

**CONDOMINIUM DECLARATION OF
PATTERSON VILLAGE SQUARE CONDOMINIUMS**

Wylie R. Miller and Carrie J. Miller, ("Millers") own real property ("Property") in Mesa County, legally described as:

Lot 1, Patterson Village Subdivision, Mesa County, CO

with all its appurtenances.

RECITALS

A. Millers wish to establish a commercial condominium project under the Condominium Ownership Act of the State of Colorado.

B. By this Condominium Declaration, Millers establish a plan for the ownership in fee simple of the real property estates (subject to the easements, restrictions, reservations, conditions, taxes, and assessments described in this Declaration), consisting of the individual airspace or area contained in each of the airspace units in the building located on the Property and the undivided co-ownership by the individual unit owners, as tenants in common, of all of the remainder of the Property.

Millers declare that the following terms, covenants, conditions easements, restrictions, uses, reservations limitations, rights, and obligations shall be deemed to run with the land, shall be a burden and a benefit to Millers and their respective grantees, heirs, personal representatives, successors and assigns, and also a burden and benefit to any person or entity acquiring or owning an interest in the real property or improvements which are the subject of this Condominium Declaration, together with the their grantees, heirs, devisees, personal representatives, administrators, successors and assigns.

TERMS

1. Submission to Condominium Ownership. Millers submit to condominium ownership, pursuant to the Condominium Ownership Act of the State of Colorado, all of the Property and all improvements now and subsequently located on the Property.

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

- (a) "Association of Unit Owners" or "Association" means the Association formed as a Colorado nonprofit corporation bearing the name " Patterson Village Square Condominium Association."
- (b) "Building" means the structure(s) on the Property containing one or more of the Units as shown on the Map.
- (c) "CCIOA" means the Colorado Common Interest Ownership Act as presently codified at 38-33.3-101, et seq., as it may subsequently be amended, repealed and reenacted, supplemented, or recodified from time to time.
- (d) "Common Elements" means and includes all of the Property, together with all of the Improvements now and subsequently located on the Property, together with all fixtures, appurtenances and facilities provided for the common use, utility or benefit of all Owners or Units or necessary or convenient to the Property or its existence, use, maintenance or safety; provided, that the Common Elements shall not include any of the Units.
- (e) "Common Expenses" means and includes expenditures made, and liabilities incurred, by or on behalf of the Association, together with any allocations to reserves.
- (f) "Condominium Project" means all of the land and improvements initially submitted to this Declaration and any land and improvements subsequently submitted to the Declaration in accordance with its provisions.
- (g) "Condominium Unit" means the fee simple interest and title in and to a Unit, together with the undivided interest in the Common Elements appurtenant to that Unit, and all other rights and obligations appurtenant or related to that Unit created by this Declaration.
- (h) "Declarant" means Wylie R. Miller and Carrie J. Miller.
- (i) "Declaration" means this Condominium Declaration and any supplements or amendments to it.
- (j) "First Mortgagee" means the owner of any Mortgage or deed of trust (or an installment land contract seller) having a first priority lien against one or more Units.
- (k) "General Common Elements" means all of the Common Elements, except any Limited Common Elements.
- (l) "Limited Common Elements" means those parts of the Common Elements(if any) which are either limited to or reserved for the exclusive use of one or more but fewer than all,

Owners or Units. Limited Common Elements shall include, by way of illustration and not limitation, any area which are specifically designed as being appurtenant to a particular Unit and so designated on the Condominium Map, and any limited common elements as defined by CCIOA.

(m) "Map" or "Condominium Map" means the map or plat of the Condominium Project attached to this Declaration. It may be amended from time to time in accordance with this Declaration or applicable law.

(n) "Owner" means one or more persons, firms, corporations, partnerships, or other legal entities, or any combination of them, which own(s) an interest in one or more Condominium Units.

(o) "Property" means the real property in Mesa County, Colorado, the legal description of which is stated in the introductory paragraph of this Declaration.

(p) "Rules and Regulations" means any instruments, however denominated, which are adopted by the Association for the management or regulation of the Condominium Project, including any amendments.

(q) "Unit" means an individual airspace which is contained within the windows, doors, walls, floors, and ceilings of each unit as shown on the Condominium Map attached to this Declaration, together with all fixtures and improvements contained within that airspace, but excluding the Common Elements, if any, located within that airspace. All lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surfaces of the walls, floors or ceilings are a part of the Unit, and all other portions of the walls, floors and ceilings are part of the Common Elements.

