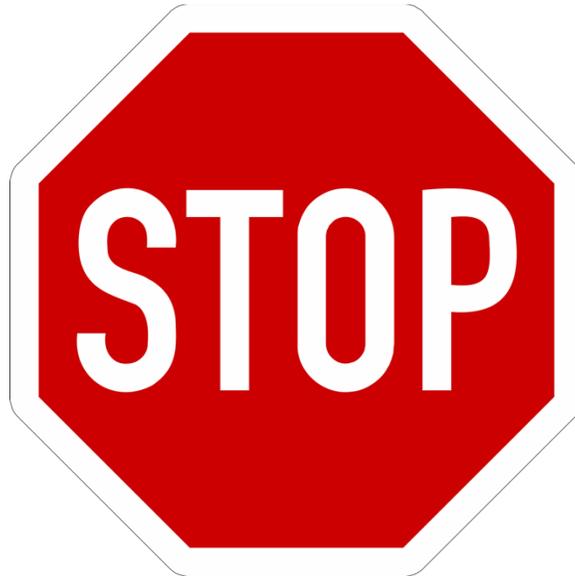


Lanai Condominium Association, Inc.
Owner's Manual
Approved January 19, 2023



NOTICE! Do not purchase a unit or move into this condominium building until you've read this entire manual. We are dedicated to preserving a specific quality of life in this community, and you will be held accountable for this information.

Ensure you have the latest copy of this manual at <https://lanaicondominium.com>
Here's the top 10 things you should know before moving into your unit:

1. **You must contact the property management team before moving into the Lanai.** Do not move in or out until you have scheduled time with the management. You may not move into or out of the building on weekends. There are lots of other rules about moving so read this manual. We know, it's long and boring, but it will make your arrival into our community a joy.
2. **You may not rent your unit for any length of time without prior approval from the Board.** Investors, this may not be the building for you. Someone on the deed must be living in the unit unless you have received prior approval. Much more information on this topic is listed below.
3. **You may have up to two dogs and big dogs are a bad idea.** You are responsible for everything they do. Dogs are not allowed on the 12th floor or in the pool area. Up to two cats, birds and fish are also okay. Reptiles, insects and other varmints are not allowed
4. **Do not bring anything large including bicycles through the front door.** You must use the back door or the garage door to move anything big into the building. Moving into the building through the front door is an automatic fine on your first day here.
5. **Do not park moving trucks or delivery vehicles on the upper deck of the back parking lot.**
6. **All construction in your unit must be approved.** The architectural committee must sign off on all plans. We have regulations regarding work hours, noise, insurance, licensing, and building materials and notices on your door. You'll want our help in making sure you get it right.
7. **Never never never never let anybody into the building you do not know personally.** It's not rude and we expect it from you. Do not prop doors open.
8. **Washers and dryers are not allowed in units.** Our pipes and electricity are not sized to handle them.
9. **The heating is turned on in October. The cooling is turned on in May.** Shoulder periods can occasionally be uncomfortable due to the weather. You never need to call HVAC technicians. Call the property management team if you have questions.
10. **Smoke and Noise:** We've issued more fines for these two items than all other infractions combined. Smoke odor may not leave your unit. We allow you to practice acoustic instruments (except drums) at reasonable hours, so your piano is fine. It's a concrete building, we should never hear you.

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Association Acceptance

Be it resolved that the Board of Managers of Lanai Condominium Association, Inc. (the "Association") hereby approves and adopts the following Owner's Manual applicable to all owners, renters, visitors, and service providers whether temporary or permanent on the property effective on the date listed on the cover. This revision replaces all previous versions.

Contacting Us

Phone numbers and email contact information for all Association Board members and our property management team are available at <https://lanaicondominium.com>

Introduction

The Lanai was planned and built between 1954 and 1956 and first occupied in 1957 as the first high-rise in Capitol Hill. It has been a non-profit condominium (the "Association") since 1974. The Declaration requires the Association to have professional management (the "property manager"), as well as an elected, unpaid Board of Managers (the "Board"), made up of homeowners who have been continuous residents for at least six months.

The seven-member Board has the day-to-day responsibility to operate and maintain the Lanai as a first-class building. Board member terms are staggered three-year terms based on votes of the membership or by appointment on an interim basis until the next special or annual meeting. Homeowners who've lived in the building for at least six months and are in good standing may run for the Board annually.

Under the supervision of the Board, a finance sub-committee and several resident groups may assist the community by researching issues and offering recommendations to the Board. Committee and group members are residents who volunteer and serve at the pleasure of the Board. The Board contracts with various companies to complete duties related to the building and the common areas.

This Owner's Manual is designed to ensure the safety and comfort of all residents of the Lanai. Prospective owners and tenants are strongly encouraged to read the entire Owner's Manual to avoid surprises. All residents and guests of the Lanai will be expected to adhere to the rules and recommendations in a spirit of cooperation and consideration for our neighbors and the building.

Authority

The Lanai Condominium Association is governed in accordance with the following documents:

1. This Owner's Manual which includes the Rules, Regulations, Policies, and Resolutions of the Association as amended. The most current version of this Owner's Manual is available at the Association website at <https://lanaicondominium.com>
2. Articles of Incorporation of Lanai Condominium Associates, Inc., as amended on October 23, 1979 ("Articles") (See Appendix A.)
3. Bylaws of the Lanai Condominium Association, Inc. as amended effective October 1, 1994 ("Bylaws") (See Appendix B.)
4. Condominium Declaration for The Lanai Condominiums, filed in the office of the Clerk and Recorder of the City and County of Denver, State of Colorado, on December 6, 1974 ("Declaration") (See Appendix C.)
5. Construction and Remodeling Guidelines (See Appendix D.)
6. Denver Fire Department's Barbecues, Propane and Heat Producing Devices on Rules (See Appendix E.)
7. Forms (See Appendix F.)

If any Policies, Rules, and Regulations in the Owner's Manual conflict with any governing documents of the Association, or of local, state, or national laws, the governing documents or applicable laws will prevail. Colorado Revised Statutes 38-33.3-209.5 and 38-33.3-124 require the Association to adopt policies, procedures, rules and regulations regarding the following, all of which are contained herein:

1. Adoption and amendment of policies, procedures, and rules ("Adoption and Amendment of Policies, Rules, and Regulations")
2. Procedures for addressing disputes between the association and unit owners ("Alternative Dispute Resolution ('ADR') Policy")
3. Collection of unpaid assessments ("Collection Policy")
4. Handling of Board member conflicts of interest ("Conflict of Interest Policy")
5. Conduct of meetings ("Meetings Policy")

6. Inspection and copying of association records by unit owners (“Records Inspection Policy”)
7. Enforcement of covenants and rules (“Rule Enforcement Policy”)

In the event a court of competent jurisdiction finds any provision of these Policies, Rules, and Regulations void or otherwise unenforceable, the other provisions shall remain in full force and effect.

Access

1. Do not admit anyone in the front, back or garage entrances unless you personally know them. You can be held liable for problems caused by the acts of those you allow access to the building.
2. Never prop open any door and leave it unattended. Violators will be fined under the nuisance policy.
3. The management is not permitted to enter any unit without giving 24-hour’s notice, unless the resident is present, or has given permission, or in the case of an emergency. All residents are asked to leave the name and number of an emergency contact on file with the property manager. Pursuant to a Denver Fire Departmental request, the property manager should maintain keys and access codes to all units.
4. If you elect not to keep a key and access codes on file with the property manager:
 - a. If natural gas or smoke is smelled, the door will be forced open at homeowner’s expense.
 - b. If a concern regarding water or sewer arises, the water stack will be shut down for a maximum of one hour while the property manager or a Board member attempts to contact the homeowner or a locksmith. If for any reason the door is not opened within the hour, the door will be forced open at the homeowner’s expense.
 - c. In all cases of forced entry whether a problem is discovered or not, you agree all damages caused by the forced entry will be the homeowner’s responsibility to repair in a timely manner at the homeowner’s expense.
5. Documentation in writing must be on file with the property manager of any scheduled house sitters, housekeepers, resident attendants, or workers along with the individuals’ names, companies or firms, and a schedule of access.
6. Deliveries of large items may not be made through the front glass doors. Bicycles may not be brought through the front door.

7. All movers, construction workers, and real estate agents must check-in and check-out with the property manager. If the manager is unavailable, they must leave a business card noting their arrival and departure times.
8. You may not place a lockbox anywhere on the property without prior approval by the Board or the property manager.
9. Key fobs are the responsibility of the homeowner and/or resident. Key fobs purchased elsewhere will not be activated.
 - a. A \$50 fee is required to replace each lost, stolen, or damaged key fob. Damaged fobs must be returned to the property manager.
 - b. You must report lost and/or stolen key fobs to the property manager for deactivation. You may be held legally and financially responsible if a lost and/or stolen fob is used to gain unauthorized entry to the building.
 - c. A \$50 fee is required to obtain each additional key fob. The maximum number of key fobs a homeowner and/or resident may hold is six (6).
 - d. The property manager will replace non-working fobs at no charge.
 - e. Owners selling their unit must pass fobs onto the purchasers. New owners or residents must register fobs in their names with the property manager prior to moving into the Lanai. Any fobs not properly registered will be deactivated.
10. Exterior Door Entry Access Codes
 - a. At your request, the property manager will program your name and phone number into the Door King system.
 - b. When a visitor calls your number, and you’ve verified their identity, pressing “9” on your keypad will activate the door entry.
 - c. If you allow access into the building, you are responsible for the behavior of those you admitted whether you are on-site or not.
11. Solicitors and peddlers are not allowed into the building without approval of the Board.
12. After-hours lockouts are the responsibility of the homeowners and tenants. Neither the Board nor the property manager will open your unit or grant access to the building after office hours. You should call a locksmith. Owners will be fined under the nuisance

policy if requests for access are made after office hours. We recommend meeting your neighbors and asking someone you trust to hold a copy of your key.

Adoption and Amendment of Rules

1. The Board in its sole discretion shall determine if there is an issue affecting the community for which a resolution, policy, procedure, rule, or regulation would be beneficial. The Board may also review all current resolutions, policies, procedures, rules, and regulations to determine whether any modifications or amendments are necessary. The timing of any such review shall be in the sole discretion of the Board.
2. The Board will take reasonable steps to avoid adopting a resolution, policy, procedure, rule, or regulation that is contrary to federal, state, or local law, or of the Association's Declaration, Articles of Incorporation, or Bylaws. The Board will exercise reasonable care to balance the Association's interests with the interests of the individual members of the community.
3. After the Board has determined that an issue affects the community for which a resolution, policy, procedure, rule, or regulation would be beneficial, and discussed reasonable approaches to address the issue, it may adopt such resolution, policy, procedure, rule, or regulation at its sole discretion by Resolution, Amendment to the Policies, Rules, and Regulations, or proposed amendment to the Declaration, Articles of Incorporation, and/or Bylaws.
4. The Board will solicit owner input in the process of adopting or amending resolutions, policies, procedures, rules, and regulations.
5. The Board will diligently uphold the requirements of its governing documents and be certain that the proper procedures for amending these are followed in every instance and properly documented.

Alternative Dispute Resolution

1. General: It is the general policy of the Association to encourage the use of Alternative Dispute Resolution ("ADR") to resolve disputes involving the Association and any owner. ADR is defined as a procedure for settling a dispute by means other than litigation, such as mediation, non-binding arbitration, or binding arbitration.
2. Policy: ADR, in the form of Mediation, Non-Binding Arbitration, or Binding Arbitration, may be pursued by the Association before any lawsuit is filed, except in the case of the collection of assessments or the

enforcement of the Bylaws, policies, rules, or regulations of the Association, subject to the following:

- a. ADR shall not be required if time constraints prevent accomplishing ADR.
 - b. ADR will not be pursued by the Association if an Owner refuses to participate in the process.
 - c. At the time the parties agree to use ADR, the parties shall also agree on the form of ADR to be used. If the parties cannot agree on the form of ADR to be used, ADR shall be in the form of mediation.
 - d. Any ADR pursued must be done so using a trained mediator, arbitrator, or facilitator having some familiarity with the governance of community associations.
 - e. Any ADR must be conducted in compliance with the Uniform Arbitration Act and/or the Dispute Resolution Act, as applicable.
 - f. If ADR is to be pursued, the owner shall execute an agreement with the Association prior to the commencement of the ADR process which extends any applicable statute of limitations while the parties are attempting to resolve the dispute through ADR.
3. Selection of Mediator/Arbitrator: If the parties to the ADR cannot agree, within 30 days of the request for ADR, on the facilitator, mediator, arbitrator, or other qualified person to conduct the ADR, then, within 10 days,
 - a. Each party shall choose a qualified person as defined in this Policy, and those so selected shall then appoint a third qualified person to be determined in their sole discretion.
 - b. In the event a party fails to select a qualified person as specified above, the person selected by the other party shall be deemed acceptable to both parties and shall act as the facilitator, arbitrator, or mediator.
 4. Costs: The costs of ADR shall be split equally among the parties involved in the ADR. In the event an owner fails to pay the owner's share of the cost of the ADR, such amount shall be considered an Assessment against such owner's unit and may be collected by the Association as an Assessment pursuant to the Declaration; Articles of Incorporation; Bylaws; Policies, Rules, and Regulations; and Colorado Law.
 5. Supplement to Law: The provisions of this Resolution shall be in addition to and in supplement of the terms

and provisions of the Declaration and the law of the State of Colorado governing the Community.

6. Deviations: The Board may deviate from the procedures set forth in this section if in its sole discretion such deviation is reasonable under the circumstances.

Balconies

Balconies should be maintained by residents in a manner to ensure an attractive appearance of the building and the safety of residents and the community.

1. Do not sweep debris off the balcony or allow water to drain off it when cleaning.
2. Never throw anything off a balcony or the roof.
3. Hot tubs are not permitted.
4. Balconies may not be used for storage of construction items. The Board in its sole discretion may require an unsightly balcony to be cleaned within 24 hours.
5. Nothing may hang over any balcony railings.
6. Drapes and window coverings must be white only on the exterior side. All exterior paint must be Lanai approved colors only.
7. Water drainage plugs on exterior balconies must be kept free from blockage. Those are designed to prevent rainwater buildup.
8. Birdfeeders are not permitted. Please report bird nesting to the property management team.
9. Balcony enclosures and all remodeling projects must have prior Board approval. See Construction Rules and Remodeling Guidelines in Appendix D.
10. High winds can blow non-secured items from balconies. Unit owners are responsible for damage caused by unsecured items.
11. No grills are allowed on balconies unless the equipment meets all regulations of the City Ordinance and Denver Fire Code. See Appendix E.

Collection Policy

In order to carry out the business of the Lanai Condominium Association, as defined in its annual budget of expenses, it is necessary to collect monthly assessments from unit owners. The Association must

have the financial means to discharge its responsibilities. The Board has a responsibility to pursue collection of assessments and other charges from unit owners pursuant to the Declaration and Bylaws of the Association.

