent shall have no responsibility therefor.

15. Services - Assessments - Units 1 through 8.

15-1. Units 1 through 8 shall be subject to assessment for casualty insurance on such units and for trash removal, and assessments therefor shall be made in the fashion provided in the Condominium Declaration. Units 1 through 8 shall not be subject to assessment for any other services or expenses, except as provided in Section 15-4 hereof.

15-2. Units 9 through 18 shall be subject to assessment in the fashion and for such services and expenses as provided in the Condominium Declaration, subject, however, to the obligations of Declarant as provided in Section 15-3 hereof.

15-3. Declarant agrees, for itself and for its successors in title, to provide or secure, at its sole expense, provision of the following services in connection with Building 13:

(a) Necessary repairs to exterior walls of Units 1 through 8 only, but including the doors and windows thereof;

(b) Snow clearance on sidewalks within Tract L;

(c) Lawn care, including fertilization, watering and mowing, for lawns within Tract L.

(d) Sewer, water, electricity (including that for exterior lights on the west side of Building 13) and natural gas for Units 1 through 8, pursuant to separate metering and billing for said units.

15-4. Declarant's covenants contained in Section 15-3 hereof are deemed to touch and concern the real property interests represented by Units 1 through 8 and shall bind Declarant's successors in title to said units. If Declarant shall convey its interests in said units and if its successors in title do not perform substantially and in good faith, the covenants contained in Section 15-3, the Owners' Association shall be entitled to a decree from a court of appropriate jurisdiction abrogating the provisions of Sections 15-1 and 15-3 hereof and providing that

said Units 1 through 8 shall be subject to assessment in the same fashion as other units in Building 13.

16. Owners' Association - Management. Nothing herein shall be so interpreted as to prevent the owner of a condominium unit from acting as his own rental management agent.

VAIL-RACQUET CLUB CONDOMINIUMS,
a limited partnership,

By Walter Kirch
Walter Kirch, Sole General Partner

STATE OF COLORADO)
) ss.
COUNTY OF EAGLE):

The foregoing instrument, including Exhibit 1 thereto, which also contains the signature of Declarant for identification, was acknowledged before me this 16th day of April, 1980, by Walter Kirch, as the sole general partner of Vail Racquet Club Condominiums, a limited partnership.

Witness my hand and official seal.

My commission expires: Sept. 13, 1981

Paul B. Wehlich
Notary Public

EXHIBIT 1
TO
EIGHTH SUPPLEMENT
TO
CONDOMINIUM DECLARATION
FOR
VAIL RACQUET CLUB CONDOMINIUMS

1. Description.

The property covered by this Supplement to the Condominium Declaration shall be that part of the Town of Vail, Eagle County, Colorado, described as follows:

All that portion of the SE 1/4 of Section 12, Township 5 South, Range 80 West of the 6th P.M., Eagle County, Colorado, described as follows:

Commencing at the Southeast Corner of said Section 12 from which the Southwest Corner of the SE 1/4 of the SE 1/4 of said Section 12 bears N 89°35'41" W (true meridian), 1306.39 feet; thence N 59°20'09" W, 1589.79 feet to the Southeast Corner of Tract D, "First Supplement to Map of Vail Racquet Club Condominiums," according to the recorded plat thereof, said point also being the TRUE POINT OF BEGINNING;

Thence S 86°18'50" W, 108.09 feet along the South line of said Tract D;

Thence N 6°04'17" W, 68.87 feet along the West line of said Tract D;

Thence S 83°55'43" W, 18.00 feet along the Westerly line of said Tract D;

Thence N 6°04'17" W, 35.00 feet along the West line of said Tract D;

Thence S 86°30' W, 76.32 feet;

Thence S 3°30' E, 118.14 feet;

Thence S 82°41' E, 83.82 feet;

Thence N 83°55'43" E, 18.00 feet;

Thence S 6°04'17" E, 8.84 feet;

Thence S 37°43'28" W, 48.37 feet;

Thence S 52°16'32" E, 54.17 feet to the Southeasterly line of that tract of land as described in Deed recorded in Book 227 at Page 320 of the records of Eagle County, Colorado;

Thence N 37°41'45" E, 147.99 feet along the Southeasterly line of that tract of land as described in said Book 227 at Page 320 to the TRUE POINT OF BEGINNING.

Area = 0.440 acres, more or less.

2. Limited Common Elements - Building 13. The limited common elements for units in Building 13 shall be as follows:

(1) The patios adjacent to Units 1 through 8 shall be limited common elements to those units, respectively.

(2) The balconies adjacent to Units 9 through 18 shall be limited common elements to those units, respectively; provided, however, that such balconies shall be available to adjoining units to the extent required by building code or other governmental regulation for emergency exit purposes.