3. Division of Property into Condominium Units.

(a) The common interest community created by this Declaration is a Condominium.

(b) The Property, together with the improvements on it, is divided into (16) sixteen fee simple estates (Condominium Units). Each such estate shall consist of a separately designated Unit and an undivided Square Footage Percentage interest in and to the Common Elements, which shall be appurtenant to and inseparable from such Unit. The descriptions of the boundaries of each Unit created by this Declaration are shown on the Map which is attached to this Declaration as Exhibit A and incorporated by this reference.

- (c) The Owner(s) of multiple Condominium Units in this Condominium Project shall have the right to physically combine all of the area or space of one Unit with all of the area or space of one or more adjoining Units, subject to the terms and conditions stated below.**
- (i) No Owner shall exercise any of these rights without the prior written consent of the Association, and any mortgagee having an interest in the Unit(s) affected, and all other Owners.**
- (ii) In the event of any such physical combining of Units to create combined Units, the combined Units shall also include the undivided interests in Common Elements appurtenant to the Units so combined and as additional Limited Common Elements appurtenant to the combined Units, any walls, or other structural separations between the Units so combined (or any space which would be occupied by such structural separations but for the combination of such Units), and the Owner(s) of the Units combined may remove or alter any intervening partitions or create apertures in them; provided, however:**
- (A) no removal or alteration of, or creation of any aperture in, any intervening partition between the Units combined shall impair the structural integrity (or the electrical, mechanical, or other utility systems) or lessen the support of any portion of the Building(s) in which the combined Units are located; and**
- (B) all partitions and other Common Elements removed or altered shall be replaced by the Owner(s) of the Units combined (and shall automatically become Common Elements), if the combined Units come under separate ownership at any later time; and**
- (C) any pipes and wires, conduits or systems running through such walls or other partitions shall not be disturbed or relocated without the prior written consent of the Association.**
- (iii) The Owner(s) of the Units in question will be responsible, at their expense, for preparing and recording all documents necessary to make said changes, and for obtaining approval of all required persons and entities, all in accordance with applicable Colorado law. In making those changes the Owner(s) of the Units in question will not do anything to affect the title and marketability of the other Units, and will indemnify all other Unit Owners and the Association from such damages.**
- (iv) The physical combining of Units shall not change the number, boundaries or legal description of the Condominium Units shown on the Map or change the votes or voting in the Association of those Condominium Units.**

4. Description of Condominium Unit.

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(a) Every contract, deed, lease, mortgage, trust deed, will, or other instrument may legally describe a Condominium Unit by the word "Unit" (or "Units" if more than one) followed by the identifying number(s), shown on the Map, followed by the words " Patterson Village Square Condominiums", followed by a reference to the recording data of this Declaration (and any amendment) and accompanied by a reference to the county in which the Condominium Project is located.

(b) Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber, or otherwise affect the Unit, together with the undivided interest in the Common Elements appurtenant to that Unit and all other appurtenant properties and property rights, and shall incorporate all of the rights and burdens incident to Ownership of a Condominium Unit and all of the limitations on such ownership as described in this Declaration and the Condominium Map, including without limitation the associated Common Expense liability and one vote in the Association. Each such description shall be construed to include a nonexclusive easement for ingress and egress to and from the Unit to the public streets adjoining the Condominium Project and the use of all of the Limited Common Elements appurtenant to that Unit and the use of all the General Common Elements.

(c) Reference to the Map or Declaration in any instrument shall be deemed to include any supplements or amendments to the Map or Declaration, without specific reference to such amendment or supplement.

5. Condominium Map. The Map shall be recorded in the office of the Clerk and Recorder of Mesa County, Colorado, prior to the conveyance of any of the Condominium Units shown on it and shall depict and show at least the following: the legal description of the Property and a survey of it; the location of the Building(s) in reference to the exterior boundaries of the Property, the floor and elevation plans; the location of the boundaries of each Unit within the Building(s), both horizontally and vertically; the thickness of the common walls between or separating the Units; the approximate location and dimensions of any Limited Common Elements; and the Condominium Unit designations. The Map shall contain the certificate of a registered land surveyor certifying that the Map substantially depicts the location and the horizontal and vertical measurements of all Units of the Condominium Project, the Unit designations, and the elevations of the constructed unfinished floors and ceilings, and that the Map was prepared subject to substantial completion of the improvements. In interpreting the Map, the existing physical boundaries of each separate Unit as constructed shall be conclusively presumed to be its boundaries. As part of the initial construction of the Building, Declarant reserve the right to amend the Map, from time to time, to conform the same according to the actual location

of any of the constructed improvements and to establish, vacate, and relocate easements as required by the providing utility companies.