The Board believes it is in the best interest of the Association to refer delinquent accounts to an attorney for collection so as to minimize the Association's loss of assessment revenue. The Board has retained an attorney with experience in representing homeowner associations in collections and other matters.

This policy describes how the Association accomplishes the collection of money owed to it by individual owners.

Summary

- Up to 20 Days Late: No late fee is imposed.
- More Than 20 Days Late: A \$10 late fee will be imposed, and 8% annual interest will accrue on the unpaid balance. An additional \$10 late fee will be imposed monthly along with 8% interest on all unpaid balances.
- More than 30 Days Late: Written notice of non-payment mailed to unit owner.
- More than 60 Days Late: Matter referred to Association attorney for collection. Fees associated with such referral will be charged to the unit owner.

Procedure

1. Due Dates. The annual common expense Assessments, as determined by the Association's Board of Directors, and as allowed for in the Declaration and Colorado law, shall be due and payable monthly in equal installments due on the first (1st) day of each month. Special Assessments, individual purpose Assessments and reimbursement Assessments, if any, may be assessed or made from time to time by the Association in accordance with the Declaration and are due and payable as determined by the Board. All Assessments or other charges not paid to the Association when due shall be considered past due and delinquent.

2. Late Fees and Interest. The Association shall be entitled to impose a monthly late fee of ten dollars (\$10.00) on any Assessment or other charge not paid within twenty (20) days of the due date. Additionally, any Assessment or other charge not paid within twenty (20) days after the due date shall bear interest from the due date at the rate of eight percent (8%) per year. All such fees and interest shall be due and payable immediately, without notice, in the manner provided for payment of Assessments.

3. Return Check Charges. A twenty-dollar (\$20.00) fee shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including

but not limited to, insufficient funds. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be the obligation of the Owner of the property for which payment was tendered to the Association. If two or more of an Owner's checks are returned unpaid by the bank within any twelve (12) month period, the Association may require that all of the Owner's future payments, for a period of one (1) year, be made by certified check or money order.

4. Attorneys' Fees and Collection Costs on Delinquent Accounts. The Association shall be entitled to recover from an Owner its reasonable attorneys' fees and collection costs, including any costs of collection charged by the Association's management company, incurred in the collection of Assessments or other charges due, whether or not a lawsuit has been initiated against the Owner. The Association shall be entitled to recover its post-judgment and appellate attorneys' fees and costs incurred from an Owner.

5. No Offsets. No Owner may be exempt from liability for payment of any Assessment or other charge for any reason, including but not limited to, the abandonment of the property against which the Assessment or charge is made. All Assessments shall be payable in the amounts specified and no offsets or reduction shall be permitted for any reason including, without limitation, any claim that the Association or Board of Directors is not properly exercising its duties and powers under the Declaration.

6. Application of Payments Made to the Association. If an Owner owes both unpaid Assessments and unpaid fines, fees, or other charges and makes a payment to the Association, the Association shall apply the payment first to the Assessments owed and any remaining amount to the fines, fees, or other charges owed. The Association has the discretion to return any payment containing a restrictive endorsement or directing application of payments contrary to this provision.

7. Offer of Repayment Plan. In its Notice of Delinquency, described in section 8, below, and subject to the following requirements and conditions, the Association shall offer a repayment plan to any Owner and make a good faith effort to coordinate a repayment plan with the Owner:

- a. The repayment plan must allow the Owner the right to pay off the delinquency in monthly installments over a period of up to eighteen (18) months;
- b. The Owner may choose the amount to be paid each month of the repayment plan, so long as each payment is in an amount of at least twenty-five dollars (\$25.00) until the balance of the amount owed is less than twenty-five dollars (\$25.00);

- c. An Owner who has entered into a repayment plan may elect to pay the remaining balance owed under the repayment plan at any time during the duration of the repayment plan;
- d. No repayment plan need be offered if the Owner does not occupy the Unit and has acquired the Unit as a result of:
 - i. A default of a security interest encumbering the Unit; or,
 - ii. Foreclosure of the Association's lien;
- e. The Association is not required to offer a repayment plan or negotiate such a plan with an Owner who has previously entered into a payment plan with the Association;
- f. The Owner's failure to remit payment of at least three (3) monthly installments of an agreed-upon installment within fifteen (15) days of the due date, or to remain current with regular Assessments as they come due during the period of the repayment plan, constitutes a failure to comply with the terms of the repayment plan; and,
- g. The Association may pursue legal action against the Owner if the Owner fails to comply with the terms of the repayment plan.

8. Notice of Delinquency. After an installment of an Assessment or other charge owed to the Association becomes delinquent, and before the Association turns the delinquent account over to a collection agency or refers it to the Association's attorney for legal action, the Association shall cause a Notice of Delinquency to be sent to the Owner who is delinquent in payment. The Notice of Delinquency shall specify the following:

- a. a description of the steps the Association must take before it may take legal action against the Owner, including a description of the Association's cure process for covenant violations as specified in its policy governing enforcement;
- b. a description of what legal actions the Association may take against the Owner, including a description of the types of matters the Association or Owner may take to small claims court, including injunctive matters for which the Association seeks an order requiring the Owner to comply with the declaration, bylaws, covenants, or other governing documents of the Association;
- c. the total amount due, with an accounting of how the amount was determined;
- d. whether the total amount due concerns unpaid Assessments; unpaid fines, fees, or charges; or both;

- e. whether the delinquency concerns unpaid Assessments that may lead to foreclosure;
- f. whether an opportunity to enter into a repayment plan exists and the instructions for contacting the Association or its manager to enter into such a repayment plan;
- g. the name and contact information for the person the Owner may contact to request a copy of the Owner's ledger in order to verify the amount owed;
- h. that action is required to cure the delinquency and the specific action required to cure the default; and
- i. that failure to cure the delinquency within thirty (30) days may result in the delinquent account being turned over to a collection agency or the Association's attorney, a lawsuit being filed against the Owner, the filing and foreclosure of a lien against the Owner's Unit, or other remedies available under Colorado law.

The Association may send additional notices to the Owner, either before or after the Notice of Delinquency set forth in this section, for as long as amounts remain past due on the Owner's account. However, the Association is only required to send one (1) Notice of Delinquency as provided for in this section. The Notice of Delinquency shall be sent by certified mail, return receipt requested; physically posted at the Unit; and sent by U.S. regular mail at the property address unless the Owner has given notice, in writing, to the Association of an alternate address. In lieu of sending the Notice of Delinquency by regular U.S. mail, the Association may, but is not required to, send it by text message to a cellular number the Association has on file because the Owner has provided the number to the Association, or by electronic mail to an e-mail address that the Association has on file because the Owner has provided the address to the Association.

9. Balance Letter. On a monthly basis and by First-Class Mail and e-mail, if the Association has the Owner's e-mail address, the Association shall send each Owner who has any outstanding balance owed to the Association an itemized list of all Assessments, fines, fees, and charges that the Owner owes to the Association ("Balance Letter"). ***If the Association has incurred, or will incur, attorneys' fees and costs that have not yet been billed to the Association and added to the Owner's account, the Balance Letter shall indicate that the outstanding balance may not include all charges that have been or will be incurred and does not constitute a payoff.***

10. Notices. Except as otherwise provided herein, any notices shall be mailed to the Owner via regular U.S. mail at the property address unless the Owner has given notice, in writing, to the Association of an alternate address. If an Owner has provided written notification to

the Association of a valid email address or cellular number, the Association may, but shall not be required to, also send notices to the Owner via email transmission or text. The Association shall send the Notice of Delinquency, Balance Letter, and all other notices to the Owner in English and in any other language the Owner designates in a writing that the Owner mails to the Association by certified United States mail, return receipt requested. In addition, the Association shall mail the Notice of Delinquency, Balance Letter, and all other notices in English to any contact person the Owner designates in a writing that the Owner mails to the Association by certified United States mail, return receipt requested.

11. Liens. If payment in full of any Assessment or other charge is not received by the deadline stated in the Notice of Delinquency, the Association may cause a notice of lien to be filed against the property. The lien shall include Assessments, fees, charges, late charges, attorneys' fees, fines, interest, and other charges pursuant to C.R.S. § 38-33.3-316(1).

12. Acceleration. Failure to make payment within sixty (60) days of the due date of an Assessment shall cause the total amount of the Owner's common expense Assessment for the remainder of that fiscal year to become immediately due and payable at the option of the Board of Directors.

13. Referral of Delinquent Accounts. After the deadline stated in the Notice of Delinquency has expired, the Association may, but shall not be required to, refer the delinquent account to its attorney or a collection agency for collection. An account may only be referred to an attorney or a collection agency if a majority of the Board of Directors votes to refer the matter in a recorded vote at a meeting conducted pursuant to C.R.S. § 38-33.3-308(4)(e). Upon referral to the attorney, the attorney shall take all appropriate action to collect the accounts referred. After an account has been referred to an attorney, the account shall remain with the attorney until the account is settled, has a zero balance or is written off. All payment plans involving accounts referred to an attorney for collection shall be set up and monitored through the attorney. After consultation with the Board of Directors or the Association's managing agent, the attorney shall be entitled to exercise all available remedies to collect the amounts due, including judicial foreclosure and *ex parte* appointment of a receiver of the Owner's property.

14. Foreclosure of Lien. Notwithstanding any provision of this policy to the contrary, the Association may only foreclose the lien if:

- a. The balance of the Assessments and charges secured by the lien equals or exceeds six (6) months' worth of regular Assessments based on the periodic budget adopted by the Association;

- b. The Board of Directors has formally resolved, by a recorded vote, to authorize the filing of a legal action against the specific Unit on an individual basis; and
- c. The lien does not consist only of fines that the Association has assessed against the Owner, and/or collection costs or attorneys' fees that the Association has incurred and that are only associated with fines.

Any Owner that fails to accept a repayment plan within thirty (30) days of the Notice of Delinquency is deemed to have declined the repayment plan and the Association may commence a legal action and or an action to initiate a foreclosure proceeding as provided herein. The Association may commence a legal action and/or an action to initiate a foreclosure proceeding as provided herein against any Owner that accepts a repayment plan and fails to pay at least three (3) of the monthly installments within fifteen (15) days after the monthly installments were due without further notice.

15. Waivers. Nothing in this policy shall require the Association to take specific action(s) other than as set forth herein and to notify Owners of the adoption of this policy. The Association has the option and right to continue to evaluate each delinquency on a case-by-case basis. The Association may grant a waiver of any provision herein upon petition in writing by an Owner showing a personal hardship. Any such relief granted an Owner shall be appropriately documented in the files with the name of the person or persons representing the Association granting the relief and the conditions of the relief. In addition, the Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association may determine appropriate under the circumstances, except as may be prohibited by Colorado law.

16. Order of Remedies. Subject to the restrictions contained in the "Foreclosure of Lien" section above, the Association may pursue any actions or remedies including, but not limited to, actions for personal judgment, foreclosure, or receivership (on an *ex parte* basis or otherwise and for purposes of collecting the lien balance coming due to the association both pre-judgment and post-judgment in any judicial proceeding), to collect amounts owed in any order.

17. Definitions. Capitalized terms not defined in this Policy are used as defined in the Declaration, as may have been amended.

18. Severability. If any provision of this policy is or becomes illegal, invalid, or unenforceable, that shall not affect the validity or enforceability of any other provision of this policy.

19. Superseding Previous Policies. This policy shall replace and supersede any previous rules and regulations

or policies of the Association addressing the collection of past due Assessments.

Conflict of Interest Policy

1. In the event any member of the Board, the Board member's child, grandchild, spouse, sibling, parent, grandparent, company, partner, or business has a financial interest in a decision or other action for the Board's consideration, that member must declare the conflict. The declaration of conflict must be made in a portion of a Board meeting open to the members of the Association prior to discussion or action being taken.
2. A "financial interest" is defined to include the following:
 - a. An ownership or investment interest in any entity or activity with which the Association has, or contemplates a transaction or agreement;
 - b. A compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or other agreement; and
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or other agreement.
3. Although the member of the Board declaring the conflict may participate in the discussion at the meeting, that member may not vote on that issue.
4. A contract entered into, or action taken, in violation of this policy or Colorado Revised Statute 38-33.3-310.5 shall be void and unenforceable. Further, the Association may seek restitution for damages resulting from the member, or members, who failed to comply with this policy or Colorado Revised Statute 38-33.3-310.5 including all costs and attorney fees incurred in obtaining such restitution.
5. Restitution of actual damages is an adequate remedy for violations of the Association's Conflict of Interest policy.

Deliveries and Mailboxes

The Association does not take responsibility for your deliveries or your mail without prior agreement with the property manager. Delivery drivers may leave your package at your door, or may leave it in the closet next to the elevator on the first floor, or occasionally they leave them abandoned in the lobby. Our community expects you will promptly claim your items as they arrive. Leaving items laying out is a safety concern for you and your

neighbors. If you cannot claim your deliveries promptly, ask a trusted neighbor to help you.

The mailboxes are provided to you by the Association, but you are responsible to make sure the lock works, the names of those receiving mail are correct on the box, and you retrieve mail promptly. The mail carrier and the property manager can help you with these items.

Elevator

As there is only one elevator in the building, every courtesy should be extended to all who use it.

1. Avoid delaying the elevator and do not hold the elevator doors as the alarm will sound.
2. Report mechanical problems to the property manager or the elevator company immediately. Phone numbers are listed in the elevator and on our website.
3. Never wedge the elevator doors open. Use the hold button if necessary. The elevator will not move any faster by pressing the floor call button more than once. Be nice to the buttons. They're expensive.
4. You are responsible to clean up any food or beverage spills you or your guests make anywhere on the property including the elevator.
5. Pets must be on a leash and always under full control when on the elevator or traveling the hallways. Pets may enter through the front or back door and should not use the garage doors. Accidents do happen – it is your responsibility to clean up after your pet. You will be subject to the nuisance policy for failure to clean up after your pet.
6. Deliveries requiring multiple trips should be scheduled through the property manager. You are responsible to ensure the elevator padding is used when hauling large items.
7. Christmas trees and anything likely to leave a mess must be broken down and bagged before using the elevator for removal.
8. Please measure your furniture before purchase. Make sure the furniture will fit in the elevator. Approximate elevator dimensions are: 78" x 50" x 88" with a door width of 40" and height of 81". The elevator's maximum weight allowance is 2,500 pounds.
9. Homeowners must clean and vacuum the hallways and elevators subsequent to move-in, move-out, spillage, and contractor usage.
10. Failure to follow the rules in the common areas will result in fines under the nuisance policy. You will be

fined \$500 for abusing the elevator along with being assessed any repair costs associated with your actions.

