

EXHIBIT 1.
TO
FOURTH 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:

That part of the Southeast quarter of Section 12, Township 5 South, Range 80 West of the 6th P.M., described as follows:

Commencing at the Southeast Corner of Section 12, T5S, R80W of the 6th P.M., from which the Southwest Corner of the SE1/4 of the SE1/4 of said Section 12 bears N89°35'41"W (True Meridian), 1306.39 feet; thence N50°36'51"W, 1762.68 feet to a point on the Northeastly line of that tract of land conveyed to Walter Kirch and Jay M. Utter as described in Warranty Deed recorded in book 227 at page 320 of the records of Eagle County, Colorado, said point also being the most Easterly corner of Tract B, "Map of Vail Racquet Club Condominiums," according to the recorded plat thereof; thence N42°51'00"W, 127.48 feet along the Northeastly line of that tract of land as described in said book 227 at page 320; thence N58°45'20"W, 273.55 feet along the Northeastly line of that tract of land as described in said book 227 at page 320 to the most Northerly corner of Tract E, "Second Supplement to Map of Vail Racquet Club Condominiums," according to the recorded plat thereof; thence S31°25'43"W, 214.07 feet along the Northwesterly line and the Northwesterly line extended Southwesterly of said Tract E; thence S77°16'00"W, 117.31 feet to the TRUE POINT OF BEGINNING; thence N12°44'W, 68.78 feet; thence N50°13'W, 28.00 feet; thence N39°47'E, 54.00 feet; thence N50°13'W, 18.00 feet; thence N39°47'E, 36.00 feet; thence N50°13'W, 78.00 feet; thence S39°47'W, 117.00 feet; thence S50°13'E, 75.30 feet; thence S77°16'W, 29.94 feet; thence S12°44'E, 91.00 feet; thence N77°16'E, 81.00 feet to the TRUE POINT OF BEGINNING. Containing 0.401 acres, more or less.

2. Limited Common Elements - Building 5. The limited common elements for units in Building 5 shall be as follows:

- (1) The patios adjacent to Units 1 through 4 in such building shall be limited common elements to those units, respectively.
- (2) The balconies adjacent to Units 5 through 16 in such building 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 northwesterly side of Units 5 through 8 in such building shall be limited common elements to the units so served. The stairways providing access to Units 5 through 16 in such building along the southeasterly side thereof 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 5 through 16 shall be limited common elements to the respective units closest thereto.

The above Exhibit 1 to the Fourth 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, General Partner

FIFTH 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 two additional buildings 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 293 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 241, 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 and other improvements on the of Colorado, which property situate in the County of Eagle, State of Exhibit 1, which by this reference is made a part hereof and which property is depicted on the Fifth Supplement to Map of Vail Racquet Club Condominiums, and

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

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

1. Division of Property into Condominium Units. The real property described on Exhibit 1 consists of one parcel denominated Tract G on which is constructed Building 6. The property devoted to Building 6 is Tract G as shown on the Fifth Supplement to the Condominium Map. The said real property denominated Tract G and the improvements constructed thereon are hereby divided into thirteen separate fee simple estates, each such estate consisting of one apartment unit and its appurtenant limited common elements together with an appurtenant undivided fractional interest to the general common elements. Such fractional interests shall be 1/16 for Units 1 through 6, 8, 9, 11 and 12; and 1/8 for Units 7, 10 and 13. Each such condominium unit shall be identified by number as provided on said Fifth Supplement to the Map of Vail Racquet Club Condominiums.

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 "Fifth Supplement to Map of Vail Racquet Club Condominiums."

4. Description of Condominium Unit. Any 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 Fifth Supplement to the Map thereof filed for record and the recorded Declaration and the Fifth 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 nonexclusive 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 6 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 which cross Tracts E, F and H as depicted, respectively, in the said Second, Third and Fourth Supplements to Map of Vail Racquet Club Condominiums, for the use of 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 6 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.