6. Inseparability of a Condominium Unit. Each Unit, the appurtenant undivided interest in the Common Elements, and any appurtenant Limited Common Elements, as well as all other appurtenances, rights, and burdens shall together comprise one Condominium Unit and shall be inseparable, except as may be otherwise expressly stated in this Declaration, and may be conveyed, leased, devised, or encumbered only as a Condominium Unit. Each Condominium Unit includes the associated Common Expense liability and one vote in the Association.

7. Separate Assessment and Taxation - Notice to Assessor. Declarants shall give written notice to the Assessor of Mesa County, Colorado, of the creation of the condominium ownership in the Property, as is provided by law, so that each Unit and its undivided interest in the Common Elements appurtenant to it shall be deemed a separate parcel for purposes of separate assessment and taxation. Until initial sale of a Condominium Unit to the first purchaser, Declarants, upon the request of any first mortgagee, shall furnish proof that all real estate taxes, assessments and charges shall relate only to the individual Condominium Unit and not to the Condominium Project as a whole.

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

9. Non-Partitionability and Transfer of Common Elements. The Common Elements shall be owned in common by all of the Owners of the Units and shall remain undivided. Each Owner specifically waives his right to institute or maintain a partition action or any other action designed to cause a division of the Common Elements, and each Owner specifically agrees not to institute any such action, except as may be necessary to enforce the provisions of this Declaration. A violation of this provision shall entitle the Association's reasonable attorney fees, costs, and other damages to the Association incurred in connection with such enforcement, in addition to any other relief to which the Association may be entitled. In addition, any decree of partition or proceeding to obtain such a decree shall be void. Further, all Owners, including Declarants, covenant that they shall, neither by act nor omission, seek to abandon, subdivide, encumber, sell, or transfer the Common Elements without first obtaining the written consent of all First Mortgagees. Any such action without the written consent of such mortgagees shall be void.

10. Use of General and Limited Common Elements. Except as otherwise provided in this Declaration, each Owner shall be entitled to exclusive ownership and possession of his Unit(s). Each Owner may use the appurtenant General Common Elements and Limited Common Elements and other appurtenances to his Unit(s) in accordance with the purpose

for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners. The Association may adopt Rules and Regulations for the regulation and management of the Condominium Project; for example, governing the use of General and Limited Common Elements. Such Rules and Regulations, including any amendments, shall be uniform and nondiscriminatory and shall constitute a part of this Declaration.

11. Use and Occupancy. The Units shall be used and occupied only as and for retail sales and commercial business offices and commercial business activities (consistent with applicable zoning ordinances).

12. Easements for Encroachment. In the event that any portion of the Common Elements encroaches upon any Unit or Units, or in the event that any portion of a Unit encroaches upon any other Unit or Units or upon any portion of the Common Elements or in the event any encroachment shall occur as a result of: (i) settling of the Building; or (ii) alteration or repair to the Common Elements; or (iii) repair or restoration of the Building or a Unit after damage by fire or other casualty, or (iv) condemnation or eminent domain proceedings, a valid easement shall exist for the encroachment and for the maintenance of the same, so long as the Building stands. In the event that any one or more of the Units or the Building or other improvements comprising part of the Common Elements, is partially or totally destroyed and is then rebuilt or reconstructed in substantially the same location, and, as a result of such rebuilding, any portion shall encroach as provided in the preceding sentence, a valid easement for such encroachment and for its maintenance and repair, so long as it stands, shall and does exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the Common Elements or on the Units for purposes of marketability of title or other purposes. In interpreting any and all provisions of the Declaration, subsequent Unit deeds to and mortgages of Units, the actual location of the Unit shall be deemed conclusively to be the property intended to be conveyed, reserved, or encumbered notwithstanding any minor deviations, either horizontally, vertically, or laterally from the locations as indicated on the Condominium Map. The easements created by this provision do not relieve a Unit Owner of liability in case of willful misconduct or relieve Declarants or any other person or entity of liability for failure to adhere to the Map.