FHA Certification Resolution

WHEREAS, the Lanai Condominium Association Board has the responsibility to conduct the affairs of the Association in the best interest of all the owners of the Lanai Condominiums, and to make such rules and regulations as will ensure the best possibility of maintaining and increasing the property values, along with maintaining a healthy and safe environment; and

WHEREAS, the Association has been approved as an FHA certified housing complex for many years prior to the date of this resolution; and

WHEREAS, the Association applied for its certification as required by FHA in 2017, but was denied approval due in part to FHA disallowing the Association to place any barrier whatsoever in regard to owners' rights to freely transfer their properties; and

WHEREAS, the Association has many long-standing rules and regulations regarding the rental of properties within the building including a minimum occupancy-time provision, rules on tenancy, and an overall cap on the number of rental units; and

WHEREAS, the Association continues to believe its rules on rentals within the building promotes the health, safety, and market value of the individual units within the complex;

NOW THEREFORE BE IT RESOLVED by the Lanai Condominiums Board that the Association will not seek FHA Certification approval until such time as the FHA modifies its rules to allow the Association to approve tenants on a case-by-case basis based on criminal backgrounds, credit worthiness, overall rental caps, and the length of owner residency at the Lanai.

Fire Procedures

You should familiarize yourself with evacuation routes throughout the building. In the event of a fire:

1. Keep doors closed and evacuate using stairways.
2. Fire pull boxes are located on the North and South ends of each corridor by the stairway exit.
3. Fire extinguishers are located in the wall recesses between the 06 units and the electrical meter closet of each floor.

If a fire occurs in your condominium:

1. Without further delay, leave your condominium unlocked with the doors closed.
2. If it is safe and you are able, alert the police and fire departments by calling 911, also alert other residents, the property manager, and activate the fire alarm system.
3. Do not use the elevator. Use the nearest stairway to evacuate the building.

If a fire occurs outside of your condominium:

1. If the door from your condominium feels hot, do not attempt to open it. Call 911 immediately. Stay in your condominium and wait for the Fire Department.
2. If door is not hot, open carefully and check for smoke. If the hallway is clear, proceed to nearest stairway, activate the fire alarm system, and if you are able, alert the fire department, other residents, and the property manager.

Give-Away Table

1. If it doesn't fit on the table, don't leave it.
2. Larger items may not be left near the give-away table. You may advertise large items on the bulletin board above the give-away table and in the laundry room.
3. You must arrange haul-away of large items, electronics and chemicals including paint. Do not place them in the dumpsters.
4. Items remaining on the table will be tossed weekly.

Heating and Cooling System

1. The cooling system chiller was replaced in 2001. The boiler and all pipes associated with the heating and cooling system were replaced in 2019. The Association maintains annual contracts with various vendors to maintain the major equipment.
2. The Association maintains the heating and cooling system so you should call the property manager if you have questions about its operation.
3. You are encouraged to change the filter underneath the FCU twice each year. Those are your responsibility. Adding insulation into your plenum

soffits may reduce drafts from outside entering your apartment.

4. Your Lanai thermostats must have hot and cold switching capability and must be compatible with a 120-volt system. (Most modern thermostats run on 24-volt systems and are not compatible in the Lanai without additional electrical work.) We know the Honeywell TB6575B1000 works with our system.
5. The system is switched manually to provide chilling in early May and heating water in early October. Colorado weather is unpredictable so you may consider keeping an electric space heater available if a cold night creeps into the forecast during the shoulder periods.

Information Security and Data Breach Policy

PURPOSE: Compliance with the requirements of HB 18-1128 regarding consumer data privacy, as codified at C.R.S. §§ 6-1-713, -713.5, and -716 (2018)

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

EFFECTIVE DATE: May 16, 2019

RESOLUTION: The Lanai Condominium Association, Inc., ("Association") hereby adopts the following Policy and Procedures:

Part I. Scope & Applicability

This policy applies to the use, storage, protection, and disposal of certain data owned, licensed, or maintained by the Association business or interact with internal networks and business systems, whether owned or leased by Association, an employee, or a third party.

This policy applies to Board Members, employees, contractors, consultants, temporaries, and others at the Association, including all personnel affiliated with third parties.

Part II. Disposal of Personal Identifying Information

2.1 Definitions. For the purpose of Part II of this Policy, the following definitions apply:

- "Personal Identifying Information" or "PII" means a social security number; a personal identification number; a password; a pass code; an official state or government-issued driver's license or identification card number; a government passport number; biometric data, an employer, student, or military identification number; or a financial transaction device.

2.2 To the extent the Association maintains paper or electronic documents during the course of its business that contain PII, the Association shall destroy or arrange for the destruction of such paper and electronic documents containing PII when such PII is no longer needed, by shredding, erasing, or otherwise modifying the personal identifying information in the paper or electronic documents to make the PII unreadable or indecipherable through any means.

2.3 By way of example, the following types of information, which are commonly held by community associations would constitute PII:

- Credit card numbers;
- Information for processing Automated Clearing House (a/k/a "ACH") transactions; or
- Passwords for accessing an Association website

Part III. Protection of Personal Identifying Information

3.1 To protect PII, as defined in section 2.1 of this Policy, from unauthorized access, use, modification, disclosure, or destruction, the Association shall implement and maintain reasonable security procedures and practices that are appropriate to the nature of the PII, as well as the nature and size of the Association's operations.

3.2 At minimum, the reasonable security measures implemented to protect PII shall include the following:

- Any paper records containing PII must be stored in an enclosed, locked area accessible only by authorized parties.
- All computing devices used to store PII must be password protected and each authorized user must have their own unique password for the purpose of accessing the PII.
- If the Association's PII is stored on a computer network, the network must be password protected.

Part IV. Notification of Security Breach

4.1 Definitions. For the purpose of Part IV of this Policy,

"Personal Information" means:

- A Colorado resident's first name or first initial and last name in combination with any one or more of the following unencrypted data elements relating to the resident:
 1. Social security number;
 2. Student, military, or passport identification number;
 3. Driver's license number;
 4. Identification card number;
 5. Medical information;
 6. Health insurance information; or
 7. Biometric data.
- A Colorado resident's username or email address, in combination with a password or security questions

and answers, that would permit access to an online account; or

- A Colorado resident's account number or credit or debit card number in combination with any required security code, access code, or password that would permit access to that account.

"Security Breach" means the unauthorized acquisition of unencrypted computerized data that compromises the security, confidentiality, or integrity of Personal Information maintained by the Association.

4.2 If the Association becomes aware that a Security Breach may have occurred, it shall promptly conduct a good-faith investigation to determine the likelihood that Personal Information has been or will be misused. Unless the investigation determines that there has been no misuse of such Personal Information – and such misuse is not reasonably likely to occur – the Association shall provide notice to the affected parties in the most expedient time possible, but no later than 30 days after the date on which the Association had sufficient evidence to conclude a security breach took place.

4.3 The notice required by section 4.2, directly above, shall be in accordance with C.R.S. § 6-1-716 (as amended).

Part V. Third Party Service Providers

5.1 The term "Third-Party Service Provider" means an entity that has been contracted to maintain, store, or process PII, as defined in section 2.1 of this Policy, or Personal Information, as defined in section 4.1(a) of this Policy, on behalf of a covered entity. For example, most community management companies would constitute Third Party Service Providers.

5.2 To protect PII, the Association shall require that its Third-Party Service Providers (i.e. management companies) implement and maintain reasonable security practices and procedures that are appropriate to the nature of the PII disclosed to the Third-Party Service Provider and reasonably designed to help protect the PII from unauthorized access, use, modification, disclosure, or destruction.

5.3 At a minimum, the Association's Third-Party Service Providers' security practices and procedures for protection of PII must meet the requirements set forth for the Association in section 3.2 of this Policy.

5.4 The Association shall require that if a Third-Party Service Provider becomes aware of a possible Security Breach, as defined in section 4.1 of this Policy, affecting the Association's data, the Third-Party Service Provider shall promptly notify the Association of the potential Security Breach.

Part VI. Miscellaneous

6.1 Definitions. Terms that are not defined in this policy are used as defined in C.R.S. §§ 6-1-713, -713.5, or -716.

6.2 Failure of the Association to comply with any provision in this Policy shall not be deemed a defense to violation of any covenant, policy, or rule, including, but not limited to, nonpayment of assessments or other amounts.

6.3 If a court of competent jurisdiction finds any provision of this Policy to be unenforceable, the other provisions shall remain in full force and effect.

This policy was originally enacted May 16, 2019.

Insurance

All unit owners and renters are required to carry liability insurance and are required to provide an annual certificate showing ongoing coverage to the Association.

Additionally, we also recommend you carry other standard condominium insurance including property and special assessment coverage.

Laundry Room

1. Hours: Open 24 hours daily.
2. Rules are posted on the Laundry Room wall. Deliberate misuse or abuse of laundry machines will result in a \$500 fine and possible suspension of use. The cost of repairing damage and/or fines will be charged to unit owners in violation.
3. The machines require high efficiency (HE) detergent. Do not use any other type as it will only clog up in the machines. Pods must be put into the laundry, not in the detergent drawer.
4. No more than three washers or three dryers may be used at one time by any resident.
5. Washers are not to be used for dyeing, bluing, or washing pet bedding.
6. Inserting anything into the coin slides other than unbent and undamaged quarters can result in a repair bill and a fine. Consider using the smart phone app to pay for loads of laundry.
7. Residents are required to wipe washers clean after use and clean up spilled detergent or bleach and remove lint from the lint screens after drying clothes.
8. The Association's laundry basket is to remain in the laundry room at all times.

9. Items left in laundry for more than 24 hours will be removed and donated to charity or thrown away.
10. No laundry is to be brought in by non-residents.
11. Please report any mechanical problems to the property manager.
12. Do not use the laundry room trash containers for general garbage.

Lobby and Common Areas

1. Only the United States postal service, Federal Express, UPS, or other similar carriers are allowed to deliver through the lobby. You are responsible to retrieve packages addressed to you promptly.
2. No bicycles, shopping carts, roller blades, skates, or large items are permitted through the lobby entrance. Use the second floor or garage entrances.
3. Without special permission from the Board, food consumption and drinks are not permitted in the lobby, stairways, hallways, or the elevator.
4. Playing is not permitted in the lobby. Please keep pets and your shoes off the furniture.
5. Footwear and full body apparel must be worn in all common areas including to and from the pool area.
6. Sleeping is not allowed in any common areas.

Meeting Policy

Member Meetings

The Association shall hold a meeting of the Association's members at least once per year in accordance with the Association's Bylaws.

Membership meetings shall be governed by the Association's Bylaws and the Association's other governing documents. If the Association's governing documents are silent with respect to a specific issue, the provisions of the Colorado Common Interest Ownership Act, (C.R.S. §§ 38-33.3-101 to -402) ("CCIOA"); the Colorado Revised Nonprofit Act (C.R.S. §§ 7-121-101 to -137-301) ("Nonprofit Act"), and Robert's Rules of Order will control, in that order.

All meetings of the members shall proceed on issues generally set forth in the notice required by C.R.S. § 38-33.3-308 and in accordance with the written order of business unless a majority of members in person or proxy vote to amend the written order of business. In the event a

written order of business has not been produced for the meeting, the following order of business shall apply:

1. Call to Order
2. Approval of Minutes
3. Open Forum
4. Election of Board of Directors (if applicable)
5. Adjournment

All meetings of the members shall be open to attendance by all members of the Association or their duly appointed representatives. Notwithstanding the status of a member's right to vote at a meeting of the members, each member, or a duly appointed representative, may speak at the appropriate time during the deliberations after being recognized by the chair of the meeting. The Board may impose reasonable time restrictions on members' speaking, provided that the Board allows a reasonable number of persons to speak on each side of an issue before a vote is called for the issue.

When electing directors to the Board, members shall vote by secret ballot. Members shall vote on any other issue in the manner directed by the chair of the meeting, or upon the request of any member, by secret ballot. The chair shall appoint a neutral third party or a member who is not a candidate to count any secret ballots. If the ballots are to be counted by a member, the chair shall select that person from a pool of two or more members who are not candidates. The person who counts secret ballots shall report the results without reference to names, addresses, or other identifying information respective to the parties casting secret ballots.

Proxy voting shall proceed in strict compliance with C.R.S. §§ 38-33.3-310 and 7-127-203.

If a quorum is not present for a meeting of the members, an officer may adjourn the meeting, to be reconvened at a later date and time not less than 30 days from the time the original meeting was called.

Board Meetings

Meetings of the Board of Managers are held in accordance with the Bylaws of the Association.

Each meeting of the Board shall be called in accordance with the provisions of the Colorado Common Interest Ownership Act, and the Association's Bylaws or operative sections of the Association's governing documents. In the event the Association's governing documents are silent with respect to a specific issue, the provisions of the Colorado Revised Nonprofit Act will control.

Meetings of the Board shall proceed on issues as generally set forth in the agenda. The agenda will be made reasonably available to members and their duly appointed representatives upon request.

Unless the Board is in executive session, pursuant to subsection 308 of the Colorado Common Interest Ownership Act, all meetings of the Board or a committee thereof are open to attendance by all Members of the Association or their duly appointed representative.

The matters to be discussed in an executive session are limited to:

- a. Matters pertaining to employees of the Association or the managing agent's contract or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association;
- b. Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
- c. Investigative proceedings concerning possible or actual criminal misconduct;
- d. Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;
- e. Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy, including a disciplinary hearing regarding a unit owner and any referral of delinquency; and/or,
- f. Review of or discussion relating to any written or oral communication from legal counsel.

The following procedures are established to encourage the efficient conduct of Board meetings:

- a. Board meetings shall follow appropriate parliamentary procedure pursuant to *Robert's Rules of Order Newly Revised*.
- b. Members may participate in the meeting only by being recognized individually by the chair of the meeting. Normally this is allowed only during the open forum section of any meeting that shall take place after the meeting is called to order and the minutes of any prior meetings are approved.
- c. Members must speak in a calm manner and conduct themselves with respect of all those in attendance.
- d. Members shall keep their comments to no more than two minutes, or such other time limit as designated by the chair of the meeting.

The Chair of the meeting has all authority to enforce this policy. The failure to comply with this policy may result not only in the denial of the ability to speak at that meeting, but may result in the speaker being removed from the meeting. These provisions may be in addition to other

specific provisions outlined in the rules and regulations, the Declaration, Bylaws, or Articles of Incorporation of the Association. The Association may at any time pursue legal remedies, including filing a court action and seeking injunctive relief, or seek assistance from other enforcement authorities.

Moving and Deliveries

1. Homeowners and renters are required to notify the property manager at least three days in advance of all moves in or out, and of all small-scale deliveries. Failure to notify the property manager and follow the rules may result in fines up to \$500. All move-ins must pay \$175 in advance.
 - a. Large-scale: Hours permitted for scheduling large-scale moves (e.g., moving a complete or partial household) are 8 am to 6 pm, Monday through Friday. Large-scale moves are not permitted on weekends.
 - b. Small-scale: Hours permitted for scheduling small-scale deliveries (e.g., moving a small number of household furnishings) are 8 am to 6 pm, Monday through Saturday.
2. Violators of any sections in the Moving and Deliveries rule may result in fines up to \$500.
3. Homeowners and renters are responsible for making sure protection pads are installed in the elevator. A three (3) day advance notice is required. Movers and contractors should place plastic sheeting over carpeted areas to reduce the risk of damage from hand trucks and heavy items. All movers and contractors must check in and out with the office.
4. Use the second-floor back entrance or the garage door for access during all moves and deliveries.
5. Never wedge elevator doors open.
6. Never prop open any exterior doors and leave them unattended.
7. Approximate elevator dimensions are: 78" x 50" x 88" with a door width of 40" and height of 81". The elevator's maximum weight allowance is 2,500 pounds.
8. Damage to any of the building's interior or exterior areas as a result of moves and/or deliveries are the responsibility of the unit owner. Owners will be charged for any necessary repairs.
9. All containers or boxes must be broken down before being placed in the dumpsters.