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, 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 of the 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 future 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. For other common expenses, however there shall be common assessment made against all condominium units in the project. Section 33 is intended and shall be so construed that, so long as in 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. Assessments within a given building shall then be based upon the proportion of the common elements applicable to each unit therein. The Board of 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 Managers shall observe the following additional provisions.

(a) 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 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.

(b) All policies of insurance to the extent obtainable shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a condominium unit owner and shall provide that such policies may not be cancelled or modified without at least 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).

(c) 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 knowledgeable of replacement cost.

(d) 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 Managers shall not be affected or diminished by the reason of any such additional insurance carried by any unit owner. 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 Manager, the Association and the Managing Agent shall have no responsibility therefor.

15. Landscaped "Islands". Within those portions of Tract G lying easterly of Vail Racquet Club Drive (and also within those portions of Tracts F and H lying southerly and easterly of Vail Racquet Club Drive) have been constructed certain "islands" which help to define parking areas and to separate those areas from other facilities and also to provide "green" areas. The areas within such "islands" shall be preserved and maintained indefinitely as such within those tracts and shall not be utilized for purposes inconsistent with those functions.

IN WITNESS WHEREOF this instrument has been executed this _____ day of _____, 197_____.

VAIL RACQUET CLUB CONDOMINIUMS,
a limited partnership,

By Walter Kirch, General Partner

STATE OF COLORADO)

COUNTY OF EAGLE)

SS.

The foregoing instrument, including Exhibit 1

thereto, which also contains the signature of Declarant for identification, was acknowledged before me this ____ day of _____, 19____, by Walter Kirch, as the general partner of Vall Racquet Club Condominiums, a limited partnership.

Witness my hand and official seal.

My commission expires: _____

[SEAL]

Notary Public

EXHIBIT 1
TO
FIFTH 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:

That part of the Southeast quarter of Section 12, Township 5 South, Range 80 West of the 6th P.M., described as follows:

Commencing at the Southeast Corner of Section 12, T5S, R80W of the 6th P.M., from which the Southwest Corner of the SE1/4 of the SE1/4 of said Section 12 bears N89°35'41"W, (True Meridian), 1306.39 feet; thence N50°36'51"W, 1762.68 feet to a point on the Northeastly line of that tract of land conveyed to Walter Kirch and Jay M. Utter as described in Warranty Deed recorded in Book 227 at Page 320 of the records of Eagle County, Colorado, being the most Easterly Corner of Tract B, "Map of Vail Racquet Club Condominiums", according to the recorded plat thereof; thence N42°51'00"W, 127.48 feet along the Northeastly line of that tract of land as described in said Book 227 at Page 320; thence N58°45'20"W, 273.55 feet along the Northeastly line of that tract of land as described in said Book 227 at Page 320 to the most Northerly Corner of Tract E, "Second Supplement to Map of Vail Racquet Club Condominiums", according to the recorded plat thereof; thence S31°25'43"W, 191.05 feet along the Westerly Corner thereof and the TRUE POINT OF BEGINNING.

Thence continuing S31°25'43"W, 23.02 feet along the Northwesterly line extended Southwesterly of said Tract E;

Thence S77°16'W, 117.31 feet to the Southeast Corner of Tract H, "Fourth Supplement to Map of Vail Racquet Club Condominiums", according to the recorded plat thereof;

Thence N12°44'W, 68.78 feet along the Easterly line of said Tract H;

Thence N50°13'W, 28.00 feet along the Easterly line of said Tract H;

Thence N39°47'E, 54.00 feet along the Easterly line of said Tract H;

Thence N50°13'W, 18.00 feet along the Easterly line of said Tract H;

Thence N39°47'E, 36.00 feet along the Easterly line of said Tract H;

Thence N50°13'W, 78.00 feet along the Easterly line of said Tract H to the most Northerly Corner thereof;

Thence N39°47'E, 62.12 feet,

Thence N87°28'E, 138.84 feet to the Northwest Corner of Tract F, "Third Supplement to Map of Vail Racquet Club Condominiums", according to the recorded plat thereof,

Thence S31°25'43"W, 197.34 feet along the Westerly line of said Tract F to the Southwest Corner thereof,

Thence S61°49'E, 117.69 feet along the Southerly line of said Tract F to the TRUE POINT OF BEGINNING,

Containing 0.570 acres, more or less.