13. Termination of Mechanic's Lien Rights and Indemnification. Subsequent to the initial completion of the Building and any other improvements described on the Map, no labor performed or materials furnished and incorporated in a Unit shall be the basis for filing a lien against (a) any other Unit (except as otherwise provided by law), or (b) against any of the Common Elements (except for the undivided interest in the Common Elements appurtenant to the Unit against which a lien is rightfully filed). Each Owner shall indemnify and hold harmless each of the other Owners from and against all liability arising from the claim of any lien against the Unit of any other Owner or against the Common Elements for construction performed or for labor, materials, services, or other products incorporated in the Owner's Unit at such Owner's request. Despite the foregoing, any

mortgagee of a Unit who shall become the Owner of such Unit pursuant to a lawful foreclosure sale or deed in lieu of foreclosure shall not be under any obligation to indemnify and hold harmless any other Owner against liability for claims arising prior to the date such mortgagee becomes an Owner. The lien rights of the Association are excluded from the provisions of this section.

14. The Association Membership and Voting Rights.

(a) Every Owner of one or more Units shall be entitled and required to be a member of the Association, subject to the voting rights provisions of this section. No person or entity other than an Owner of one or more Units may be a member of the Association.

(b) Each Condominium Unit shall be allocated one vote in the Association.

(c) In the election of directors cumulative voting shall not be allowed.

(d) Membership in the Association shall be appurtenant to and inseparable from a Condominium Unit. Membership in the Association may not be transferred except in connection with the transfer of ownership of a Condominium Unit and shall be automatically transferred by conveyance of a Condominium Unit without additional action or documentation.

(e) A quorum will be deemed present throughout any meeting of the Association members if persons entitled to cast a majority of the votes which may be cast for election of the board of directors of the Association are present in person or by proxy at the beginning of the meeting. A quorum will be deemed present throughout any meeting of the board of directors of the Association if persons entitled to cast a majority of the votes on that board are present at the beginning of the meeting.

15. Association Powers.

(a) The Association shall have all rights, powers and authority specified or permitted by: (i) CCIOA; (ii) any other applicable law; (iii) this Declaration; and (iv) the Articles of Incorporation and Bylaws of the Association, to the extent not inconsistent with (i), (ii), or (iii).

(b) The Association may take judicial action against any Owner to enforce compliance with any provisions of this Declaration, obtain mandatory or injunctive relief, or obtain damages for noncompliance and exercise any other right or remedy for enforcement of this Declaration permitted by law. All of such rights and remedies of the Association shall be cumulative.

(c) The Association may acquire and hold for the benefit of all of the Condominium Unit Owners real and tangible personal property and may dispose of the same by sale or otherwise. Except as limited by this section or other provisions of this Declaration or applicable laws the Association shall have the right to encumber, dedicate, or convey all or any part of the Common Elements or the Association interest in any other Association asset. The beneficial interest in any such property shall be owned by all of the Condominium Unit Owners in the same proportions as their respective interests in the Common Elements and such interest therein shall not be transferable except with a conveyance of a Condominium Unit. A conveyance of a Condominium Unit shall transfer to the grantee ownership of the grantor's beneficial interest in all such property interests associated with and appurtenant to the subject Condominium Unit.

16. Covenant for Assessments.

(a) The undersigned covenants, for themselves and for each Unit and each Owner of any Unit, that by acceptance of a deed for that Unit (whether or not it shall be so expressed in that deed), each Owner of any Unit(s) is deemed to covenant and agree to pay to the Association: (i) all assessments or charges levied against that Unit; and (ii) all fees, charges, late charges, attorney fees, fines, collection costs, and interest charged pursuant to this Declaration, or as allowed by Section 38-33.3-316(1), C.R.S. or any other provision of CCIOA as it may be subsequently amended or by any other applicable law. All items set forth in this section, from the time such items become due, shall be a charge on and covenant running with the land and shall be a continuing lien on the Unit(s) against which such item is charge. If an assessment is payable in installments, each installment is a lien from the time it becomes due including the due date set by and valid Association acceleration of installment obligations. Each such item together with interest, costs, and reasonable attorneys fees, shall also be the joint and several personal obligation of each person and/or entity who was the Owner of the Unit at the time when the item became due. This personal obligation shall not pass to an Owner's successors in title unless expressly assumed by them. No Owner may be exempt from liability for assessments by waiver or lack of use or enjoyment of Common Elements or other assets or benefits of the Association, or by abandonment of a Unit or any improvements located on that Unit.