10. Homeowners and renters must dispose of large items, electronics or chemicals including paint. Do not use the dumpsters.
11. Do not put used carpet and padding into the dumpsters. You will be fined. You are required to vacuum the elevator and hallways upon completion of work.
12. Homeowners and renters must clean up the common areas after a move or delivery. Failure to clean up common areas will result in a cleaning fee and a fine.
13. Homeowners and renters will provide one person to monitor the elevator door, second floor back entrance and/or the garage door during a move or delivery. Owners are responsible for making sure moves do not unreasonably delay the elevator and inconvenience other residents.
14. The Association is not responsible for any deliveries. All delivery drivers must not leave any items on the first floor unless the property manager agrees to accept the delivery on your behalf. Items not retrieved within 24-hours may be discarded.

Nuisance Policy & Rule Enforcement

The following procedures will apply to violations of the Owner's Manual including the Declaration, Bylaws, Articles of Incorporation, or Rules and Regulations, other than those concerning payment of assessments by members. (See "Collections Policy.")

The Association encourages a neighborly approach and asks that residents first communicate with each other regarding a perceived violation of laws, policies, rules, or regulations in an attempt to resolve any problems.

For the benefit and protection of the Association and of the individual owners, the Board deems it desirable to establish and operate by procedures to ensure proper process in cases where there is a question of compliance by an owner, a tenant, family members, vendors and guests with the provisions of the Declaration; Articles of Incorporation; Bylaws; or Policies, Rules, and Regulations.

Informal Resolution of Violation

Any owner, tenant, or agent of the Association may directly request that an owner or resident cease or correct any act or omission which appears to be in violation of the aforementioned documents. It is the preference of the Board that residents of the community attempt informal resolution prior to seeking formal resolution. In the event the perceived violation would also be a violation of federal, state, or local laws, or regulations, the Board may request the complaining resident to contact the appropriate government agency to report the perceived violation.

Formal Resolution of Violation

I. General Provisions

1. Power. The Board of Directors ("Board") has the authority to hear and make decisions regarding alleged violations and written complaints filed with the Board and impose fines or other sanctions pursuant to this policy. The Board may determine enforcement action on a case-by-case basis in the exercise of its reasonable business judgment and consistent with the law, and take other actions as it may deem necessary and appropriate to assure compliance with the Condominium Declaration for the Lanai Condominiums, as amended ("Declaration"), the Association's Articles of Incorporation, Bylaws, and rules and regulations (collectively the "Documents") promulgated thereunder and to further the Documents' purposes.

2. Other Enforcement Remedies. These enforcement procedures may be in addition to other specific remedies outlined in the Documents. The Association is not required to follow these enforcement procedures before seeking remedies that do not include the levying of fines or bringing legal action against an Owner. The Association may seek assistance with towing and from other enforcement authorities, such as police, fire, or animal control, as it deems appropriate.

3. Responsibility for Actions of Tenant or Guest. Owners are responsible for the actions of their tenants and guests. If an Owner's tenant or guest violates the Documents and a fine is imposed, the fine shall be assessed against that Owner.

4. Reporting Violations. An Owner may report a violation of the Documents by filing a written complaint with the Association's Board or community association manager. In addition to acting upon a complaint by an Owner, the Board or community association manager, upon their own discovery of an alleged violation of the Documents, may initiate these enforcement procedures upon a reasonable determination that a violation has been committed. All complaints shall be maintained with the Association's records relating to the Unit associated with the complaint, but are not records that the Association must produce under C.R.S. § 38-33.3-317. The written complaint by an Owner reporting a violation shall state the specific provision(s) of the Documents alleged to have been violated and as many specifics as are available as to time, date, location, and persons involved. While the Association will not accept anonymous complaints, the Association is not obligated to disclose the identity of the complaining party unless otherwise required by law.

5. Impartial Decision-Maker. The Association shall rely upon an impartial decision maker for all decisions concerning potential violations. An impartial decision

maker is a person or group of persons who do(es) not have any direct personal or financial interest in the outcome. A decision maker will not be deemed to have a personal or financial interest in the outcome, if the outcome will not cause the decision maker any greater benefit or detriment than the community's general membership.

6. General Notice Requirements. If the Association determines that a Unit Owner or someone acting through them has violated the Documents, the Association shall send the Unit Owner a Health & Safety Notice, as described in section 10, below, or a Notice of Violation, as described in section 15, below. All notices must be in English and in any language the Unit Owner ("Respondent") has indicated a preference for pursuant to C.R.S. § 38-33.3-209.5(1.7)(a)(1). In addition, all notices must include (a) the details of the complaint, or include a copy of the complaint; (b) the action or actions that may be taken by the Association in response to the alleged violation, including the interval upon which fines may be imposed if the violation is continuing in nature and the time after which the Association may commence legal action to obtain compliance; (c) the action or actions required to cure the alleged violation; (d) the Respondent's right to be heard, either orally or in writing; and (d) the process to request and schedule an in-person hearing.

7. Additional Notices. The Association may send additional notices to the Respondent, either before or after the notices specifically set forth in this policy.

8. Confirmation of Cure. Once the Respondent cures a violation, the Association shall notify the Respondent that the Respondent will not be further fined with respect to that specific violation and of any outstanding fine balance that the Respondent owes to the Association.

II. Health and Safety Violations

9. Definition. Health and safety violations are those violations that have the potential to affect a person's mental or physical condition and circumstances likely to cause danger, risk, or injury to people, pets, or property. These violations may include, but are not limited to: noise violations; fire hazards; hoarding; infestations of insects, mice, rats, or other vermin; short-term rental violations; parking violations; structural, electrical, or plumbing alterations; harassment; and violations of local, state, or federal law intended to protect public health and safety.

10. Notice of Health & Safety Violation. If the Association reasonably determines that a health and safety violation has occurred, it shall send a notice ("Health & Safety Notice") to the Respondent that meets the requirements set forth in section 6, above, and demands the Respondent cure the violation within 72 hours of receiving the Health & Safety Notice or face fines, legal action, or both. The Health & Safety Notice shall also state that if the

Respondent fails to cure the violation within the initial 72-hour compliance window, the Association may then assess fines for the ongoing violation every other day. If possible, the Association shall send the Health & Safety Notice to the Respondent by email, to the email address provided by Respondent to the Association. If Respondent has not provided the Association with an email address, the Association shall send the Health & Safety Notice by regular U.S. Mail, and may also send it by certified mail, return receipt requested, or by posting it at the Unit. The Health & Safety Notice shall include the fine schedule set forth in section 12, below. In addition, the Health & Safety Notice shall inform the Respondent that they may appeal any fine by submitting a written request for a hearing within 14 days of the date the Association issues the Health & Safety Notice.

11. Inspection. The Association shall inspect to see whether the Respondent has cured the health and safety violation as soon as practicable after the 72-hour cure period has passed. If the Respondent has failed to cure the violation, the Association may impose fines on the Respondent in accordance with section 12, below.

12. Fines for Health & Safety Violations. If the Respondent fails to cure a health and safety violation within 72 hours of receiving the Health & Safety Notice, the Association may fine the Respondent as frequently as every other day for ongoing or repeated violations according to the following fine schedule:

Fines for Discrete Violations

- First Violation \$500.00
- Second Violation \$750.00
- Third & Subsequent Violations \$1,000.00

13. Request for Hearing. Respondents may request a hearing regarding any fine for a health and safety violation by submitting a written request to the Association within 14 days of the date the Association issues the Health & Safety Notice or assesses a fine for the violation assigned in the Health and Safety Notice. The hearing shall comply with the procedures set forth in section 21, below.

14. Commencement of Legal Action. If the Association determines that Respondent has failed to cure a health and safety violation within the 72-hour cure period, the Association may commence legal action in accordance with section 23, below.

III. Regular Violations

15. Notice of Violation. If the Association reasonably determines that a violation of the Documents has occurred, and it is not a health and safety violation as defined above in section 8, the Association shall send a notice to the Respondent (“Notice of Violation”) that meets the requirements set forth in section 6, above, as well as this section. The Association shall send the Notice of Violation by certified mail, return receipt requested, as well

as by prepaid, first-class United States mail, addressed to the Respondent’s mailing address appearing on the Association’s records. The Association may also send the Notice of Violation to any electronic mail address on file with the Association and provided by the Respondent. The Notice of Violation shall advise the Respondent that they have 30 days to cure the violation (“First Cure Period”) which commence on the date the Association issues the Notice of Violation and shall further provide for a second consecutive 30-day cure period (“Second Cure Period”) in the event the violation is not cured within the First Cure Period.

The Notice of Violation shall include the fine schedule set forth in section 18, below, and inform the Respondent that if they fail to cure the violation within the First Cure Period or Second Cure Period, the Association will assess one or more fine(s) in accordance with the schedule.

Further, the Notice of Violation shall inform the Respondent that if they cure the violation within the First Cure Period or Second Cure Period, they may provide the Association with written notice of the cure (“Notice of Cure”) and that if the Notice of Cure includes visual evidence that the violation has been cured, the violation is deemed cured as of the date the Respondent sends the notice.

Finally, the Notice of Violation shall inform the Respondent that they may submit a written request for an in-person hearing within 14 days of the date the Association sends the Notice of Violation or assesses a fine for the violation described in the Notice of Violation.

16. Notice of Cure. If the Respondent cures the violation within any Cure Period, the Respondent may send the Association a written Notice of Cure. If the Respondent includes visual evidence that they have cured the violation, the violation is deemed cured on the date the Respondent sends the notice. If the Respondent does not provide visual evidence with their Notice of Cure, the Association shall inspect for compliance as soon as practicable after receiving the Notice of Cure.

17. Inspection. The Association shall inspect Respondent’s property within seven days after expiration of each Cure Period and shall notify the Respondent if the violation remains uncured and whether any fine has been assessed. If a violation has not been cured within the First Cure Period or Second Cure Period, regardless of any notice provided or hearing requested by the Respondent, the Association may assess a fine as provided in this Policy.

18. Fines for Regular Violation. Fines may be levied by the Board or the impartial decision maker for regular violations of the Documents as follows:

Fines for Discrete Violations

- First violation (first Notice of Violation) \$50.00
- Second violation (second Notice of Violation) \$200.00
- Third violation (third Notice of Violation) \$250.00

19.Request for Hearing. Respondents may request a hearing to appeal any fine for a regular violation by submitting a written request to the Association within 14 days of the date the Association issues the Notice of Violation or assesses a fine for the violation described in the Notice of Violation. The hearing shall comply with the procedures set forth in section 21, below.

20.Commencement of Legal Action. If the Association determines that Respondent has failed to cure a regular violation within the Second Cure Period, the Association may commence legal action in accordance with section 23, below.

IV. Hearing Procedure

21.Hearing to Appeal Fines. If a Respondent timely requests a hearing regarding a fine, the Association shall schedule a hearing and provide the Respondent with written notice of date and time at least 7 days in advance. The Board may grant continuances for good cause. Each hearing shall be held by the Board or another impartial decision maker appointed by the Board. The Board or the impartial decision maker may: (a) exercise its discretion as to the specific manner in which a hearing shall be conducted; (b) question witnesses and review evidence; and (c) act as it may deem appropriate or desirable to permit it to reach a just decision. The Respondent is required to attend the hearing and may present relevant evidence. If the Respondent fails to attend the hearing, Respondent will be deemed to have waived their right to appeal the fine(s) in question and the Association shall not be required to provide Respondent with any further notice regarding such fines. Any interested party may present relevant evidence at the hearing. Any decision by the Board or the impartial decision maker shall be fair and reasonable taking into consideration all the relevant facts and circumstances.

22.Decision on Fine Hearing. The Board or other impartial decision maker shall render its decision on whether to rescind the fine(s) in question based on the information contained in the complaint, evidence presented at the hearing (if any), and the Respondent's written response (if any), and considering all the relevant facts and circumstances. If the Board does not inform the Respondent of its decision at the time of the hearing, Board will provide a written notice of the decision to the Respondent's address of record via regular U.S. mail within five (5) business days after the decision is made.

V. Commencement of Legal Action

23.Commencement of Legal Action. The Association is not required to impose fines before seeking to enforce the

Documents by taking legal action, including, but not limited to, commencement of a lawsuit to force compliance or seeking injunctive relief, damages, or both. However, the Association shall not commence legal action for a health and safety violation until it has confirmed, through inspection, that the Respondent has failed to cure the violation within 72 hours of receiving the Health & Safety Notice. Similarly, the Association shall not commence legal action against the Respondent for a regular violation until the Association has confirmed, through inspection, that Respondent has failed to cure the violation before the end of the Second Cure Period.

24.Liability for Attorney's Fees, Costs, and Damages. The Association shall be entitled to reimbursement of all reasonable attorney's fees and costs incurred by the Association in connection with any enforcement action, including any proceeding or correspondence under this Policy. If a violation involves damage to Association property, the Association may charge the Respondent for the costs of repair or replacement.

25.Lien. Fines imposed pursuant to this Policy shall become an Assessment imposed against the record Owner's real estate and enforceable as provided in the Declaration; fines are part of the Association's lien but are not subject to a foreclosure action.

VI. Alternative Remedies

26.Suspension of Privileges. In addition to levying fines, and without limiting the Association's remedies under the Documents, the Board may suspend membership privileges, which may include, but shall not be limited to, suspension of access to Association amenities and suspension of voting privileges, and impose other sanctions in accordance with the Documents and applicable Colorado law. The Association is not required to follow the procedures set forth in this Policy to suspend membership privileges and instead may follow other procedures specified in the Documents for such suspension. If the Documents do not specify procedures for suspension of privileges or state conditions for when procedures are automatically suspended, the Association shall provide reasonable notice and opportunity for a hearing prior to the suspension of privileges. The Board may revoke or suspend the violator's privileges for a period of time equal to the duration of the violation and for up to 60 days thereafter, unless such violation is a continuing violation, in which case such suspension may continue for as long as such violation continues and for up to 60 days thereafter. However, nothing in this section shall require notice and an opportunity for the suspension of voting privileges if the Documents do not require a hearing.

27.Owner-to-Owner Enforcement. Individual Owners have the right to enforce the Documents against other Owners and are not bound by the procedural and notice requirements imposed on the Association by C.R.S. § 38-

33.3-209.5. Consequently, certain types of violations may be best handled through Owner-to-Owner legal action.