2. Limited Common Elements - Building 6. The limited common elements for units in Building 6 shall be as follows:

(1) The patios adjacent to Units 1 through 4 in such building shall be limited common elements to those units, respectively.

(2) The balconies adjacent to Units 5 through 13 in such building 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. (Note, however, that the "Entry" areas for Units 7, 10 and 13 are part of the air space of those units and are not part of the balconies.)

(3) The stairways providing access to the balconies along the north side of Units 5 through 7 in such building shall be limited common elements to the units so served. The stairways providing access to Units 5 through 13 in such building along the southerly side thereof 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 5 through 13 shall be limited common elements to the respective units closest thereto.

(5) Sheet 1 of the Fifth Supplement to the Map of Vail Racquet Club Condominiums shows for Units 7, 10, and 13 an interior "air space exclusion." Such exclusion encompasses the fireplaces and flues located in those units, such fireplaces and flues being structural elements for the support and usability of the other fireplaces. Notwithstanding such designation the interior fireplaces of each such fireplace shall be a limited common element appurtenant to the unit in which located, and the responsibility for maintenance, restoration, or replacement of such firebox only shall be solely that of such unit owner. The provisions of Section 12 of the Declaration

concerning access to apartment units for purposes of maintenance, repair or replacement of general common elements shall apply as in the other situations provided for in said Section 12.

The above Exhibit 1 to the Fifth 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, General Partner

SIXTH 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 two additional buildings 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 293 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, 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 Sixth Supplement to Map of Vail Racquet Club Condominiums; and

WHEREAS, 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 I on which is constructed Building 3. The property devoted to Building 3 is Tract I as shown on the Sixth Supplement to the Condominium Map. The said real property denominated Tract I and the improvements constructed thereon are hereby divided into sixteen separate fee simple estates, each such estate consisting of one apartment unit and its appurtenant limited common elements together with an appurtenant undivided 1/16 interest in and to the general common elements. Each such condominium unit shall be identified by number as provided on said Sixth Supplement to the Map of Vail Racquet Club Condominiums.

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 "Sixth 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 Sixth Supplement to the Map thereof filed for record and the recorded Declaration and the Sixth 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 nonexclusive easement for ingress and egress and use of all of the general common elements, including easement 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 3 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 westerly terminus of the property described said Section 35-1 westerly and southwesterly to the intersection with Meadow Drive, as shown on the Second, Third, Fourth and Fifth Supplements to Map of Vail Racquet Club Condominiums, for the use of such owners, 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 3 is maintained.

6-2. Declarant hereby grants to each condominium unit owner in Buildings 5 through 12 of the Vail Racquet Club Condominium project a perpetual and nonexclusive easement over and across those portions of the existing roadway (denominated as Vail Racquet Club Drive) shown on Exhibit 1 hereto for ingress and egress between Meadow Drive and the building within which each such owner's unit exists, for the use of 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 is maintained.

6-3. 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 future 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. For other common expenses, however there shall be common assessments made against all condominium units in the project. 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. Assessments within a given building shall then be based upon the proportion of the common elements applicable to each unit therein. The Board of 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 Managers shall observe the following additional provisions.

(a) 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 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.

(b) All policies of insurance to the extent obtainable shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a condominium unit owner and shall provide that such policies may not be cancelled or modified without at least 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).

(c) 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 knowledgeable of replacement costs.

(d) 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 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 a owner and public liability coverage within each unit shall be the sole and direct responsibility of the unit owner thereof, and the Board of Manager, the Association and the Managing Agent shall have no responsibility therefor.