(3) The stairways providing access to the balconies along the east side of Units 9 through 18 shall be limited common elements to the units so served. All of such stairways shall, however, be available to adjoining units to the extent required by building code or other governmental regulation for emergency exit purposes.

(4) The outside closets and wood storage units on the balconies outside Units 9 through 18 shall be limited common elements to the respective units closest thereto.

The above Exhibit 1 to the Eighth Supplement to Condominium Declaration for Vail Racquet Club Condominiums is hereby signed for the purpose of identifying it as said exhibit.

VAIL RACQUET CLUB CONDOMINIUMS,
a limited partnership,

by Walter Kirch
Walter Kirch, Sole General Partner

NINTH SUPPLEMENT
TO
CONDOMINIUM DECLARATION
FOR
VAIL RACQUET CLUB CONDOMINIUMS

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, Vail Racquet Club Condominiums, a general partnership, and predecessor in interest to Vail Racquet Club Condominiums, a limited partnership, which latter is hereinafter called "Declarant," caused to be recorded a Condominium Declaration for Vail Racquet Club Condominiums in Book 232, page 484, et seq., of the records of the Clerk and Recorder of Eagle County, Colorado; and

WHEREAS, Section 33 of the recorded Declaration provides for the enlargement of the Vail Racquet Club Condominiums condominium project by constructing additional condominium buildings and improvements on separate property, which condominium units may be submitted to this condominium project, such submission to be expressed in a supplement to the Declaration and a supplement to the Condominium Map of Vail Racquet Club Condominiums; and

WHEREAS, by the First Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 237, page 931 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, said general partnership submitted an additional building to said Declaration; and

WHEREAS, by the Second Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 243, page 933 et seq. of the records of the Clerk and Recorder of Eagle County, Colorado, said general partnership submitted an additional building to said Declaration; and

WHEREAS, by the Third Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 250, page 693 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Fourth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 255, page 845, et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Fifth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 263, page 518, et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Sixth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 270, page 999 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Seventh Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 288, page 575 et seq., of the records of the Clerk and

Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Eighth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 301, page 744 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration;

WHEREAS, Declarant has completed the construction of an additional building and other improvements on the separate real property situate in the County of Eagle, State of Colorado, which property is described on the attached Exhibit 1, which by this reference is made a part hereof and which property is depicted on the Ninth Supplement to Map of Vail Racquet Club Condominiums; and

NOW, THEREFORE, Declarant does hereby submit to this condominium project such additionally constructed building, improvements and real property, in accordance with the following terms and conditions;

1. Division of Property into Condominium Units. The real property described on Exhibit 1 consists of one parcel denominated Tract K on which is constructed Building 4. The property devoted to Building 4 is Tract K as shown on the Ninth Supplement to the Condominium Map. The said real property denominated Tract K and the improvements thereon are hereby divided into 18 separate fee simple estates, each such estate consisting on one apartment unit and its appurtenant limited common elements together with an appurtenant undivided interest in and to the general common elements, as hereinafter provided. Each such condominium unit shall be identified by number as provided on said Ninth Supplement to the Map of Vail Racquet Club Condominiums.

<u>Unit No.</u>	<u>Proportion of General Common Elements</u>
1	1/28
2	1/28
3	1/28
4	1/28
5	1/28
6	1/28
7	1/28
8	1/28
9	1/14
10	1/14
11	1/14
12	1/14
13	1/14
14	1/14
15	1/14
16	1/14
17	1/14
18	1/14

2. Limited Common Elements. Portions of the general common elements are reserved for the exclusive use of the owners of certain of the units and such areas are referred to as "limited common elements." The limited common elements so reserved are as defined on Exhibit 1 hereto.

3. Supplement to Condominium Map. The Supplement

to the Map depicting the location of each unit, both horizontally and vertically, together with the engineering and other data as is provided under Section 2 of the recorded Declaration shall not be filed for record until the building has been substantially completed in order to permit the location, both horizontally and vertically, of the units. Such Map shall be termed "Ninth Supplement to Map of Vail Racquet Club Condominiums."

4. Description of Condominium Unit. Every contract, deed, lease, mortgage, trust deed, will or other instrument may legally describe a condominium unit by its identifying unit and building number followed by the words "Vail Racquet Club Condominiums" with further reference to the Ninth Supplement to the Map thereof filed for record and the recorded Declaration and the Ninth Supplement thereto. Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect not only the unit but also the general common elements and the limited common elements appurtenant thereto. Each such description shall be construed to include a non-exclusive easement for ingress and egress and use of all of the general common elements, including easements, together with the right to the exclusive use of the limited common elements.