28.Governmental Enforcement. If a violation of the Documents also constitutes a violation of local, state, or federal law, the Association may request that the applicable governmental entity enforce that law.

VII. Miscellaneous

29.Waiver. The Association's failure to enforce any provision of this policy is never a waiver of the right to do so thereafter.

30.Communications. Any Owner may provide the Association with written notice of any additional designated contact for correspondence and notices, as well as any language other than English that the Owner prefers for correspondence and notices by Certified Mail, Return Receipt Requested, and electronic mail to the address used by the Association for receipt of complaints. The Owner is responsible for all costs incurred by the Association in providing notices and translations as provided herein.

31.Severability. If a provision of this policy is or becomes illegal, invalid, or unenforceable, that shall not affect the validity or enforceability of any other provision of this policy.

32.Supersedes Prior Policy. This policy supersedes any other policy previously adopted by the Board addressing the enforcement of the Association's restrictive covenants and rules.

Parking

1. No parking spaces are deeded at the Lanai. All are assigned by the Board. All changes in parking location must be approved by the Board.
2. All parking is reserved. All unauthorized vehicles are subject to immediate removal. The violator or owner will pay all costs of towing and incidental storage. All vehicles parked on the property must have a current registration. Residents must provide car make and license plate number to the property manager. Only cars, pickup trucks, or motorcycles may be parked in spaces. Trailers are not allowed.
3. Owners may unload personal vehicles in the parking garage loading area provided they do not unnecessarily delay other residents.
4. Vendors may temporarily use any association parking space at the property manager's discretion.
5. Parking spaces are assigned to the individual unit and may not be changed without a written agreement

approved by the Board. With the approval of the Board, homeowners may choose to rent or temporarily exchange their spaces with another homeowner or tenant, but under no circumstances can a homeowner rent or assign a space to a non-resident. All changes of space usage must be reported to the property manager in writing.

6. Reduce speeds when entering or leaving any of the parking areas. Speed limit is 5 mph. Always make sure garage doors close after entry or exit. Please notify the property manager if a door does not open or close properly. After hours emergency door service may not be available, so you are required to disconnect the door from its automatic opener, lower it to a closed position, and place a traffic cone on both sides of the door. If you park in the garage, you need to seek training on how to accomplish this task.
7. Owners and tenants are responsible for cleaning up any leaked fluids from their vehicles. Owners of vehicles that have been leaking and have received notice to repair have ten (10) days to comply with the order or the vehicle must be removed from the parking areas. Vehicles that do not comply will be subject to tow, and corresponding unit owners subject to fine.
8. Except for bicycles, no storage of any kind is permitted in or around parking spaces, including along walls or under lockers.
9. All parking near vents and windows particularly on the upper deck parking must be head-in to avoid potentially lethal exhaust fumes entering the building.
10. Doors between the garage and the lobby must never be propped open.
11. Vehicles should always be parked as close to the wall as possible. Please park squarely in your space and be considerate of others parked next to you by opening doors carefully.
12. The parking lot and garage areas are not to be used as a playground. Skateboarding, roller blading, or any game playing is prohibited.
13. No vehicle washing, maintenance, or repairs are allowed in the garage or parking areas. Minor repairs taking less than an hour to complete and involving no mess are allowed.
14. High profile vehicles should be aware the south door clearance is about 7'5" and the north door clearance is about 6'7" (about ten inches lower). Some vehicles may be able to enter the south door but not be able to clear the north door to exit. Sprinkler heads may also affect clearances. Vehicle owners will be held responsible for damages. Not all spaces in the garage

will accommodate larger vehicles such as pickup trucks. Your vehicle may not impede the use of others in the garage or in the outer lots. The Board may require you to stop parking in the garage if your vehicle is too large. You must fit entirely within the lines of your space at all times.

15. Unless personally attended and approved by the property manager, never block the garage doors open.
16. Vehicles should be locked when on the Lanai premises. Bicycles stored in the garage areas are done so at your own risk. The Association is not responsible for damage or losses in common areas including storage lockers.
17. If you intend to be absent from the building for an extended period, you should notify the property manager and consider leaving a key to your vehicle in case it needs to be moved.
18. Five places are allotted for guest parking only. The spaces are located on the east wall of the lower-level parking lot. These spaces are for short-term guests and are not to be used by residents or frequent overnight guests. Without prior approval by the property manager, no vehicle may be parked in guest parking for more than three (3) consecutive days in any given month. Any vehicle parked in these spaces must post a Lanai-issued parking tag. Violators, including residents who park in guest parking spaces, will be fined and/or towed at the owner's expense. Guest motorcycles should be parked in the motorcycle area.
19. The Loading Zone on Washington Street in front of the building is a convenience to be for short periods not to exceed twenty minutes. The "No Parking" zone is enforced by the city. Anyone abusing these zones will be ticketed by the police.
20. The Association leases a small number of spaces. Check with the property manager for availability, fees, and to add your name to the waiting list. Leased Association spaces may not be transferred to another lessee without Board approval.
21. E-scooters and rental bikes must be left at the bus stop across the street, not on Lanai property.

Pets

The Lanai allows pet ownership subject to the following restrictions:

1. **Service Animals:** The Association will follow rules established by the city, county, state and federal governments regarding service animals. The Lanai is

required to provide reasonable accommodations for people needing service animals and may require you to provide documentation of skills training for the animal.

2. **Allowable Animals:** Dogs, cats, birds, and fish are the only animals allowed to be kept as pets. No other type of animal, reptile, rodent, or insect may be brought into the building. All dogs and cats must be spayed or neutered unless the procedure is deemed unsafe by a veterinarian. No pet shall be kept, bred, or used for any commercial purpose.
3. **Owner Registration:** In the chance any pets might need rescuing during an emergency, all pets must be registered with the property manager. (Form is available in Appendix F.)
4. **Common Area:** Pets not in their owner's unit must be carried, or on a leash, everywhere on Lanai property.
5. **Entries:** Pets will be taken in and out through the front or back door only. Do not use the garage doors.
6. **Off Limit Areas:** Pets are not permitted on the roof, 12th floor, laundry room, or swimming pool area.
7. **Owner Responsibility:** Pet owners agree to be responsible for the behaviors of their pets at all times. Pets must not be allowed to relieve themselves anywhere inside the building or in the parking areas. Pet accidents are to be cleaned up immediately by owner and the owner agrees to pay for any damage or costs associated with professional cleaning. Pet droppings are to be discarded only in designated areas. Do not put any type of cat litter into the plumbing system.
8. **Resident Complaints and Rule Enforcement:** It is the expectation of the community that all pet owners keep their animals in good health, generally quiet when in their units, and under control when in the common areas. Complaints about sick, unruly, aggressive, or noisy pets, along with complaints about owners not cleaning up after their animals, should be reported to the property manager or the local animal control authority. The Association may fine pet owners who fail to meet the expectations of the community, or the Association may require the permanent removal of offending animals from the building.
9. **Number of Pets:** Except for fish, ownership of more than two dogs, or two cats, or two birds per unit must be approved in writing by the Board. It is the expectation of the community that your dogs are small to medium in size.

10. **Laundry:** Animal bedding and other items soiled by pets may not be laundered in the Lanai laundry facilities.
11. **Elevator Usage:** When the elevator is occupied, dog owners should be willing to wait for the next available car as some residents may be allergic to or fearful of contact with dogs. Be considerate.
12. **Renters:** Renters must have written permission from the unit owner to keep any pets. The unit owner will be responsible for damage or rule infractions.
13. **Guest Pets:** Unit owners are responsible for the pets of guests visiting the property. Except for registration described in Paragraph 3, unit owners are responsible for ensuring pets of guests follow all rules. Guest pets who will be on the property more than seven days in any year must be registered with the property manager.
14. **Indemnity and Hold Harmless:** Pet owners agree to defend, indemnify, and hold harmless the Association against loss or liability of any kind arising from their pets.

Records Inspection Policy

The intent of this policy is to generally define the types of records the Association maintains, define the costs of copies, and provide a general procedure for the unit owners to inspect and copy records in accordance with C.R.S. § 38-33.3-317.

Most documents, such as financial reports, corporate documents, budgets, and meeting minutes are posted on the Lanai website at <https://lanaicondominium.com> and may be accessed and printed for free.

1. The Association's records (collectively, the "Records") shall consist of the following:
 - a. Detailed records of receipts and expenditures affecting the operation and administration of the Association;
 - b. Records of claims for construction defects and amounts received pursuant to settlement of those claims;
 - c. Minutes of all meetings of the Association's unit Owners and executive Board, a record of all actions taken by the unit Owners or executive Board without a meeting, and a record of all actions taken by any committee of the executive Board;
 - d. (Written communications among, and the votes cast by, executive Board members that are:

- i. Directly related to an action taken by the Board without a meeting pursuant to C.R.S. § 7-128-202; or
 - ii. Directly related to an action taken by the Board without a meeting pursuant to the association's bylaws;
- e. The names of unit Owners in a form that permits preparation of a list of the names of all unit Owners and the physical mailing addresses at which the association communicates with them, showing the number of votes each unit Owner is entitled to vote;
 - f. The Association's current declaration, covenants, bylaws, articles of incorporation, rules and regulations, responsible governance policies adopted pursuant to C.R.S. § 38-33.3-209.5, and other policies adopted by the executive Board;
 - g. Financial statements as described in C.R.S. § 7-136-106, for the past three years and tax returns of the Association for the past seven years, to the extent available;
 - h. A list of the names, electronic mail addresses, and physical mailing addresses of its current executive Board members and officers;
 - i. The Association's most recent annual report delivered to the secretary of state, if any;
 - j. Financial records sufficiently detailed to enable the Association to determine the amount of unpaid assessments currently levied against each Unit;
 - k. The Association's most recent reserve study, if any;
 - l. Current written contracts to which the Association is a party and contracts for work performed for the Association within the immediately preceding two years;
 - m. Records of executive Board or committee actions to approve or deny any requests for design or architectural approval from unit Owners;
 - n. Ballots, proxies, and other records related to voting by unit Owners for one year after the election, action, or vote to which they relate;
 - o. Resolutions adopted by the Association's Board of Directors relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;

- p. All written communications within the past three years to all unit Owners generally as unit Owners;
 - q. The current year's operating budget;
 - r. A list, by unit type, of the Association's current assessments, including both regular and special assessments;
 - s. Results of the Association's most recent available financial audit or review; and
 - t. A list of all Association insurance policies, including, but not limited to, property, general liability, association director and officer professional liability, and fidelity policies. Such list shall include the company names, policy limits, policy deductibles, additional named insureds, and expiration dates of the policies listed.
2. The Association shall make the Records available for examination and copying by a unit Owner or the Owner's authorized agent, subject to the following conditions:
- a. Owners or their authorized agents shall submit all requests for examination or copying in writing to the property manager. The request shall describe with reasonable particularity the records sought.
 - b. Requests shall be provided to the Association's property manager or a Board member at least ten days prior to the intended date of inspection.
 - c. Properly requested Records shall be available at the Association's principal office during normal business hours on the date indicated on the Records Inspection Request form, or, at the Association's discretion, at the next regularly scheduled executive Board meeting if the meeting occurs within thirty days after the request.
 - d. The person accessing and/or copying the records agrees to pay a fee for the estimated cost of labor and materials required for producing and reproducing the requested Records, as determined by the Association's management company. The Association may require the owner to pay the fee to the management company in advance and in cash. In the Association's discretion, it may also charge a fee to pay for the labor necessary to supervise an Owner while they inspect the Records to ensure the Owner does not remove, tamper with, or destroy the records.
3. Records may be withheld from inspection and copying to the extent they are or concern:
- a. Architectural drawings, plans, and designs, unless released upon the written consent of the legal Owner of the drawings, plans, or designs;
 - b. Contracts, leases, bids, or records related to transactions to purchase or provide goods or services that are currently in or under negotiation;
 - c. Communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine;
 - d. Disclosure of information in violation of law;
 - e. Records of an executive session of an executive Board; or
 - f. Individual units other than those of the requesting Owner.
4. Records shall not be subject to inspection or copying, and must be withheld, to the extent that they are or concern:
- a. Personnel, salary, or medical records relating to specific individuals; or
 - b. Personal identification and account information of members, including bank account information, telephone numbers, electronic mail addresses, driver's license numbers, and social security numbers; except that a member or resident may provide the Association with prior written consent to the disclosure of, and the Association may publish to other members and residents, the person's telephone number, electronic mail address, or both. The written consent must be kept as a record of the Association and remains valid until the person withdraws it by providing the Association with written notice of withdrawal of the consent. If a person withdraws his or her consent, the Association is under no obligation to change, retrieve, or destroy any document or record published prior to the notice of withdrawal. Written consent and notice of withdrawal may be given by electronic means if the parties agree to do so.
5. The person requesting Records need not state the purpose for which the records are to be used. However, no part of the Association's Records shall be used for any commercial purpose. In addition, the Association's membership information shall not be used to solicit money or property unless such money or property will be used solely to solicit the votes of the unit Owners in an election to be held by the Association. Furthermore, the Records may not be sold or purchased by any person for any purpose.

6. In the event that an inspection request will result in review and or copying of voluminous documents, the Association may break the inspection into several sessions to reasonably accommodate the staff at its principal office.
7. The Association has no obligation to compile or synthesize information.
8. Any violation of the Association's rules regarding inspection and copying of Records shall cause the immediate suspension of the inspection or copying until the violator agrees in writing to comply herewith, as well as other remedies such as fines. The Association's Board or its representatives may enforce this policy through the Association's normal enforcement procedures or take any available legal action to enforce this policy.
9. The Association will not honor any requests for inspection or copying that do not comply with this policy, but the Association shall send a written notice to the person who made the request indicating the nature of any noncompliance. Any Association representative who receives an oral request for inspection or copying shall refer the person making the request to this policy, and the Association or its representatives will have no further obligation to respond until it receives a written request.
10. The Association's Board shall be entitled to resolve any dispute regarding the Association's records based upon the Board's reasonable business judgment.
11. The Association may charge a fee in advance for the estimated amount to copy the records not to exceed the Association's actual cost per page including services for copies of the Association's records (reasonably believed to be \$0.30 per page for materials and time). In the event an owner's request will result in review and/or copying of voluminous documents, the Association may break the inspection into several sessions to reasonably accommodate the staff at its principal office.

References to Governing Documents

Obligation to Comply with Lanai Condominium Policies, Rules, and Regulations: All present or future owners, tenants, future tenants or any other person that might use in any manner the facilities of the project located on the property therein described are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any of the condominium units (hereinafter referred to as "units") or the mere act of occupancy of any of said units will signify that these Bylaws are accepted, ratified and will be complied with. BYLAWS, ARTICLE I, Section 2.

Use of General and Limited Common Elements: Each owner shall be entitled to exclusive ownership and possession of his unit. Each owner may use the appurtenant general and limited common elements and other appurtenances to his unit; 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 policies, rules, and regulations governing the use of general and limited common elements, but such policies, rules, and regulations shall be uniform and nondiscriminatory and shall constitute a part of this Declaration. CONDOMINIUM DECLARATION, Section 10.