(b) The assessments levied by the Association shall be used exclusively for: (i) Common Expenses; or (ii) to promote the health, safety, or welfare of the Unit Owners; or for the benefit of the Common Elements; or (iii) for any purpose of the Association, as those purposes are specified by this Declaration or the Articles of Incorporation of the Association (as amended from time to time); or (iv) as otherwise authorized by CCIOA or other applicable law.

(c) The initial assessment for Common Expenses of the Association shall be fixed in an amount set by the board of directors.

(d) After any assessment has been made by the Association, assessments shall be made no less frequently than annually based on a budget adopted by the Association as described elsewhere in this Declaration. Assessments may include, without limitation, allocations for reserves for repair or replacement or existing capital items and acquisition, construction, and installation of new improvements, all to the extent set forth in the approved budget upon which such assessment is based.

(e) The first assessment for Common Expenses shall be adjusted according to the number of months remaining in the calendar year for which the assessment is made, if less than a full year. Thereafter, the board of directors shall fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject to the assessment. The due dates shall be established by the board of directors. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Unit have been paid.

(f) Except as otherwise stated in this Declaration or as otherwise provided by CCIOA or other applicable law, each Unit shall be allocated a fraction of the Common Expenses of the Association in which the numerator is one and the denominator is the number of Condominium Units then in the Condominium Project. If permitted by CCIOA and other applicable law, any Common Expense, portion of any Common Expense, or other cost or expense of the Association benefiting, or caused by, fewer than all Condominium Units shall be assessed exclusively against the Condominium Unit(s) benefitted by or causing the Common Expense or other cost or expense.

(g) Any assessment not paid within thirty (30) days after the due date shall bear Interest from the due date at a rate set annually by the Association's board of directors which shall not exceed the maximum rate of interest (presently 21% per annum) permitted by CCIOA or other applicable law. If no rate is set in this manner the rate shall be the less of 12% per annum or the maximum rate permitted by CCIOA or other applicable law.

(h) The lien for assessments, which includes all those items specified in this Declaration (unless prohibited by CCIOA or other applicable law), CCIOA or other applicable law, shall have the priority specified by law which, as of the date of this Declaration, is codified in CCIOA at Section 38-33.3-316(2), C.R.S.

17. Budget and Records.

(a) The board of directors shall cause to be maintained a full set of books and records showing the financial condition of the affairs of the Association. All books and records, and papers of the Association shall be available for inspection and copying by any member

or his representative during regular business hours at the principal office of the Association. The board of directors may establish reasonable rules concerning notice to be given the custodian of the records by anyone desiring to inspect them, and payment of costs of reproducing any documents requested by any member.

(b) The board of directors shall cause to be prepared no less than annually an operating budget, balance sheet, and cash flow statement for the Association.

(c) Within thirty (30) days after adoption of any proposed budget the board of directors shall mail, by ordinary first-class mail, or otherwise deliver a summary of the budget to all Owners and shall set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen (14) nor more than sixty (60) days after mailing or other delivery of the summary.

(d) Unless at that meeting Owners representing a majority of all Units reject the budget, the budget is ratified, whether or not a quorum is present.

(e) In the event that the proposed budget is rejected, the present budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the board of directors.

(f) As part of each annual budget, the board of directors shall include an amount which, in its reasonable business judgment, will establish and maintain an adequate reserve fund for the replacement of any personal property, fixtures and improvements required to be operated or maintained by the Association based upon age and remaining life, replacement cost, and any other relevant factors.

18. Reservation for access - Maintenance - Repair - and Emergencies.

(a) The Association shall have the irrevocable right to have access to each Unit from time to time as may be reasonable necessary for the maintenance, repair, and replacement of any of the Common Elements in such Unit or accessible from it (i) without prior notice during regular business hours, and (ii) upon reasonable notice outside regular business hours, and (iii) with prior notice at any hour for making emergency repair, maintenance, or inspection necessary to minimize or prevent damage to the Common Elements or to any Unit.

(b) Each Owner and his employees and agents shall have access rights for the maintenance, repair and replacement of that Owner's Unit(s) to every other Unit comparable to those granted to the Association in subsection (a) above.

(c) The Owners of the Condominium Units shall have a perpetual nonexclusive easement in common with all other Condominium Unit Owners in this Condominium Project on, over, and across the Common Elements for purposes of ingress and egress to and from their Units from the public street which adjoins the Condominium Project and easement for the use of any other Common Elements for all uses reasonably related to the use or enjoyment of that Owner's Unit(s); subject, however to Rules and Regulations of the Association.