15. Laundry Room. There is what is depicted as "Laundry Room" on the sixth Supplement to Condominium Map for Vail Racquet Club Condominiums. Said room is reserved to Declarant but the portion which may be devoted by it to laundry facilities shall be available for the use of owners of units in Building 3 and adjacent buildings. Such portion of said room as may not be devoted to laundry facilities shall be usable by Declarant for storage and other purposes as Declarant may determine from time to time.

VAIL RACQUET CLUB CONDOMINIUMS,
a limited partnership,

By

Walter Kirch

Walter Kirch, General Partner

STATE OF COLORADO)

COUNTY OF EAGLE)

ss.

The foregoing instrument, including Exhibit 1 thereto, which also contains the signature of Declarant for identification, was acknowledged before me this 10 day of May, 1978, by Walter Kirch, as the general partner of Vail Racquet Club Condominiums, a limited partnership.

Witness my hand and official seal.

My commission expires: November 30, 1980

Edith J. Langley
Notary Public

EXHIBIT 1
TO
SIXTH 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:

That part of the Southeast quarter of Section 12, Township 5 South, Range 80 West of the 6th P.M., described as follows:

Commencing at the Southeast Corner of Section 12, T58, R80W of the 6th P.M., from which the Southwest Corner of the SE1/4 of the SE1/4 of said Section 12 bears N89°35'41W (True Meridian), 1306.39 feet; thence N60°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; thence N12°44'W, 63.00 feet along the Westerly line of said Tract H to the TRUE POINT OF BEGINNING;

Thence continuing N12°44'W, 28.00 feet along the Westerly line of said Tract H;

Thence N77°16'E, 17.33 feet along the Westerly line of said Tract H;

Thence N50°13'W, 77.63 feet;

Thence N39°47'E, 23.74 feet;

Thence N53°35'W, 123.38 feet;

Thence S36°25'W, 132.00 feet;

Thence S53°35'E, 23.23 feet;

Thence S36°25'W, 18.00 feet;

Thence S53°35'E, 100.00 feet;

Thence S39°26'W, 68.53 feet to the Southwesterly line of that tract of land conveyed to Walter Kirch and Jay M. Utter as described in Warranty Deed recorded in Book 227 at Page 320 of the records of Eagle County, Colorado;

Thence S50°16'17"E, 28.00 feet along the Southwesterly line of that tract of land as described in said Book 227 at Page 320;

Thence N39°26'E, 94.86 feet;

Thence N77°16'E, 86.78 feet to the TRUE POINT OF BEGINNING.

Area = 0.619 acres, more or less.

2. Limited Common Elements - Building 3. The limited common elements for units in Building 3 shall be as follows:

(1) The patios adjacent to Units 1 through 4 in such building shall be limited common elements to those units, respectively.

(2) The balconies adjacent to Units 5 through 16 in such building 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 northerly side of Units 5 through 8 in such building shall be limited common elements to the units so served. The stairways providing access to Units 5 through 16 in such building along the southerly side thereof 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 5 through 16 shall be limited common elements to the respective units closest thereto.

The above Exhibit 1 to the Sixth 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, General Partner

SEVENTH 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, 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 Seventh 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 dominated Tract J on which is constructed Building 1-2. The property devoted to Building 1-2 is Tract J as shown on the Seventh Supplement to the Condominium Map. Building 1-2 is for all purposes of the Declaration and this Supplement to be considered a single building as it is physically and structurally. Nevertheless, such building contains two structures, with separate orientations, with the north-easterly (four story) portion being oriented northwest and southeast and with the southwesterly (two and three story portion) being oriented northeast and southwest. To recognize this factor and to avoid confusion, units shall be numbered separately within the two said portions, utilizing the prefix 1 for the southwesterly portion and 2 for the north-easterly portion, as hereinafter enumerated. The said real property dominated Tract J and the improvements thereon are hereby divided into 29 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 Seventh Supplement to the Map of Vail Racquet Club Condominiums.