Additional Policies, Rules, and Regulations: Additional and supplemental policies, rules, and regulations may be adopted by the Board concerning and governing the use of the general and limited common elements; provided, however, that such policies, rules, and regulations shall be furnished to unit owners prior to the time that they become effective and that such policies, rules, and regulations shall be uniform and nondiscriminatory, except to the extent the Board has discretionary rights specifically given to it in the Declaration. The implementation of additional or supplemental policies, rules, and regulations which shall modify any of the provisions of this Section 34, must be done in accordance with Section 18 of this Declaration. CONDOMINIUM DECLARATION, Section 34, Paragraph (h).

Assessments: A member shall be deemed to be in good standing and entitled to vote at any annual or at a special meeting of members, within the meaning of these Bylaws if, and only if, he or she shall have fully paid all assessments made or levied against him or her and the condominium unit owned by him or her. BYLAWS, ARTICLE X, Section 1.

Rental Cap

Introduction:

In the interest of protecting homeowners and their families, preserving property values, meeting financing requirements, and enhancing the marketability and quality of life within the community, the Association has developed this rule and its procedures addressing a rental cap for units within the community.

FHA Statement:

Nothing in this policy is intended to act to discriminate against any protected class, to wrongfully deprive anyone of housing, or to violate any provision of the federal Fair Housing Act.

Definition:

"Rental" shall mean any unit within the Association that is not occupied by the legal owner and is rented, leased, or occupied by a resident or residents other than the legal owner.

Association's Limit on Rental Units:

The Association hereby sets the maximum number of rental units to be 20 units. Combined units will be counted as multiple units.

Procedure:

1. The Association's property manager will provide a regular report to the Association of the total number of units occupied by owners, the total number of units occupied by renters, the total number of unoccupied units, and the total number of units in transition.
2. When an owner desires to convert a unit into a rental, he or she must seek approval in writing from the Association. If the total number of rental units is less than the Association's limit, the owner may rent the unit provided all provisions of the Rental Policy have been met. If the total number of rental units meets or exceeds the Association limit, the owner may not rent the unit.
3. Owners may request to be added to a waiting list maintained by the property manager when the Association limit disallows additional rentals. The list will be compiled on a first-come, first-served basis. When the number of rental units drops below the Association limit, the owner at the top of the waiting list will be offered the opportunity to convert their unit to a rental. The owner must agree within 48 hours to rent their unit, or their name is moved to the bottom of the list. The owner will have 60 days to rent their unit, and if not rented, the owner will forfeit the current opportunity to rent and will be moved to the bottom of the list. If the owner at the top of the waiting list elects not to rent their unit, they will be removed from the waiting list or moved to the bottom. Owners who've been offered the opportunity to rent two or more times and have elected not to rent will be removed from the waiting list.
4. Rentals may remain as rental units until they are sold to a new owner, or until they remain vacant and unoccupied for more than six months. Rental units remaining unoccupied for more than six months will be removed from the list of rentals and other owners on the waiting list will be notified if the removal causes the total number of rentals to fall below the Association limit.

Waiver Policy:

1. The Board, at its sole discretion, may grant a waiver of this restriction for an owner.

2. The owner requesting a waiver must do so in writing to the Association for discussion in an executive meeting.
3. Granting a waiver is at the sole discretion of the Board and will be granted for one year on the condition the owner either sell the residence or move back into their residence on or before the end of the one-year period.

This rule was approved by the Association Board on April 20, 2017.

Rentals Resolution

RECITALS:

- A. The Association is charged with the responsibilities regarding the care, maintenance and preservation of property values within the building including the ability to meet typical financing requirements for individual units.
- B. Loans are not available from major lenders if the percentage of owner-occupied units falls below certain levels. A lack of available loans from major lenders would affect property values within the building.
- C. Knowing the occupants of units is an advantage to the Association and will assist the Board in carrying out its duties pursuant to the Amended and Restated Condominium Declaration for the Lanai Condominiums ("Declaration"), Bylaws of Lanai Condominium Association ("Bylaws") and the Colorado Common Interest Ownership Act C.R.S. § 38-33.3-101, et seq. ("CCIOA").
- D. The Board believes it is in the best interest of the Association to limit the number of units occupied by non-owners and to take steps to help ensure that all non-owner occupants abide by the Association's governing documents.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following resolution for the rental of units within the Association.

1. **Lease:** "Lease" shall mean any relationship whether or not for consideration, whereby a person who is not a unit owner, nor a member of the immediate family of a unit owner has authority to reside in a unit.
2. **Authority to Lease Unit:** No unit owner shall lease a unit until such owner has occupied the unit for a period of at least one year. Nor shall any unit owner be permitted to lease a unit or renew a lease unless the unit owner has complied with all of the terms of this Rentals Resolution and the Rental Policy. Any purported lease that does not comply with the terms of the Rental Policy shall be considered void at the

option of the Association and the Association may take appropriate action as set forth herein.

3. **Lease Restrictions:** No unit will be leased to anyone for less than a six (6) month period. No unit may be leased to anyone convicted of a felony or violent crime within the past 10 years. Additionally, no unit may be leased to a registered sex offender.
4. **Procedure for Leasing Unit:** Prior to leasing any unit or renewing any current lease, a unit owner must obtain approval from the Association pursuant to the Rental Policy.

Resolution and Policy adopted this 18th day of February 2016 by Resolution of the Board.

Rental Policy

1. The Lanai requires all rental or non-occupied units to have a designated agent to make decisions regarding the unit when the owner is not available (The required form "Designation of Manager" can be found in Appendix F.)
2. All owners interested in renting their unit must first check with the Board to determine if there is room under the Rental Cap as described in this Owner's Manual for additional rentals within the building. Owners must have occupied their unit for a minimum of one year prior to applying to the Board. Once it has been determined that there is room under the Rental Cap for additional rental units, owners must submit a "Rental Policy Checklist" with all of the documents it outlines along with a proposed lease that includes the "Lanai Lease Rider." (The required "Rental Policy Checklist" and the "Lanai Lease Rider" can be found in Appendix F.)
3. Neither the Association nor the property manager is able to make decisions for absentee owners in regard to their units except in case of emergency. Expenditures incurred by the Association within an individual rental or unoccupied unit in case of emergency will be the owner's responsibility.
4. Owners/agents must keep the property manager and the Board promptly informed as to any change of occupancy or ownership of a unit pursuant to the Association's Rental Policy. Any expense by the Association related to such change in occupancy will be the unit owner's responsibility.
5. Non-resident owners do not retain access to the common areas including the swimming pool or the 12th Floor facilities for personal use unless as a guest and accompanied by the tenant. Laundry facilities may not be used by the owner while a property is rented.

Reserve Investment Policy

The Board shall reasonably investigate the options available for investment of reserve funds with an emphasis placed on safely preserving principal.

The Board may consider the opinions of its management, legal counsel, public accountant, and/or other persons the Board reasonably believes possess expert knowledge and competence, provided that this persons or persons will not directly benefit from the type and amount of investment or that person is insured against errors and omissions.

Members of the Board will make investment decisions based upon what they believe to be the best interest of the Association and its members.

Security

To preserve the safety and security of individuals and the building:

1. You have both the right and responsibility to introduce yourself to and/or question anyone using or misusing our facilities, and further to ask anyone found in violation of the rules to leave the premises and report the date and time of any violation to the property manager or a Board member.
2. This is a limited access building, not a secured facility. You are responsible for the acts of anyone using fobs assigned to you. You are required to ensure doors are kept securely closed and locked after use.
3. When your unit is not occupied, sliding windows on the lower floors should be locked and a dowel placed properly to secure the doors. These doors are not to be used as an access to the building by anyone.
4. Access doors are not to be propped open unless monitored. If a door is propped open and unattended, you are responsible to close it.
5. Visitors are not allowed in the building unless invited in by residents. Notify the property manager if you plan to have unescorted visitors in the building.
6. Unit doors should be kept closed for fire safety and security at all times.
7. If you open a garage door, you are responsible to wait and make sure it closes.
8. We have multiple cameras located in strategic areas within the building. You will be recorded in all common areas inside and outside the building. Disabling, blocking, or tampering with the cameras will result in a fine.

Selling Your Unit

The following rules for real estate professionals and “Open Houses” are designed to minimize the impact on the community while allowing you to market your property. Sellers must notify agents of these rules.

1. Open houses are permitted only on Saturdays and Sundays between the hours of 10 am and 4 pm. Agents showing property at the Lanai at any time must leave a business card at the office.
2. Signs advertising “For Sale” or “Open House” may only be placed on the sidewalk at the front entrance for fifteen minutes before through fifteen minutes after an open house.
3. The person holding the open house must have at least one person in the lobby to provide prospective purchasers access into the building and to usher them to the unit being offered for sale and one person in the unit. No access into the building is allowed while the lobby usher is not in the lobby.
4. The Association is not responsible for any use of key lockboxes, and you must notify the property manager of all lockboxes you intend to use. A lockbox cabinet is located outside the front entrance and may be used for the purpose of marketing your property. The property manager will provide you with an access code. You are responsible to ensure your lockbox has your name and phone number on it. Any unapproved lockboxes placed anywhere on the property without property manager approval will be cut off and discarded. Keys and fobs given to real estate professionals or other service providers remain the responsibility of the owner along with the actions of those individuals when accessing the building. The property manager does not provide access to the building or your unit for sales and marketing purposes.
5. The Association is not responsible for the replacement of fobs which have not been passed on to new owners or which have been lost. New owners must update the fob records with the property manager upon possession of their unit.
6. At closing, all new owners shall furnish to the property manager, a certified copy of the recorded instrument vesting that person with an interest of ownership in the condominium unit.
7. Units owned by more than one person, partnerships or any legal entity will have one registered mailing address, and such address will be furnished at closing to the property manager.
8. Copies of the Declaration; Articles of Incorporation; Bylaws; and the Owner’s Manual that includes the

Lanai Resolutions, Policies, Procedures, Rules and Regulations are readily available on the Association website and should be read by all residents.

9. Before taking possession, all purchasers should consult with the property manager regarding the “Moving and Deliveries” section of these Rules.

Signs

1. Except for Open House signs, no real estate signs including “For Sale” or “For Lease” signs are to be displayed in or around the building, from windows, balconies, or on vehicles. See “Selling Your Unit” above.
2. Unless the City and County of Denver has adopted policies to the contrary, political signs may be posted not more than forty-five (45) days prior to the election to which the signs relate and must be removed within seven (7) days following the election to which the signs relate. Not more than one political sign shall be allowed per political office or ballot issue. Signs shall be limited to eight (8) square feet in size and may be hung inside unit windows. Signs may not be hung on balconies.

Smells, Smoking and Noises

Residents of the Lanai are entitled to live without ongoing nuisances from their neighbors.

Smells: The building shares a common ventilation system, and as such objectionable smells travel easily through the building. It is therefore essential all residents do whatever is necessary to ensure odors remain in their units most notably tobacco smoke, marijuana smoke, and smells from trash. If you are bothered by smells from another resident, you should ask the resident to stop in a neighborly way. If this fails, you should file a report in writing with the property manager and ask any Board member to come witness the smells. Warnings and or fines under the nuisance policy will be issued to residents violating this rule.

Smoking: Smoking and vaping is prohibited in all interior common spaces including the elevator, laundry room, garage area, lobby, hallways, Ohana Room, gym, library, hallways, and stairways. Additionally, no smoking is allowed in the pool area.

Noise: We have a wide array of community members in the building and many work non-standard employment hours. As a result, there is never a time when loud music should be heard outside of your unit. We do allow acoustic music practice (other than percussion instruments) such as piano playing during reasonable hours for a reasonable length of time. If you are bothered by noise from another resident, you should ask the resident to stop in a

neighborly way. If this fails, you should file a report in writing with the property manager and ask any Board member to come witness the noise. Warnings and or fines under the nuisance policy will be issued to residents violating this rule.

Smoke Alarms

1. Homeowners are responsible for the maintenance and testing of their own smoke and carbon monoxide detectors. The detectors must be tested on a semi-annual basis and batteries replaced twice a year. A certificate of compliance must be filed in the office.
2. The fire department and building inspectors will enforce this ordinance. Failure to comply may result in penalties to the owner.

Swimming Pool

1. The pool is open from May to September, weather permitting. Posted rules must be obeyed. Pool hours will be posted.
2. There is no lifeguard on duty at any time. Use of the pool and pool area are at your own risk.
3. A five (5) foot perimeter is to be kept free of personal items around the pool at all times.
4. No animals of any type are allowed in the pool area.
5. No one fourteen (14) years old or younger is allowed in the pool or in the area unless accompanied by an adult.
6. Food is allowed in the pool area but must be kept at least five feet away from the pool edge. If you bring food into the pool area, you must completely clean it up afterward. Failure to do so will result in fines and the privilege to use the pool.
7. No glass of any kind is ever permitted in the pool area.
8. Personal earphones are recommended in the pool area. Music can be played at reasonable levels in the area, however if a resident asks you to turn down your music, please be neighborly and comply. The Board will develop specific volume restrictions and post those if necessary. If you are unreasonably noisy at the pool, you could lose your privilege to use the pool.
9. No running, diving, or rough play is permitted in the pool area. Nude swimming or lewd behavior is not permitted.
10. Regular swimwear only is permitted in the pool. Jeans or outerwear are not permitted.
11. Toddlers and/or small babies must wear waterproof garments over diapers when in the pool.
12. Reasonable sized floating or play equipment are permitted in the pool. Please be neighborly and cooperative when others are in the pool.
13. No alcohol is permitted in the area for persons under twenty-one (21) years of age. Allowing underage persons to consume alcohol in any common areas will be reported to police and you could lose your privilege to use the pool.
14. No swimming is permitted during periods of pool maintenance or cleaning.
15. Footwear and full body apparel must be worn in all common areas and on the way to and from the swimming pool.
16. Please shower before entering the pool. Towel off excessive suntan oil before using the pool. Towel off before leaving the pool area.
17. Homeowners are responsible for their tenants and/or guests.
18. Absentee landlords do not have automatic pool privileges. The pool may only be used by an absentee owner as an invited guest of another homeowner or a tenant, who must also be in attendance.
19. Do not remain in the pool or pool area during inclement weather.
20. Violation of swimming pool rules and/or damages to the swimming pool and patio area are the responsibility of the homeowner. You will be fined \$500 plus the cost to clean or repair any deliberate damage, abuse, or vandalism and will result in the suspension of pool privileges.

Trash

1. One trash bin (green) for common household trash and one recycle bin (white) are located in the south garage area. We recommend you familiarize yourself with recycling rules and procedures to make sure you're properly preparing your recyclables.
2. Bag and tie all trash prior to depositing in the bins including pet waste.