5. Reservations, Easements. Declarant expressly reserves the following:

5-1. The right further to enlarge this condominium project as provided in Section 33 of the Condominium Declaration for Vail Racquet Club Condominiums;

5-2. Declarant expressly reserves to itself, its successors and assigns, the right to grant or otherwise create or define easements and rights-of-way over and across such portions of the property described on Exhibit 1 hereto as Declarant may from time to time determine to be necessary or convenient to the achievement of the following purposes:

5-2-1. Installation, maintenance and replacement of necessary utilities serving the improvements on the property described on Exhibit 1 or any other portion of the condominium project or elsewhere;

5-2-2. Reasonable pedestrian and vehicular travel and access from one portion of the condominium project to another and to other property adjacent to or in the vicinity of the condominium project which is developed in conjunction therewith, or to any of the Vail Racquet Club facilities.

6. Ingress and Egress.

6-1. Declarant hereby grants to each condominium unit owner a perpetual and nonexclusive easement for ingress and egress between Meadow Drive and Building 4 over and across that portion of the existing private roadway (denominated as Vail Racquet Club Drive) constructed on the property described in Section 35-1 of the Condominium Declaration as well as those portions of said Vail Racquet Club Drive extending from the easterly terminus of the property described in said Section 35-1 westerly and southwesterly to the intersection with Meadow Drive, as shown on the Second, Third, Fourth, Fifth and Sixth Supplements to Map of Vail Racquet Club Condominiums, for the use of each such owner, his family, guests, tenants and invitees. Such easement shall be appurtenant to said condominium unit

and the transfer or encumbrance of a condominium unit shall transfer to the transferee such easement without any reference thereto. Declarant, for itself, its successors and assigns, reserves the right to shift or relocate such roadway so long as reasonably comparable access to Building 4 is maintained.

6-2. Pursuant to its power reserved in the recorded Declaration and the several Supplements thereto, Declarant hereby shifts and relocates the said private roadway (Vail Racquet Club Drive) as shown on the Sixth Supplement to the Condominium Declaration away from that portion of Tract K (constituting approximately 50 square feet) at the northwest corner of Building 4, shown within the boundaries of Tract K on the Ninth Supplement to Map of Vail Racquet Club Condominiums.

7. General

7-1. The provisions of this instrument shall be in addition and supplemental to the provisions contained in the recorded Declaration of Vail Racquet Club Condominiums.

7-2. If any of the provisions of this instrument or any section, sentence, clause, phrase or word, or the application thereof in any circumstances be invalidated, such invalidity shall not affect the validity of the remainder of this instrument, and the application of any such provisions, paragraphs, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

7-3. The provisions of this instrument shall be in addition and supplemental to the Condominium Ownership Act of the State of Colorado and to all other provisions of law.

7-4. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

8. Partition. - The provisions of Section 7 of the Condominium Declaration shall not be construed to permit the owner or owners of any condominium unit to partition said unit, and each unit shall always be and remain a single unit, although owned in undivided interests as permitted by the Condominium Declaration.

9. Easements for Encroachments. The provisions of Section 9 of the Condominium Declaration are intended and shall be construed to provide easements for any further encroachments due to repair or maintenance of the general common elements or any portion thereof.

10. Indemnification - Mortgages. The provisions of Section 10 of the Condominium Declaration shall not be construed to require that the holder of a first mortgage or first deed of trust be required to indemnify the owners of other units against liability arising from the acts of the owner of the unit encumbered by said mortgage or deed of trust.

11. Assessments - Advances by Mortgages. The last two lines of Section 18-1 of the Condominium Declaration, reading as follows:

"additional advances made thereon prior to the date such assessment lien becomes choate, as hereinafter provided",

shall be so construed that the lien of additional advances made in good faith prior to the date that the holder of such first mortgage or first deed of trust is notified in writing that assessments have not been paid shall nevertheless be prior to the lien of such assessments.

12. Unpaid Assessments - Mortgages. The provisions of Section 19-2 of the Condominium Declaration shall not be construed to make the holder of a first mortgage or first deed of trust liable for unpaid assessments accruing against the unit encumbered by its lien prior to the date that such lienholder shall acquire title to such unit, whether by foreclosure of such lien or by deed in lieu of foreclosure.

13. Enlargement of Project - Assessments. Section 33 of the Condominium Declaration provides for enlargement of the condominium project through the construction of additional condominium buildings and other improvements. Pursuant thereto assessments are made for common expenses of the project as thereby enlarged from time to time. Section 33-3 provides that common expenses for items peculiar to such additional units shall be separately assessed. Section 33 is intended and shall be so construed that, so long as the several buildings in the condominium project are similar in size and construction, to the earlier buildings, assessments thereon shall be substantially equal regardless of when any building has been added to the project. Except as provided hereinafter in Section 15 for Units 1 through 8, in Building 4, which provisions shall govern the assessment of said Units 1 through 8, assessments within a given building shall then be based upon the proportion of the common elements applicable to each unit therein. The Board of Directors (Managers) shall be empowered to make the necessary determinations required hereunder, and its determinations, if reasonable and if made in good faith, shall bind all owners of units in the condominium project.