(d) If damage is inflicted, or there is a strong likelihood that it will be inflicted, on any Unit or Common Elements through exercise of the rights granted in subsection (a), (b), or (c) above, the Owner responsible (or the Association, if it is responsible) for the damage, or the expense to avoid damage, is liable for the cost of prompt repair.

19. Upkeep of the Condominium Project.

(a) Except as otherwise expressly stated in this Declaration, an Owner is responsible for all maintenance, repair, and replacement as necessary to at all times keep such Unit(s) clean and in good condition and repair and to avoid damaging any Common Elements, other Units, or other Owners.

(b) The Association shall have the duty to maintain repair, and replace as needed all of the Common Elements within the Condominium Project. Except as stated in subsections (c), (d), and (e) below, the cost of maintenance, repair, and replacement of Common Elements (together with all damage to the interior or any part of a Unit resulting from the maintenance, repair, emergency repair, or replacement of any of the Common Elements or as a result of emergency repairs within another Unit at the direction of the Association) shall be a Common Expense of all of the Owners.

(c) If a Common Expense is caused or required by misconduct or negligent, intentional, or tortious act or omission of a Unit Owner, his agent, independent contractor, employee, business invitee, licensee, or tenant, then the Association may assess such Common Expense exclusively against such Owner's Unit.

(d) The cost of maintenance, repair, and replacement of any Limited Common Elements shall be paid equally by the Owner(s) of the Unit(s) to which such Limited Common Elements are appurtenant.

(e) Any Common Expense or portion thereof benefiting fewer than all of the Units shall be assessed exclusively against the Units benefitted.

20. Compliance with Provisions of Declaration, Bylaws of the Association. Each Owner shall comply strictly with the provisions of the Declaration, the Articles of Incorporation, and Bylaws of the Association, and the decisions and resolutions of the Association as the same may be lawfully made and amended and/or modified from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages or injunctive relief, or both and for reimbursement of all reasonable attorneys fees incurred in connection therewith, which action shall be maintainable by the Association, or in a proper case, by an aggrieved Owner.

21. Revocation or Amendment of Declaration.

(a) The provisions of this section shall be subject to the provisions of C.R.S. 38-33.3-217(1)n (5) and (6).

(b) Owners representing an aggregate ownership interest of ninety percent (90%) or more of the Common Elements and all First Mortgagees must consent to any of the following:

(i) any act or omission having the effect of revocation of this Declaration or abandonment or termination of the condominium regime of the Condominium Project; or

(ii) any change in the allocation of interest in the Common Elements for the purpose of levying assessments for Common Expenses or allocating distributions of hazard insurance proceeds or condemnation awards; or

(iii) any act or omission having the effect of abandoning, partitioning, subdividing, encumbering, selling or transferring all or any part of, or interest in, the Common Elements, other than as an appurtenance to a Condominium Unit.

(c) Except as provided to the contrary in subsection (a) or (b) above or by applicable law, this Declaration may be amended by the Owners representing an aggregate ownership interest of at least eighty percent (80%) of the Common Elements and all First Mortgagees in the manner stated in subsection (d) below.

(d) Any amendment or revocation of this Declaration shall be by an instrument in writing executed in a manner provided by law for conveyance of real property at the time when that instrument is duly recorded in the office of the Clerk and Recorder of Mesa County, Colorado. Upon recordation in that manner, any amendment or revocation of this Declaration shall be valid and binding upon the then-Owners of the Units, their heirs, personal representatives, successors in interest, and assigns, and any persons and entities

claiming by, through or under any of the then-Owners. An instrument amending or revoking this Declaration may be signed in any number of counterparts, which together shall constitute a single agreement.

(e) The consent of any mortgagee other than a First Mortgagee shall not be required under the provisions of this section. In determining whether the appropriate percentage of mortgagee approval is obtained when required by the terms of this Declaration, each first mortgagee shall have one (1) vote for each first mortgage owned.

22. Fidelity Bonds.

(a) If any Owner or Association employee controls or disburses Association funds, the Association must obtain and maintain, to the extent reasonably available, fidelity insurance in an aggregate amount equal to not less than two months of current assessments plus reserve calculated from the then-current budget of the Association.

(b) Any person employed as an independent contractor by the Association for the purposes of managing the Association must obtain and maintain fidelity insurance in that same amount unless the Association names such a person as an insured employee in a contract of fidelity insurance described above.