3. Christmas trees must be broken down and bagged. Large boxes and items must be broken down before recycling.
4. Trash bins are not to be used by contractors for disposal of building material without prior approval of the property manager.
5. Disposal of large items, appliances, building materials, flooring of any type, electronics, or chemicals including paint is the responsibility of the owner. You will be fined and charged any additional fees associated with removing these items
6. Make sure only recyclable materials end up in the recycle bins. Do not bag recyclable material or it is treated as trash by the recycle centers.
7. Deliberately leaving trash in the common areas or throwing trash or cigarette butts onto the ground is considered littering and will be treated under the nuisance policy.

Twelfth Floor & Roof Top Deck

1. Roof access for sightseeing, walking, or lounging is available through the east door in the hallway of the 12th floor. No key is necessary.
2. No roller blading, skate boarding, cycling, skating, or running is permitted on the roof deck. No ball games or playing on the roof is permitted.
3. Children are not permitted on the roof without adult supervision.
4. Only residents who have completed a safety training may use the rooftop barbeque grills. Failure to use the grills properly and clean them up after use will result in fines and suspension of privileges to use the grills. No other cooking devices may be used on the roof. (See Appendix F for the training form and waiver.)
5. Never throw anything from the roof deck.
6. The equipment service roof (13th floor) is a restricted area and only authorized service providers may access the area. Violators will be fined \$500.
7. Unit owners are responsible for the behavior of tenants and guests who use the common areas. Any damage will result in fines, the loss of deposits, cleaning fees, cost of repairs, and legal fees being assessed to the unit owner.

Ohana Room

1. Reservations for and access to the Ohana Room is obtained by requesting a key from the property manager. The room is unlocked during daytime hours for any resident to use.
2. Reserved use is allowed on weekdays from 8 am to 10 pm, and on weekends from 8 am to 11:30 pm. Music is allowed at a reasonable level, but sub-woofers may not be used.
3. Reservations should be made with the property manager 24 hours or more prior to use.
4. Reservations are made with the property manager.
5. The Ohana Room rental forms are in Appendix F.
6. No more than 50 guests of family and friends are allowed without prior approval of the Board. No gatherings intended for the general public are allowed.
7. Owners are responsible for entry and exit of guests from the building and for the conduct of the guests while on site. A designated responsible person must be in attendance at all times.
8. Any owner or tenant has the right to close the Ohana Room if, in their opinion, the premises are being misused or a disturbance is being created. To close the Ohana Room, a homeowner or tenant should request the responsible person end all activities in the room, and if necessary, be willing to sign a complaint, call the police, and call Board members.
9. Should any violation of the rules occur, the owner or resident is subject to cancellation of the privilege to use the Ohana Room or library in the future.
10. Upon leaving the Ohana Room, check for damage, losses, and fire hazards and report any concerns to the property manager. If you have reserved the Ohana Room, you must fill out a Check-Out form. Make sure all outer doors are locked. Set the room temperature to 55 degrees in the winter and 75 degrees in the summer. Turn off all lights.
15. The Ohana Room and library are reserved for Association use for all regularly scheduled Board meetings, the Super Bowl, July 4th, Christmas Eve and Christmas Day, New Year's Eve and New Year's Day.

Library

1. Access to the library is granted to residents and guests only.
2. All guests must be accompanied by a resident.

3. Drinks or food must never be placed on or near the billiards table.
4. Extreme care should be taken with the cue sticks not to damage the room or injure others. Cue sticks must not be tapped on the floor. Damage to the sticks, or the room as a result of misuse of the sticks will be charged to the unit owner.
5. Do not leave balls in the pockets. Rack balls and cover the table before leaving.
6. Upon leaving the library, check for damage, losses, and fire hazards and report any concerns to the property manager. Make sure all outer doors are locked. Set the room temperature to 55 degrees in the winter and 75 degrees in the summer. Turn off all lights.
7. Library hours are 8 am to 10 pm, and on weekends from 8 am to 11:30 pm.

Gym

Use of the gym is at your own risk. The Association is not responsible for injuries. It is recommended you work out with a partner and have a phone available to call for help in the event of an emergency.

1. Treat this room and others who use this room as you would like to be treated.
2. Use one piece of equipment at a time and allow others to use it between your sets. Read the instructions to use the equipment properly.
3. Always wipe down a piece of equipment after you use it. Report any concerns about equipment to the property manager.
4. Do not drop equipment or make excessive noise.
5. Ask others before changing the television station. Use headphones if you want to listen to music.
6. Do not bring free weights or dumb bells into the gym without Board approval. Only those provided may be used and must never be dropped onto the flooring.
7. Unit owners are responsible for any damages caused by their guests.
8. No one under 16 years old may use the gym without adult supervision.

Utilities

Your monthly HOA payments cover water, sewer, trash, snow removal and natural gas along with many other building related costs including landscaping, janitorial, maintenance, and funding of long-term reserves.

We pay a fee to Xfinity to give you reduced cost access to their services including free basic cable and free wifi on the 12th floor. Should you desire a more robust telecom arrangement, Xfinity offers many tiers of options for you to buy.

You will pay separately for your personal electricity use. As we have gas stoves in the building and all heating and cooling is covered by the Association, personal electricity use is typically a minimal charge from Xcel.

Appendix A

Articles of Incorporation

ARTICLES OF INCORPORATION
OF
LANAI CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

Name

The name of this Corporation shall be LANAI CONDOMINIUM ASSOCIATION, INC.

ARTICLE II

Duration

The term of existence of this Corporation is perpetual.

ARTICLE III

Purposes

The business, objects and purposes for which the Corporation is formed are as follows:

1. To be and constitute the Association to which reference is made in the Condominium Declaration for the Lanai Condominiums and any supplement thereto (for brevity, hereinafter referred to as "Declaration") to be recorded in the records of the Clerk and Recorder of the County of Denver, Colorado, pursuant to C.R.S., 1963, 118-15-5 and amendment thereto, relating to a condominium ownership project, and to perform all obligations and duties of the Association and to exercise all rights and powers of the association.
2. To provide an entity for the furtherance of the interests of all of the owners, including the Declarant named in the Declaration, of condominium units in the Lanai Condominium Project, with the objectives of establishing and maintaining it as a prime condominium ownership project of the highest possible quality and value and enhancing and protecting its value, desirability and attractiveness.

ARTICLE IV

POWERS

In furtherance of its purposes, the Corporation shall have all of the powers conferred upon corporations not for profit by the statutes and common law of the State of Colorado in effect from time to time, including all of the powers necessary or desirable to perform the obligations and duties and exercise the rights and powers of the Association under the Declaration which will include, but shall not be limited to, the following:

1. To make and collect assessments against members of the Association for the purposes of payment of the common expenses (including the expenses incurred in exercising its powers or of performing its functions);
2. To manage, control, operate, maintain, repair, improve and enlarge the common elements;

3. To enforce the terms, covenants, restrictions, conditions, uses, limitations and obligations set forth under the Declaration and By-Laws, and to make and enforce rules and regulations as provided therein;

4. To engage in activities which will actively foster, promote and advance the interests of all of the owners of condominium units, including the interests of the Declarant during its development of the project and its ownership of condominium units;

5. To hire a Managing Agent who shall have and exercise those duties and powers granted to him by the Board of Managers, but not those powers which the Board, by law, may not delegate.

ARTICLE V

Memberships

1. This Corporation shall be a membership corporation without certificates or shares of stock. There shall be one class of membership, and there shall be one membership in the corporation for each condominium unit, as defined in the Declaration and supplements thereto. The owner or owners of a condominium unit shall hold and share the membership related to that condominium unit in the same proportionate interest and by the same type of tenancy in which the title to the condominium unit is held, provided always that there shall be only one membership per condominium unit. No person or entity other than an owner of a condominium unit may be a member of the Corporation.

2. Each membership shall have one vote.

3. A membership in the Corporation and the share of a member in the assets of the Corporation shall not be assigned, encumbered or transferred in any manner except as appurtenant to the transfer of title to the condominium unit to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of trust or other security instrument on a condominium unit as further security for a loan secured by a lien on such condominium unit.

4. A transfer of membership shall occur automatically upon the transfer of title to the condominium unit to which the membership pertains; provided, however, that the By-Laws of the Corporation may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of the Corporation.

5. Members shall have the right to purchase other condominium units and the memberships appurtenant thereto as provided in the Declaration.

6. The Corporation may suspend the voting rights of a member for failure to comply with the rules or regulations of the Corporation or with any other obligations of the owners of any condominium unit under the Declaration and By-Laws.

7. The Bylaws may contain provisions setting forth the rights, privileges, duties and responsibilities of the members.

ARTICLE VI

Board of Managers

1. The business and affairs of the Corporation shall be conducted, managed and controlled by a Board of Managers. The Board of Managers shall consist of not less than three nor more than seven members, the specific number to be set forth from time to time in the Bylaws of the Corporation. Members of the Board of Managers need not be members of the Corporation.

2. Members of the Board of Managers shall be elected at the annual meeting of the members in the manner determined by the Bylaws. The Declarant under the Declaration shall be entitled to elect the members of the Board of Managers until such time as one hundred percent (100%) of the condominium units within the condominium project have been sold.

3. Managers may be removed and vacancies of the Board of Managers shall be filled in the manner to be provided by the Bylaws.

4. The names and addresses of the members of the first Board of Managers who shall serve until the first election of Managers and until their successors are duly elected and qualified are as follows:

L. C. FULENWIDER, JR.	1050 - 17th Street Suite 2526 Denver, Colorado 80102
L. C. FULENWIDER, III	1050 - 17th Street Suite 2526 Denver, Colorado 80102
JOSEPH T. ROSEN	1050 - 17th Street Suite 2525 Denver, Colorado 80102

Any vacancies in the Board of Managers occurring before the first election of Managers shall be filled by the remaining Managers.

ARTICLE VII

Officers

The Board of Managers may appoint a President, one or more Vice-Presidents, a Secretary, a Treasurer and such other officers as the Board believes will be in the best interest of the Corporation. The Officers shall have such duties as may be prescribed in the Bylaws of the Corporation and shall serve at the pleasure of the Board of Managers.

ARTICLE VIII

Conveyances and Encumbrances

Corporate property may be conveyed or encumbered by authority of the Board of Managers or by such person or persons to whom such authority may be delegated by resolution of the Board. Conveyances or encumbrances shall be by an instrument executed by the President or a Vice-President and by the Secretary or an Assistant Secretary, or executed by such other person or persons to whom such authority may be delegated by the Board.

ARTICLE IX

Initial Registered Office and Agent

The initial registered office of the Corporation shall be 800 Western Federal Savings Building, Denver, Colorado 80202. The initial registered agent at such office shall be ALAN B. LOTTNER.

ARTICLE X

Amendments

Amendments to these Articles of Incorporation shall be accepted, if at all, in the manner set forth in the By-Laws; provided, however, that no amendment to these Articles of Incorporation shall be contrary to or inconsistent with the provisions of the Declaration.

ARTICLE XI

Managing Agent Functions

The Association shall obtain and pay for the services of a person, persons or entity to administer and manage its affairs and be responsible for the operation, maintenance, repair and improving of the common elements and all of the exterior portions of the improvements and to keep the same in good, attractive and sanitary condition, order and repair; provided, however, that the Declarant may perform such services until the development of the condominium project has been fully completed and all of the condominium units sold. The cost of such services shall be borne by the members according to their percentage or fractional interest in the common elements as provided in the Declaration, supplements thereto and By-Laws, whether such services are directly rendered by the Declarant or delegated by declarant to a person or entity.

ARTICLE XII

General

This Corporation is one which does not contemplate pecuniary gain or profit to the members thereof and is organized for non-profit purposes.

ARTICLE XIII

Incorporators

The Incorporators of this corporation and their addresses are as follows:

ALAN B. LOTTNER

Suite 800, 718 - 17th Street
Denver, Colorado 80202

BECKY KOZIOL

Suite 800, 718 - 17th Street
Denver, Colorado 80202

JACK SILVER

Suite 800, 718 - 17th Street
Denver, Colorado 80202

EXECUTED this 9th day of December, A.D., 1974.

/S/ Alan B. Lottner

/S/ Rebecca (Becky) Koziol

/S/ Jack Silver

STATE OF COLORADO)
) ss.
City and County of Denver)

The above and foregoing Articles of Incorporation were
subscribed and sworn to before me this 9th day of December, A.D.,
1974.

My commission expires: November 1, 1977

/S/ Faye A. Spaulding
Notary Public

Appendix B

By Laws

AMENDED AND RESTATED BYLAWS
OF THE
LANAI CONDOMINIUM ASSOCIATION, INC.

The name of the corporation shall be LANAI CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

Object

(Plan of Ownership)

1. The purpose for which this non-profit Association is formed is to govern the condominium property which has been submitted to the provisions of the Condominium Ownership Act of the State of Colorado by the recording of the Declaration and supplements thereto, and Maps and supplements thereto, bearing the name of the Lanai Condominiums.

2. All present or future owners, tenants, future tenants or any other person that might use in any manner the facilities of the project located on the property therein described are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any of the condominium units (hereinafter referred to as "units") or the mere act of occupancy of any of said units will signify that these Bylaws are accepted, ratified and will be complied with.

ARTICLE II

Membership, Voting, Majority of Owners, Quorum, Proxies

1. Membership. Except as is otherwise provided in these Bylaws, ownership of a condominium unit is required in order to qualify for membership in this Association. Any person, on becoming an owner of a condominium unit shall automatically become a member of this Association, and be subject to these Bylaws. Such membership shall terminate without any formal Association action whenever such person ceases to own a condominium unit, but such termination shall not relieve or release any such former owner from any liability or obligation incurred under, or in any way connected with this Association, or impair any rights or remedies which the unit owners have, either through the Board of Managers of the Association or directly, against such former owner and member arising out of or in any way connected with ownership and membership and the covenants and obligations incident thereto.

2. Voting. Each unit identified in Declaration Exhibit B shall have one vote.

3. Majority Members. As used in these Bylaws, the term "majority of members" shall mean those members owning more than fifty percent (50%) of the total number of condominium units.

4. Quorum. Except as otherwise provided in these Bylaws, the presence in person, or by proxy of members holding one-third (1/3) of the votes entitled to be cast shall constitute a quorum. An affirmative vote of a majority of members present, either in person or by proxy, shall be required to transact the business of the meeting.

5. Proxy. As used in these Bylaws, the term “proxy” shall mean a power of attorney given by a member to another person to vote in his stead. The term “proxy” shall also mean the designated person who holds the power of attorney. The proxy shall provide opportunity for members to indicate their choices in absentia, either for or against issues and/or candidates, as announced in the Notice of Annual or Special Meeting, in one of the following three forms.

(a) MARKED – The member shall mark his preferences on the proxy and give it to another person who, upon registration at the meeting, shall release the proxy to be counted as though it were a ballot.

(b) BLANK. The member shall authorize the holder of the proxy to vote on all issues and/or candidates as the holder desires. The proxy shall be exchanged at the meeting for a ballot and/or may be voted as though it were his own vote.

(c) MARKED AND BLANK. The member shall mark his preferences for all candidates and/or announced issues and shall assign his power of attorney (proxy) to the holder to vote other issues that may arise during the course of the meeting as the holder desires. The proxy shall be relinquished upon the holder’s registration at the meeting to be counted as though it were a ballot.