14. Insurance. Section 17 of the Condominium Declaration provides for insurance to be maintained against various hazards. In complying therewith the Board of Directors (Managers) shall observe the following additional provisions.

14-1. To the extent obtainable, policies shall involve standard premium rates, established by the Colorado Insurance Commissioner, and be written with companies licensed to do business in Colorado and having a Best's insurance report rating of AAA or better. No policy shall be obtained where: (i) under the terms of the insurance carrier's charter, by-laws or policy, contributions or assessments may be made against the mortgagor or mortgagee's designee; or (ii) by the terms of carrier's charter, by-laws or policy, loss payments are contingent upon action by the company's Board of Directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent mortgagees or the mortgagor from collecting insurance proceeds.

(1) Fire insurance shall be maintained with extended coverage and all risk endorsements, which endorsements shall include endorsements for vandalism, malicious mischief, boiler explosion and machinery with a minimum endorsed amount of \$50,000 per accident per location, insuring the entire condominium project and any other property, the nature of which is a common element (including all of the units, fixtures therein initially installed by the Declarant but not including furniture, furnishings or

other personal property supplied by or installed by unit owners) together with all service equipment contained therein in an amount equal to the full replacement value, without deduction for depreciation, and which shall contain a standard noncontributory mortgage clause in favor of each mortgagee of a condominium unit which shall provide that the loss, if any, thereunder, shall be payable to the Racquet Club Owners Association for the use and benefit of mortgagees as their interests may appear.

(2) If the condominium project is located in an area hereafter identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, a "blanket" policy of flood insurance on the condominium project in an amount which is the lesser of the maximum amount of insurance available under the Act or the aggregate of the unpaid principal balance of the mortgages on the condominium units comprising the condominium project shall be maintained.

(3) Public liability and property damage insurance shall be maintained in such limits as the Board of Directors (Managers) may from time to time determine, but not in an amount less than \$300,000 per injury, per person, per occurrence and umbrella liability limits of \$1,000,000 per occurrence, covering all claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the project. Said policy shall also contain a "severability of interest endorsement."

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

(5) The Association shall purchase and thereafter maintain fidelity coverage against dishonesty of employees, destruction or disappearance of money or securities and forgery. Said policy shall also contain endorsements thereto covering any persons who serve the Association without compensation.

14-2. All policies of insurance, to the extent obtainable, shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a condominium unit owner and shall provide that such policies may not be cancelled or modified without at least 10 days prior written notice to all of the insureds, including mortgagees. The insurance shall be carried in blanket form naming the Association as the insured, as attorney-in-fact for all of the condominium unit owners, which policy or policies shall identify the interest of each condominium unit owner (owner's name and unit number designation).

14-3. Determination of maximum replacement value shall be made annually. In no event shall the insurance policy contain a co-insurance clause for less than 90%

of the full replacement cost. Determination of maximum replacement value shall be made by one or more written appraisals to be furnished by a person or persons knowledgeable of replacement costs.

14-4. Unit owners may carry other insurance for their benefit and at their expense, provided that the liability of the carriers issuing insurance obtained by the Board of Directors (Managers) shall not be affected or diminished by reason of any such additional insurance carried by any unit owners. Insurance coverage on furnishings, including carpet, draperies, and other items of personal or other property belonging to an owner and public liability coverage within each unit shall be the sole and direct responsibility of the unit owner thereof, and the Board of Directors (Managers), the Association and the Managing Agent shall have no responsibility therefor.

15. Services - Assessments - Units 1 through 8.

15-1. Units 1 through 8 shall be subject to assessment for casualty insurance on such units and for trash removal, and assessments therefor shall be made in the fashion provided in the Condominium Declaration. Units 1 through 8 shall not be subject to assessment for any other services or expenses, except as provided in Section 15-4 hereof.

15-2. Units 9 through 18 shall be subject to assessment in the fashion and for such services and expenses as provided in the Condominium Declaration, subject, however, to the obligations of Declarant as provided in Section 15-3 hereof.

15-3. Declarant agrees, for itself and for its successors in title, to provide or secure, at its sole expense, provision of the following services in connection with Building 4:

(a) Necessary repairs to exterior walls of Units 1 through 8 only, but including the doors and windows thereof;

(b) Snow clearance on sidewalks within Tract K;

(c) Lawn care, including fertilization, watering and mowing, for lawns within Tract K.