<u>Unit No.</u>	<u>% of General Common Elements</u>
1-1	2.50%
1-2	2.50%
1-3	3.75%
1-4	3.75%
1-5	3.75%
1-6	3.75%
1-7	2.50%
1-8	2.50%
1-9	3.75%
1-10	3.75%
1-11	3.75%
1-12	3.75%
1-13	3.75%
1-14	3.75%
1-15	3.75%
1-16	3.75%
1-17	.20%
1-18	2.40%
1-19	2.40%
2-1	2.50%
2-2	2.50%
2-3	2.50%
2-4	2.50%
2-5	5.00%
2-6	5.00%
2-7	5.00%
2-8	5.00%
2-9	5.00%
2-10	5.00%

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 "Seventh 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 Seventh Supplement to the Map thereof filed for record and the recorded Declaration and the Seventh 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 nonexclusive 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 1-2 (denominated as Vail Racquet Club Drive) existing private roadway property described in Section 35-1 of the Condominium Declaration as well as those portions of said Vail Racquet Club Drive extending from the westerly 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 1-2 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. For other common expenses, however, there shall be common assessments made against all condominium units in the project. 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 1-17, 1-18 and 1-19, 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 Commission, 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. Units 1-17, 1-18 and 1-19.

15-1. Unit 1-17 consists of a laundry room and an equipment room. The laundry facilities are reserved to Declarant but shall be made available for the use of owners of units in Building 1-2 and adjacent buildings. Such portion of the unit as may not be devoted to laundry facilities shall be useable by Declarant for storage and other purposes that Declarant may determine from time to time.

15-2. Units 1-18 and 1-19 shall be restricted to use for the following enumerated purposes only unless the owners of not less than 75% of the general common elements in Building 1-2, together with all holders of recorded first mortgages or deeds of trust encumbering such consenting units representing 75% of the general common elements, shall consent to other uses, such consent to be evidenced by an instrument or instruments duly recorded. A sworn statement by any person purporting to know of his own knowledge that the necessary persons have so consented, when duly recorded, shall be prima facie evidence of such facts. The purposes for which Units 1-18 and 1-19 may be used, without the securing of such additional consent, shall be storage, general workshop and associated uses.

15-3. If, within 21 years after the date of recording of this Supplement, Declarant desires to sell any of Units 1-17, 1-18 or 1-19, Racquet Club Owners Association (the "Association") shall have a right of first refusal to purchase such unit in accordance with the following provisions. A transfer from Declarant in connection with its dissolution or other termination or winding up or in connection with a restructuring of the legal form of Declarant shall not be considered a sale for this purpose if the transfer is to a partner or the partners or to an entity or entities controlled by them or any of them. In the event of such a transfer, however, the right of first refusal provided in this Section 15-3 shall remain in effect in accordance with its terms.

(1) Upon receipt of an offer which it desires to accept, Declarant shall promptly advise the Association and shall provide to it a true copy of such offer.

(2) The Association shall have a period of 60 days after receipt of such offer in which to advise Declarant in writing whether it elects to purchase the unit or units involved on the terms and conditions contained in such offer.

(3) If the Association makes a timely election to purchase in the manner hereinabove provided, the sale shall be consummated on the terms and conditions provided in the offer.

15-4. Units 1-17, 1-18 and 1-19 shall be assessed only for the cost of the insurance thereon required under Section 14-1(1) hereof unless and until the restrictions on use thereof provided in Section 15-2 hereof shall be removed through the consent therein required. If, prior to

that time, it can be shown that the use of such units is creating substantial expense to the Association, it shall be entitled, from time to time, to make special assessments against such units to cover such expense. The determination of the Association, if reasonable and made in good faith, shall be final and any such special assessment shall be payable and may be collected in the manner provided in the Condominium Declaration for collection of assessments generally.

16. Landscaped Area. So long as Tract J remains subject to condominium ownership in essentially its present form, that portion of Tract J abutting Meadow Drive and extending to the southerly line of the area designated as "Parking Area" on the Seventh Supplement to the Map of Vail Racquet Club Condominiums shall be used only as "green space" for landscaping and associated recreational uses and the existing earthen berm shall not be removed.