(c) The Association may carry or require of an independent contractor employed to manage the Association fidelity insurance coverage in an amount greater than that specified in this section.

(d) Premiums for insurance required by the Association under this provision are Common Expenses of the Association.

23. Special Declarants Rights

(a) Except as otherwise stated in this section Declarants reserve all special declarant rights available under CCIOA currently codified at Section 38-33.3-103(29)n C.R.S.

(b) Declarants do not reserve any development rights under Section 38-33.3-103(14), C.R.S.

(c) Declarants do not reserve the right to make the Condominium Project subject to a master association or to merge or consolidate the Condominium Project with any other condominium.

(d) Declarants do not retain the right to maintain a sales office, management office or model in the Condominium Project.

(e) Declarants reserve the right to appoint and remove the officers and directors of the Association for the time period of Declarants' control specified in Section 38-33.3-303(5) and (6), C.R.S.

(f) Every other special declarant right reserved may be exercised for a period of two years after the date of this Declaration.

(g) Except as restricted by CCIOA or other applicable law, Declarants may assign (from time to time) some or all of Declarants' rights or obligations under this Declaration to any other person or entity and, upon such assignment, shall be relieved from any obligation of liability assigned.

24. **Professional Manager.** The Association may employ a professional manager for the Management of this Condominium Project; provided, however, that the term of any management agreement shall not exceed one (1) year and shall provide for termination without cause by either party upon no more than ninety (90) days' prior written notice.

25. **Registration of Mailing Address and Notice.** Each Owner and First Mortgagee may register his mailing address with the Secretary of the Association. A First Mortgagee shall also identify to the Secretary the Unit upon which the first mortgage or deed of trust is held. Notice to the Owner of a Unit or First Mortgagee shall be mailed to the address provided by the Owner or First Mortgagee for that purpose to the Secretary of the Association. If the Owner fails to register an address to the Secretary, notice shall be sent to the street address of each Unit owned by that Owner. If a notice is required by this Declaration to be sent to a First Mortgagee which has not registered an address with the Secretary, such notice shall be sent to the address of the First Mortgagee stated in the recorded first mortgage or trust deed. If a First Mortgagee has registered with the Secretary its address and that it has a first mortgage or trust deed upon the Unit which is the subject of a notice to an Owner, a copy of any notice to the Owner shall also be sent to the First Mortgagee. Any notice or demand required or permitted by this Declaration shall be in writing and shall be sent by United States first class, certified or registered mail, postage prepaid. Such notices shall be deemed delivered on the second regular mail delivery dated following the date of mailing of the notice.

26. **Signs.** No signs shall be placed on or in any part of the Common Elements (including, for example, on or in exterior window or door of any Unit), or where visible from the exterior of any Unit, without the prior written consent of the Association. The Association may deny this consent for any reason, including without limitation to promote consistency of the signage on the exterior of the Building or to promote a consistent or particular appearance of the Condominium Project as a whole.

(a) The Association shall have the right to impose Rules and Regulations upon the Owners concerning use of the Common Elements and any other Association property; provided, all Rules and Regulations shall apply equally and uniformly to all Units and Owners.

(b) The Association or the Owner (including Declarants) of any Unit may enforce any provision of this Declaration in an action at law or in equity. The relief sought may include damages (including, for example, consequential and incidental damages) for any violation, or injunctive relief, or both. This listing of possible remedies is not exclusive. It is the intent of the Declarants that the Association or an Owner may obtain any relief available under the then applicable law or the provisions of this Declaration for violation of any provision of this Declaration. All such rights and remedies shall be cumulative.

(c) In any litigation or other proceeding concerning enforcement or interpretation of this Declaration the prevailing party shall be entitled to recover reasonable attorneys fees and court costs, in addition to any other relief available to that party.

(d) Any provision of this Declaration in conflict with the provisions of CCIOA shall be void and of no effect.


(e) The section titles and headings used in this Declaration are for identification purposes only and shall not be utilized to interpret or construe the provisions of this Declaration.

(f) Invalidation of any provision of this Declaration by judgment or court order shall not affect any of the other provisions of this Declaration, which shall remain in full force and effect.

DATED this 23rd day of March, 2002.