(d) Sewer, water, electricity (including that for exterior lights on the north side of Building 4) and natural gas for Units 1 through 8, pursuant to separate metering and billing for said units.

15-4. Declarant's covenants contained in Section 15-3 hereof are deemed to touch and concern the real property interests represented by Units 1 through 8 and shall bind Declarant's successors in title to said units. If Declarant shall convey its interests in said units and if its successors in title do not perform substantially and in good faith, the covenants contained in Section 15-3, the Owners' Association shall be entitled to a decree from a court of appropriate jurisdiction abrogating the provisions of Sections 15-1 and 15-3 hereof and providing that

EXHIBIT 1
TO
NINTH SUPPLEMENT
TO
CONDOMINIUM DECLARATION
FOR
VAIL RACQUET CLUB CONDOMINIUMS

1. Description.

The property covered by this Supplement to the Condominium Declaration shall be that part of the Town of Vail, Eagle County, Colorado, described as follows:

All that portion of the SE 1/4 of Section 12, Township 5 South, Range 80 West of the 6th P.M., Eagle County, Colorado, described as follows:

Commencing at the Southeast Corner of said Section 12 from which the Southwest Corner of the SE 1/4 of the SE 1/4 of said Section 12 bears N 89°35'41" W (true meridian), 1306.39 feet; thence N 60°26'27" W, 2285.44 feet to the most Southerly Corner of Tract H, "Fourth Supplement to Map of Vail Racquet Club Condominiums," according to the recorded plat thereof, said point also being the TRUE POINT OF BEGINNING;

Thence S 77°16' W, 25.00 feet;

Thence S 12°44' E, 142.00 feet;

Thence S 77°16' W, 18.00 feet;

Thence S 48°14'43" W, 30.08 feet to the Southwesterly line of that tract of land as described in Deed recorded in Book 227 at Page 320 of the records of Eagle County, Colorado;

Thence N 41°45'17" W, 152.64 feet along the Southwesterly line of that tract of land as described in said Book 227 at Page 320 to a point of curve to the left;

Thence Northwesterly, 33.44 feet along the arc of said curve and along the Southwesterly line of that tract of land as described in said Book 227 at Page 320 to the Southeasterly line of Tract I, "Sixth Supplement to Map of Vail Racquet Club Condominiums," according to the recorded plat thereof, said arc having a radius of 225.00 feet, a delta angle of 8°31' and being subtended by a chord that bears N 46°00'47" W, 33.41 feet;

Thence N 39°26' E, 38.02 feet along the Southeasterly line of said Tract I;

Thence N 7°51' E, 16.34 feet;

Thence S 82°09' E, 10.05 feet to the Southeasterly line of said Tract I;

Thence N 39°26' E, 37.65 feet along the Southeasterly line of said Tract I;

Thence N 77°16' E, 86.78 feet along the Southeasterly line of said Tract I to a point on the Southwesterly line of said Tract H;

Thence S 12°44' E, 63.00 feet along the Southwesterly line of said Tract H to the TRUE POINT OF BEGINNING.

Area = 0.491 acres, more or less.

2. Limited Common Elements - Building 4. The limited common elements for units in Building 4 shall be as follows:

(1) The patios adjacent to Units 1 through 8 shall be limited common elements to those units, respectively.

(2) The balconies adjacent to Units 9 through 18 shall be limited common elements to those units, respectively; provided, however, that such balconies shall be available to adjoining units to the extent required by building code or other governmental regulation for emergency exit purposes.

(3) The stairways providing access to the balconies along the south side of Units 9 through 18 shall be limited common elements to the units so served. All of such stairways shall, however, be available to adjoining units to the extent required by building code or other governmental regulation for emergency exit purposes.

(4) The outside closets and wood storage units on the balconies outside Units 9 through 18 shall be limited common elements to the respective units closest thereto.

The above Exhibit 1 to the Ninth Supplement to Condominium Declaration for Vail Racquet Club Condominiums is hereby signed for the purpose of identifying it as said exhibit.