VAIL RACQUET CLUB CONDOMINIUMS,
a limited partnership,

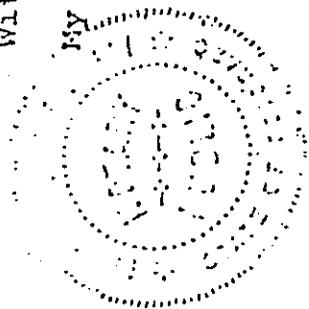
By Walter Kirch
Walter Kirch, General Partner

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 30th day of June, 1979, by Walter Kirch, as the general partner of Vail Racquet Club Condominiums, a limited partnership.

Witness my hand and official seal.

My commission expires: Nov-30, 1980



Robert J. Borden
Notary Public

EXHIBIT 1
TO
SEVENTH 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:

That part of the Southeast quarter of Section 12, Township 5 South, Range 80 West of the 6th P.M., described as follows:

Commencing at the Southeast Corner of Section 12, T5S, R80W of the 6th P.M., from which the Southwest Corner of the SE 1/4 of the SE 1/4 of said Section 12 bears N89°35'41"W (true meridian), 1306.39 feet; thence N57°28'42"W, 2531.92 feet to the most Northerly Corner of Tract I, "Sixth Supplement to Map of Vail Racquet Club Condominiums," according to the recorded plat thereof, said point also being the TRUE POINT OF BEGINNING;

Thence N53°35'W, 94.93 feet;

Thence S36°43'W, 205.96 feet to the Southwesterly line of that tract of land conveyed to Walter Kirch and Jay M. Utter as described in Warranty Deed recorded in Book 227 at Page 320 of the records of Eagle County, Colorado;

Thence S50°16'17"E, 215.99 feet along the Southwesterly line of that tract of land as described in said Book 227 at Page 320 to the Northwesterly line of said Tract I;

Thence N39°26'E, 68.53 feet along the Northwesterly line of said Tract I;

Thence N53°35'W, 100.00 feet along the Westerly line of said Tract I;

Thence N36°25'E, 18.00 feet along the Westerly line of said Tract I;

Thence N53°35'W, 23.23 feet along the Westerly line of said Tract I;

Thence N36°25'E, 132.00 feet along the Northwesterly line of said Tract I to the TRUE POINT OF BEGINNING.

Area = 0.648 acre, more or less.

2. Limited Common Elements - Building 1-2. The limited common elements for units in Building 1-2 shall be as follows:

(1) The patios adjacent to Units 2-1, 2-2, 2-3 and 2-4 in such building shall be limited common elements to those units, respectively.

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2. Limited Common Elements - Building 1-2. The limited common elements for units in Building 1-2 shall be as follows:

(1) The patios adjacent to Units 2-1, 2-2, 2-3 and 2-4 in such building shall be limited common elements to those units, respectively.

(2) The balconies adjacent to Units 1-1 through 1-16 and 2-5 through 2-10 in such building 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 southerly side of Units 2-5 through 2-10 in such building shall be limited common elements to the units so served. The stairways providing access to Units 1-1 through 1-16 in such building along the southerly sides thereof 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 2-5 through 2-10 and Units 1-1 through 1-16 shall be limited common elements to the respective units closest thereto.

(5) Sheet 1 of the Seventh Supplement to the Map of Vail Racquet Club Condominiums shows for Units 2-5 through 2-10 an interior "air space exclusion." Such exclusion encompasses the fireplaces and flues located in those units, such fireplaces and flues being structural elements for the support and usability of the other fireplaces. Notwithstanding such designation, the interior firebox of each such fireplace shall be a limited common element appurtenant to the unit in which located, and the responsibility for maintenance, restoration, or replacement of such firebox only shall be solely that of such unit owner. The provisions of Section 12 of the Declaration concerning access to apartment units for purposes of maintenance, repair or replacement of general common elements shall apply as in the other situations provided for in said Section 12.

The above Exhibit 1 to the Seventh 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,
General Partner

June 30, 1971