Wylie R. Miller



Carrie J. Miller

STATE OF COLORADO)

BOOK 3049 PAGE 85

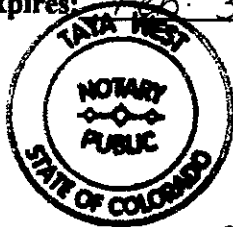
) ss:

COUNTY OF MESA

The foregoing CONDOMINIUM DECLARATION OF PATTERSON VILLAGE SQUARE CONDOMINIUMS was acknowledged before me this 23rd day of March, 2002, by Wylie R. Miller and Carrie J. Miller.

Witness my hand and official seal.

My Commission expires: Feb. 3, 2004



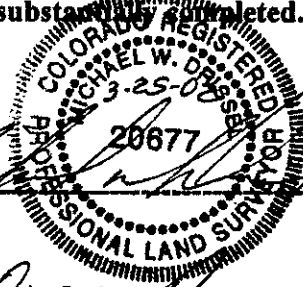
Tara West
Notary Public

MY COMMISSION EXPIRES 2/3/04

CERTIFICATE OF COMPLETION

Pursuant to the provision of Section 38-33.3-201(2), C.R.S., the undersigned certifies that he or she is an independent license or registered engineer, surveyor, or architect and that all structural components of Building 1 containing Units 1-9 created by the above Declaration are substantially completed. Certificate of Completion for Building 2 containing Units 10-18 and Building 3 containing Units 19-27 shall be addressed by amendment to the above Declaration as the Buildings are substantially completed.

[Signature]
Name
118 Quarry Ave.
Address
Grand Tel. Co. 81501



AMENDMENT
TO

2088877 11/22/02 1024AM
MONIKA TODD CLK&REC MESA COUNTY CO
REC FEE \$5.00 SURCHG \$1.00

The Condominium Declaration of Patterson Village Square Condominiums recorded by Mesa
County Clerk and Recorder on 03/29/02 Book 3049 Pages 69 - 85.

CERTIFICATE OF COMPLETION
BUILDING 2

Pursuant to the provision of Section 38-33.3-201, C.R.S., the undersigned certifies that he or she
is an independent license or registered engineer, surveyor, or architect and that all structural
components of Building 2 containing Units 10 - 18 located at 2478 Patterson Road, Grand
Junction, CO 81505 and created by the above Declaration are substantially completed.



T. Gregg 11/11/02
Name Date

336 Main Suite 205
Address
Grand Junction, CO 81501

**THIRD AMENDMENT TO
CONDOMINIUM DECLARATIONS OF
PATTERSON VILLAGE SQUARE CONDOMINIUMS**

This First Amendment to the Condominium Declaration of Patterson Village Square Condominiums is made as of July 7, 2003, by WYLIE R. MILLER and CARRIE J. MILLER (together "Declarant").

RECITALS

A. Declarant have established by the Condominium Declaration of Patterson Village Square Condominiums (the "Declaration") recorded in Book 3049 at page 69 of the Mesa County records a commercial condominium project (the "Project") under the Colorado Condominium Ownership Act on real property in Mesa County legally described (prior to the creation of the Project) as:

Lot 1, Block 1, Patterson Village Subdivision

B. The Project consists of three buildings which together constitute a single condominium project although they were constructed in separate phases and represented on three separate condominium maps.

C. This First Amendment is made by Declarant pursuant to the authority granted by C.R.S. 38-33-206(4) to correct clerical, typographical, and technical errors contained in the Declaration.

TERMS

1. Under Terms Subsection 3(b) of the Declaration recorded in Book 3049 Page 71 is amended to read as follows:

The Property, together with the improvements on it, is divided into (27) twenty seven fee simple estates (Condominium Units). Each such estate shall consist of a separately designated Unit and an undivided Square Footage Percentage interest in and to the Common Elements, which shall be appurtenant to and inseparable from such Unit. The descriptions of the boundaries of each Unit created by this Declaration are shown on the Maps which are attached to this Declaration as Exhibit A, B, & C (Maps B & C to be recorded separately as the additional buildings are built and completed) and incorporated by this reference.

2. The provisions of this First Amendment shall bind and benefit Declarant and their heirs, successors and assigns, including without limitation all present and future owners of Units in the Project.

Wylie R. Miller
Wylie R. Miller

Carrie J. Miller
Carrie J. Miller

ACKNOWLEDGMENT

STATE OF COLORADO)
)ss.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 8th day of August, 2003, by Wylie R. Miller and Carrie J. Miller.

WITNESS my hand and official seal.

My commission expires: 8-17-04

Suzette Beckley
Notary Public



MY COMMISSION EXPIRES 8-17-2004