VAIL RACQUET CLUB CONDOMINIUMS,
a limited partnership,

by Walter Kirch, Sole General Partner

TENTH SUPPLEMENT
TO
CONDOMINIUM DECLARATION
FOR
VAIL RACQUET CLUB CONDOMINIUMS

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, Vail Racquet Club Condominiums, a general partnership, and predecessor in interest to Vail Racquet Club Condominiums, a limited partnership, which latter is hereinafter called "Declarant," caused to be recorded a Condominium Declaration for Vail Racquet Club Condominiums in Book 232, page 484, et seq., of the records of the Clerk and Recorder of Eagle County, Colorado; and

WHEREAS, Section 33 of the recorded Declaration provides for the enlargement of the Vail Racquet Club Condominiums condominium project by constructing additional condominium buildings and improvements on separate property, which condominium units may be submitted to this condominium project, such submission to be expressed in a supplement to the Declaration and a supplement to the Condominium Map of Vail Racquet Club Condominiums; and

WHEREAS, by the First Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 237, page 931 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, said general partnership submitted an additional building to said Declaration; and

WHEREAS, by the Second Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 243, page 933 et seq. of the records of the Clerk and Recorder of Eagle County, Colorado, said general partnership submitted an additional building to said Declaration; and

WHEREAS, by the Third Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 250, page 693 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Fourth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 255, page 845, et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Fifth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 263, page 518, et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Sixth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 270, page 999 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Seventh Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 288, page 575 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Eighth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 301, page 744 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, by the Ninth Supplement to Condominium Declaration for Vail Racquet Club Condominiums, recorded in Book 308, page 381 et seq., of the records of the Clerk and Recorder of Eagle County, Colorado, Declarant submitted an additional building to said Declaration; and

WHEREAS, Declarant has completed the construction of an additional building and other improvements on the separate real property situate in the County of Eagle, State of Colorado, which property is described on the attached Exhibit 1, which by this reference is made a part hereof and which property is depicted on the Tenth Supplement to Map of Vail Racquet Club Condominiums; and

NOW, THEREFORE, Declarant does hereby submit to this condominium project such additionally constructed building, improvements and real property in accordance with the following terms and conditions;

1. Division of Property into Condominium Units.
 The real property described on Exhibit 1 consists of one parcel denominated Tract M on which is constructed Building 14. The property devoted to Building 14 is Tract M as shown on the Tenth Supplement to the Condominium Map. The said real property denominated Tract M and the improvements thereon are hereby divided into 26 separate fee simple estates, each such estate consisting on one apartment unit and its appurtenant limited common elements together with an appurtenant undivided interest in and to the general common elements, as hereinafter provided. Each such condominium unit shall be identified by number as provided on said Tenth Supplement to the Map of Vail Racquet Club Condominiums.

<u>Unit No.</u>	<u>Proportion of General Common Elements</u>
1	1/32
2	1/32
3	1/32
4	1/32
5	1/32
6	1/32
7	1/32
8	1/32
9	1/24
10	1/24
11	1/24
12	1/24
13	1/24
14	1/24
15	1/24
16	1/24
17	1/24
18	1/24
19	1/24
20	1/24
21	1/24
22	1/24
23	1/24
24	1/24
25	1/24
26	1/24

2. Limited Common Elements. Portions of the general common elements are reserved for the exclusive use of the owners of certain of the units and such areas are referred to as "limited common elements." The limited common elements so reserved are as defined on Exhibit 1 hereto.

3. Supplement to Condominium Map. The Supplement to the Map depicting the location of each unit, both horizontally and vertically, together with the engineering and other data as is provided under Section 2 of the recorded Declaration shall not be filed for record until the building has been substantially completed in order to permit the location, both horizontally and vertically, of the units. Such Map shall be termed "Tenth Supplement to Map of Vail Racquet Club Condominiums."

4. Description of Condominium Unit. Every contract, deed, lease, mortgage, trust deed, will or other instrument may legally describe a condominium unit by its identifying unit and building number followed by the words "Vail Racquet Club Condominiums" with further reference to the Tenth Supplement to the Map thereof filed for record and the recorded Declaration and the Tenth Supplement thereto. Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect not only the unit but also the general common elements and the limited common elements appurtenant thereto. Each such description shall be construed to include a non-exclusive easement for ingress and egress and use of all of the general common elements, including easements, together with the right to the exclusive use of the limited common elements.

5. Reservations, Easements. Declarant expressly reserves the following:

5-1. The right further to enlarge this condominium project as provided in Section 33 of the Condominium Declaration for Vail Racquet Club Condominiums;

5-2. Declarant expressly reserves to itself, its successors and assigns, the right to grant or otherwise create or define easements and rights-of-way over and across such portions of the property described on Exhibit 1 hereto as Declarant may from time to time determine to be necessary or convenient to the achievement of the following purposes:

5-2-1. Installation, maintenance and replacement of necessary utilities serving the improvements on the property described on Exhibit 1 or any other portion of the condominium project or elsewhere;

5-2-2. Reasonable pedestrian and vehicular travel and access from one portion of the condominium project to another and to other property adjacent to or in the vicinity of the condominium project which is developed in conjunction therewith, or to any of the Vail Racquet Club facilities.

6. Ingress and Egress.

Declarant hereby grants to each condominium unit owner a perpetual and nonexclusive easement for ingress and egress between Meadow Drive and Building 14 over and across that portion of the existing private roadway (denominated as Vail Racquet Club Drive) constructed on the property described in Section 35-1 of the Condominium Declaration as

well as those portions of said Vail Racquet Club Drive extending from the easterly terminus of the property described in said Section 35-1 westerly and southwesterly to the intersection with Meadow Drive, as shown on the Second, Third, Fourth, Fifth, Sixth and Ninth Supplements to Map of Vail Racquet Club Condominiums, for the use of each such owner, his family, guests, tenants and invitees. Such easement shall be appurtenant to said condominium unit and the transfer or encumbrance of a condominium unit shall transfer to the transferee such easement without any reference thereto. Declarant, for itself, its successors and assigns, reserves the right to shift or relocate such roadway so long as reasonably comparable access to Building 14 is maintained.

7. General

7-1. The provisions of this instrument shall be in addition and supplemental to the provisions contained in the recorded Declaration of Vail Racquet Club Condominiums.

7-2. If any of the provisions of this instrument or any section, sentence, clause, phrase or word, or the application thereof in any circumstances be invalidated, such invalidity shall not affect the validity of the remainder of this instrument, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

7-3. The provisions of this instrument shall be in addition and supplemental to the Condominium Ownership Act of the State of Colorado and to all other provisions of law.

7-4. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

8. Partition. The provisions of Section 7 of the Condominium Declaration shall not be construed to permit the owner or owners of any condominium unit to partition said unit, and each unit shall always be and remain a single unit, although owned in undivided interests as permitted by the Condominium Declaration.

9. Easements for Encroachments. The provisions of Section 9 of the Condominium Declaration are intended and shall be construed to provide easements for any further encroachments due to repair or maintenance of the general common elements or any portion thereof.

10. Indemnification - Mortgages. The provisions of Section 10 of the Condominium Declaration shall not be construed to require that the holder of a first mortgage or first deed of trust be required to indemnify the owners of other units against liability arising from the acts of the owner of the unit encumbered by said mortgage or deed of trust.

11. Assessments - Advances by Mortgages. The last two lines of Section 18-1 of the Condominium Declaration, reading as follows:

"additional advances made thereon prior to the date such assessment lien becomes choate, as hereinafter provided",

shall be so construed that the lien of additional advances

made in good faith prior to the date that the holder of such first mortgage or first deed of trust is notified in writing that assessments have not been paid shall nevertheless be prior to the lien of such assessments.

12. Unpaid Assessments - Mortgages. The provisions of Section 19-2 of the Condominium Declaration shall not be construed to make the holder of a first mortgage or first deed of trust liable for unpaid assessments accruing against the unit encumbered by its lien prior to the date that such lienholder shall acquire title to such unit, whether by foreclosure of such lien or by deed in lieu of foreclosure.

X
13. Enlargement of Project - Assessments. Section 33 of the Condominium Declaration provides for enlargement of the condominium project through the construction of additional condominium buildings and other improvements. Pursuant thereto assessments are made for common expenses of the project as thereby enlarged from time to time. Section 33-3 provides that common expenses for items peculiar to such additional units shall be separately assessed. Section 33 is intended and shall be so construed that, so long as the several buildings in the condominium project are similar in size and construction, to the earlier buildings, assessments thereon shall be substantially equal regardless of when any building has been added to the project. Except as provided hereinafter in Section 15 for Units 1 through 8, in Building 14, which provisions shall govern the assessment of said Units 1 through 8, assessments within a given building shall then be based upon the proportion of the common elements applicable to each unit therein. The Board of Directors (Managers) shall be empowered to make the necessary determinations required hereunder, and its determinations, if reasonable and if made in good faith, shall bind all owners of units in the condominium project.

14. Insurance. Section 17 of the Condominium Declaration provides for insurance to be maintained against various hazards. In complying therewith the Board of Directors (Managers) shall observe the following additional provisions.

14-1. To the extent obtainable, policies shall involve standard premium rates, established by the Colorado Insurance Commissioner, and be written with companies licensed to do business in Colorado and having a Best's insurance report rating of AAA or better. No policy shall be obtained where: (i) under the terms of the insurance carrier's charter, by-laws or policy, contributions or assessments may be made against the mortgagor or mortgagee's designee; or (ii) by the terms of carrier's charter, by-laws or policy, loss payments are contingent upon action by the company's Board of Directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent mortgagees or the mortgagor from collecting insurance proceeds.

(1) Fire insurance shall be maintained with extended coverage and all risk endorsements, which endorsements shall include endorsements for vandalism, malicious mischief, boiler explosion and machinery with a minimum endorsed amount of \$50,000 per accident per location, insuring the entire condominium project and any other property, the nature of which is a common element (including all of the units, fixtures therein initially installed by the Declarant but not including furniture, furnishings or other personal property supplied by or installed by unit owners) together with all service equipment contained therein

in an amount equal to the full replacement value, without deduction for depreciation, and which shall contain a standard noncontributory mortgage clause in favor of each mortgagee of a condominium unit which shall provide that the loss, if any, thereunder, shall be payable to the Racquet Club Owners Association for the use and benefit of mortgagees as their interests may appear.

(2) If the condominium project is located in an area hereafter identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, a "blanket" policy of flood insurance on the condominium project in an amount which is the lesser of the maximum amount of insurance available under the Act or the aggregate of the unpaid principal balance of the mortgages on the condominium units comprising the condominium project shall be maintained.

(3) Public liability and property damage insurance shall be maintained in such limits as the Board of Directors (Managers) may from time to time determine, but not in an amount less than \$300,000 per injury, per person, per occurrence and umbrella liability limits of \$1,000,000 per occurrence, covering all claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the project. Said policy shall also contain a "severability of interest endorsement."

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

(5) The Association shall purchase and thereafter maintain fidelity coverage against dishonesty of employees, destruction or disappearance of money or securities and forgery. Said policy shall also contain endorsements thereto covering any persons who serve the Association without compensation.

14-2. All policies of insurance, to the extent obtainable, shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a condominium unit owner and shall provide that such policies may not be cancelled or modified without at least 10 days prior written notice to all of the insureds, including mortgagees. The insurance shall be carried in blanket form naming the Association as the insured, as attorney-in-fact for all of the condominium unit owners, which policy or policies shall identify the interest of each condominium unit owner (owner's name and unit number designation).

14-3. Determination of maximum replacement value shall be made annually. In no event shall the insurance policy contain a co-insurance clause for less than 90% of the full replacement cost. Determination of maximum replacement value shall be made by one or more written appraisals to be furnished by a person or persons knowledgeable of replacement costs.

14-4. Unit owners may carry other insurance for their benefit and at their expense, provided that the

liability of the carriers issuing insurance obtained by the Board of Directors (Managers) shall not be affected or diminished by reason of any such additional insurance carried by any unit owners. Insurance coverage on furnishings, including carpet, draperies, and other items of personal or other property belonging to an owner and public liability coverage within each unit shall be the sole and direct responsibility of the unit owner thereof, and the Board of Directors (Managers), the Association and the Managing Agent shall have no responsibility therefor.

15. Services - Assessments - Units 1 through 8.

15-1. Units 1 through 8 shall be subject to assessment for casualty insurance on such units and for trash removal, and assessments therefor shall be made in the fashion provided in the Condominium Declaration. Units 1 through 8 shall not be subject to assessment for any other services or expenses, except as provided in Section 15-4 hereof.

15-2. Units 9 through 26 shall be subject to assessment in the fashion and for such services and expenses as provided in the Condominium Declaration, subject, however, to the obligations of Declarant as provided in Section 15-3 hereof.

15-3. Declarant agrees, for itself and for its successors in title, to provide or secure, at its sole expense, provision of the following services in connection with Building 14:

(a) Necessary repairs to exterior walls of Units 1 through 8 only, but including the doors and windows thereof;

(b) Snow clearance on sidewalks within Tract M;

(c) Lawn care, including fertilization, watering and mowing, for lawns within Tract M.

(d) Sewer, water, electricity (including that for exterior lights on the west side of Building 14) and natural gas for Units 1 through 8, pursuant to separate metering and billing for said units.

15-4. Declarant's covenants contained in Section 15-3 hereof are deemed to touch and concern the real property interests represented by Units 1 through 8 and shall bind Declarant's successors in title to said units. If Declarant shall convey its interests in said units and if its successors in title do not perform substantially and in good faith, the covenants contained in Section 15-3, the Owners' Association shall be entitled to a decree from a court of appropriate jurisdiction abrogating the provisions of Sections 15-1 and 15-3 hereof and providing that said Units 1 through 8 shall be subject to assessment in the same fashion as other units in Building 14.

VAIL RACQUET CLUB CONDOMINIUMS,
a limited partnership,

By Walter Kirch
Walter Kirch, Sole General
Partner

STATE OF COLORADO)
 : ss.
COUNTY OF EAGLE)

The foregoing instrument, including Exhibit 1 thereto, which also contains the signature of Declarant for identification, was acknowledged before me this _____ day of October, 1981, by Walter Kirch, as the sole general partner of Vail Racquet Club Condominiums, a limited partnership.

Witness my hand and official seal.

My commission expires: _____

Notary Public