The Board of Managers shall designate one or more persons to act as tellers at meetings where ballots are to be used. The tellers shall strictly account for all ballots distributed and shall insure that any ballots exchanged for blank or marked and blank proxies shall be properly marked in accordance with the proxy tendered.

6. Voting. In an election in which the number of candidates exceeds the number of elective positions to be filled, the candidate(s) receiving the highest number of votes shall be elected to the vacant positions.

ARTICLE III

Administration

1. Association Responsibilities. The owners of the condominium units will constitute the members of the Lanai Condominium Association, Inc. (hereinafter referred to as “Association”), which will have the responsibility of administering the project through a Board of Managers (hereinafter referred to as the “Board”).

2. Place of Meeting. Meetings of the Association shall be held at such place within or out of the State of Colorado, as the Board may determine.

3. Annual Meeting. The annual meetings of the Association shall be held during the month of July each year. At such meetings, there shall be elected by ballot of the members, a Board in accordance with the requirements of Section 5 of Article IV of these Bylaws. The members may also transact such other business of the Association as may properly come before them.

4. Special Meetings. The President may call a special meeting of the members upon his own initiative or as directed by resolution of the Board or upon receipt of a petition signed by at least one-third (1/3) of the members. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business except as stated in the notice shall be transacted at a special meeting unless by consent of two-thirds (2/3) of the members present, either in person or by proxy. Any such meetings shall be held at such place and time as the President determines, within thirty (30) days after receipt by the President of such resolution or petition.

5. Notice of Meetings. The Secretary shall cause to be mailed or delivered a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place it is to be held, to each member of record, at the registered address of each member, at least five (5), but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in this Section, or the delivery of such notice shall be considered notice served, and the Certification of the Secretary that notice was duly given shall be prima facia evidence thereof.

6. Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting, to a time not less than thirty (30) days from the time the original meeting was called.

7. Order of Business. The order of business at all meetings of members shall be as set forth in the Association's Meeting Policy.

ARTICLE IV

Board of Managers

1. Number and Qualification. Consistent with the provisions of the Declaration, the number and qualifications of the Board of Managers henceforth shall be:

(a) The number of Managers shall be seven as voted by a majority of the members.

(b) Eligibility of election to the Board of Managers requires the nominee to be a continuous resident owner of a unit as a primary residence for at least six months before elections to office, and to be current in the payment of all maintenance and other fees at the time of election.

(c) Termination of residency shall constitute resignation from his or her position as a Manager.

2. Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the condominium project as a first-class residential condominium property. Such powers and duties of the Board shall include, but shall not be limited to, the following, all of which shall be done for and on behalf of the owners of the condominium units:

(a) To administer and enforce the covenants, conditions restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Condominium Declaration submitting the property to the provisions of the Colorado Common Interests Ownership Act, Condominium Ownership Act of the State of Colorado, the Bylaws of the Association and supplements and amendments thereto.

(b) To establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, rentals, use and occupancy of all of the condominium units with the right to amend same from time to time. A copy of such rules and regulations shall be delivered or mailed to each member upon the adoption thereof.

(c) To incur such costs and expenses as may be necessary to keep in good order, condition, and repair all of the general and limited common elements and all items of common personal property.

(d) To insure and keep insured all of the insurable common elements and condominium units in an amount equal to the maximum replacement value. To insure and keep insured all of the common fixtures, common equipment, and common personal property for the benefit of the owners of the condominium units and their first mortgagees. Further, to obtain and maintain comprehensive liability insurance covering the entire premises.

(e) To prepare a budget for the condominium at least annually, in order to determine the amount of the common assessments payable by the unit owners to meet the common expenses of the condominium project, and allocate and assess common charges among the unit owners according to their respective common ownership interests in and to the common elements, and by majority vote of the Board, to adjust, decrease or increase the amount of the quarterly or monthly assessments, and remit or return any excess of assessments over expenses, working capital, sinking funds, reserve for deferred maintenance and for replacement to the owners at the end of each operating year. To levy and collect special assessments whenever, in the opinion of the Board, it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies.

(f) To collect delinquent assessments by suit or otherwise, and to enjoin or seek damages from a member as is provided in the Declaration and these Bylaws. The Board shall have the duty, right, power and authority to prohibit use of a condominium unit by his tenants and lessees in the event that any assessment made remains unpaid more than thirty (30) days from the due date for payment thereof.

(g) To protect and defend in the name of the Association any part, or the entire condominium project from loss and damage by suit or otherwise.

(h) To borrow funds in order to pay for expenditures or outlays required pursuant to the authority granted by the provisions of the recorded Declaration and these Bylaws, and to execute all such instruments evidencing such indebtedness as the Board may deem necessary and give security therefor. Such indebtedness shall be the several obligations of all of the members in the same proportion as their interest in the common elements. The person who shall be authorized to execute promissory notes and security instruments shall be the President and Secretary or Assistant Secretary.

(i) To enter into contracts to carry out their duties and powers.

(j) To establish a bank account or accounts for the common treasury, and for all separate funds which are required or may be deemed advisable.

(k) To make repairs, additions, alterations and improvements to the common elements consistent with managing the condominium project in a first-class manner and consistent with the best interest of the unit owners.

(l) To keep and maintain full and accurate books and records showing all of the receipts, expenses, or disbursements and to permit examination thereof at any reasonable time by each of the members, and to cause a complete audit of the books and accounts by a certified public accountant once a year.

(m) To prepare and deliver annually to each member a consolidated statement showing receipts, expenses, or disbursements since the last such statement.

(n) To meet at least quarterly.

(o) In general, to carry on the administration of this Association and to do all of those things necessary and reasonable in order to carry out the governing and the operation of this condominium property.

(p) To control and manage the use of all parking areas, open spaces, common streets, and other common property.

(q) To employ for the Association a Managing Agent who shall have and exercise those duties and powers granted to him by the Board, including those set forth above, but not those powers which the Board, by law, may not delegate.

3. No Waiver of Rights. The omission or failure of the Association or any condominium unit owner to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations or other provisions of the Condominium Declaration, the Bylaws, the Policies, or the Rules and Regulations adopted pursuant thereto shall not constitute or be deemed

a waiver, modification or release thereof, and the Board or the Managing Agent shall have the right to enforce the same thereafter.

4. Duration and Term of Office. Managers shall be elected by ballot by a majority of the members present or represented by proxy at the meeting to serve staggered terms of three (3) years each. Three managers' terms will expire every third year, and two manager's terms will expire in each of the two intervening years. Except as otherwise provided by these Bylaws, the managers shall hold office until their successors have been elected and hold their first meeting.

5. Vacancies. Vacancies in the Board caused by any reason other than the removal of a Manager by a vote of the Association shall be filled by a vote of the majority of the remaining Managers, and each person so elected shall be a Manager until the next annual or special meeting of the Association. At such meeting, the majority of those members in attendance, in person or by proxy, shall elect by ballot a successor Manager to complete the unexpired term of the vacating Manager.

6. Removal of Managers. At any meeting duly called, pursuant to ARTICLE III, (3) and (4), any one or more of the Managers may be removed with or without cause by a majority of the Association members, and successor(s) may then and there be elected to fill the vacancy thus created. Any manager whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting prior to voting thereon. In the event of delinquency of a Manager in the payment of maintenance or other fees for a period of two or more months, the Manager shall be considered removed automatically from the Board of Managers. Subsequent return of a Manager so removed shall be by ballot and by election by a majority of the members present at the meeting in person or by proxy.

7. Organization Meeting. A newly elected Board shall designate a place and meet within ten (10) days following the annual meeting at which they were elected. No notice shall be necessary to the newly elected Managers in order to legally constitute such meeting, provided a majority of the whole Board shall be present.

8. Regular Meetings. Meetings of the Board shall be held pursuant to ARTICLE IV, 2 (n).

9. Special Meetings. Special meetings of the Board may be called by the President on three days' notice to each Manager, given personally or by mail, telephone or e-mail, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice, on the written request of two or more Managers.

10. Waiver of Notice. Before or at any meeting of the Board, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Manager at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all of the Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

11. Board of Managers Quorum. At all meetings of the Board, a majority of the Managers shall constitute a quorum for the transaction of business, and the acts of the majority of the Managers present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

ARTICLE V

Officers

1. Designation. The Officers of the Association shall be a President; a Vice-President; and a Secretary and a Treasurer, or a Secretary-Treasurer; all of whom shall be elected by the Board, and such assistant officers as the Board shall, from time to time, elect. Such assistant officers need not be members of the Board, but shall be an owner of a condominium unit in this condominium project.

2. Election of Officers. The Officers of the Association shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board or by members of the Association at any regular or special meetings.

5. Vice-President. The Vice-President shall have all the powers and authority and perform all the functions and duties of the President, in the absence of the President, or his inability for any reason to exercise such powers and functions or perform such duties.

6. Secretary. The Secretary shall keep the minutes of all meetings of the Board, and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

The Secretary shall compile and keep up to date at the principal office of the Association a complete list of members and their registered addresses as shown on the records of the

Association. Such list shall also show opposite each member's name the number or other appropriate designation of the unit owned by such member, the undivided interest in the common elements. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours. The records referred to in this subsection may be maintained by the Managing agent.

7. Treasurer. The Treasurer shall have the responsibility for Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association; provided, however, that when a Managing Agent has been delegated the responsibility of collecting and disbursing funds, the Treasurer's responsibility shall be to review the accounts of the Managing Agent not less often than quarterly.

ARTICLE VI

Indemnification of Officers, Directors, and Managing Agent

1. Indemnification. The Association shall indemnify every Manager, Officer, Managing Agent, their respective successors, personal representatives and heirs, against all loss, costs and expenses, including counsel fees reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Manager, Officer, or Managing Agent of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such Manager, Officer, or conduct in the performance of his duty as such Manager, Officer, or Managing Agent in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director, Officer, or Managing Agent may be entitled. All liability, loss, damage, cost, and expenses incurred or suffered by the Association by reason of arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses provided, however, that nothing in this Article VI contained shall be deemed to obligate the Association to indemnify any member or owners of a condominium unit who is or has been a Manager or Officer of the Association with respect to any duties or obligations assured of liabilities incurred by him under and by virtue of the Condominium Declaration.

2. Other. Contracts or other commitments made by the Board of Managers, Officer, or the Managing Agent shall be made as agent for the Corporation, and they shall have no personal responsibility on any such contract or commitment.

ARTICLE VII

Amendments

1. The Articles of Incorporation may be amended in the manner provided by law.

2. These Bylaws may be amended by a majority vote (51%) of the total membership at a duly constituted meeting of the members for such purpose; provided, however, that no amendment shall conflict with or minimize the intended effect of the provisions of the Articles of Incorporation or the Declaration.

ARTICLE VIII

Evidence of Ownership, Registration of Mailing Address and Voting

1. Proof of Ownership. Any person, on becoming an owner of a condominium unit, shall furnish to the Managing Agent or Board a machine or a certified copy of the recorded instrument vesting that person with an interest or ownership in the condominium unit, which copy shall remain in the files of the Association.

2. Registration of Mailing Address. The owners or several owners of an individual condominium unit shall have one and the same registered mailing address to be used by the Association for mailing of monthly statements, notices, demands and all other communications, and such statements, notices, demands and all other communications, and such registered address shall be the only mailing address of a person or persons, firm, corporations, partnership, association or other legal entity or any combination thereof to be used by the Association. Such registered address of a member or members shall be furnished by such member(s) to the Managing Agent or Board within fifteen (15) days after transfer of title, or after a change of address, and such registration shall be in written form and signed by all of the owners of the condominium unit or by such persons as are authorized by law to represent the interest of (all of) the owners thereof.

3. Voting. At all meetings of Members, each Member eligible to vote may vote in person or by proxy. Votes for contested positions on the Board of Managers shall be taken by secret ballot. At the discretion of the Board of Managers or upon the request of twenty percent (20%) of the Members present in person or by proxy, a vote shall be by secret ballot.

(a) If only one of several Owners of a Unit is present at a meeting of the Association, the Owner present is entitled to cast the vote allocated to such Unit.

(b) If more than one of the Owners is present, the vote allocated to the Unit may be cast only in accordance with the agreement of a majority of those Owners. Majority agreement exists if any one of the Owners casts the vote allocated to the Unit without protest being made promptly to the person presiding over the meeting by another Owner of the Unit.

(c) The vote of a corporation or business trust may be cast by any officer of that corporation or business trust in the absence of express notice of the designation of a specific person by the Board of Directors or Bylaws of the owning corporation or business trust.

(d) The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership.

(e) The chair of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership or business trust Owner is qualified to vote. (f) Votes allocated to Units owned by the Association may be cast by a designated officer of the Association..

The requirements herein contained in this Article VIII shall be first met before an owner of a condominium unit shall be deemed in good standing and entitled to vote at any annual or special meeting of members.

ARTICLE IX

Obligations of the Owners

1. Assessments. All members shall be obligated to pay the monthly assessments imposed by the Association to meet the common expense as set forth in the Declaration. A member shall be deemed to be in good standing and entitled to vote at any annual, or at a special meeting of members, within the meaning of these Bylaws if, and only if, he shall have fully paid all assessments made or levied against him and the condominium unit owned by him. Late charges shall be assessed as set forth in the Association's duly enacted Collection Policy.

2. Mechanic's Lien: Each member agrees to indemnify and to hold each of the members harmless from any and all claims of mechanic's liens filed against other units and appurtenant common elements for labor, materials, services or other products incorporated in the member's unit. In the event such a lien is filed and/or a suit for foreclosure of mechanic's lien is commenced, then within ten (10) days thereafter, such member shall be required to deposit with the Association cash or negotiable securities equal to one and one-half (1 – ½) of the amount of such claim. A portion of said sum may be used by the Association for any costs and expenses incurred, including attorney's fees incurred for legal advice and counsel. Except as is otherwise provided, such sum or securities shall be held by the Association pending final adjudication or settlement of the claim of litigation. Disbursement of such funds or proceeds shall be made by the Association to insure payment of, or on account of, such final judgment or settlement. Any deficiency, including attorney's fees incurred by the Association, shall be paid forthwith by the subject owner, and his failure to so pay shall entitle the Association to make such payment, and the amount thereof shall be a debt of the owner, and a lien against his condominium unit which may be foreclosed as is provided in paragraph twenty-three (23) of the Condominium Declaration. All advancements, payments, costs and expenses, including attorney's fees, incurred by the Association shall be forthwith reimbursed to it by such member(s), and the member shall be liable to the Association for the payment of interest at the rate of twelve per cent (12%) per annum on all such sums paid or incurred by the Association.

3. General:

(a) Each member shall comply strictly with the provisions of the recorded Condominium Declaration and these Bylaws and amendments thereto, along with all Rules and Regulations, and Policies established by the Association.

(b) Each member shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which this condominium project was built.

4. Rules and Regulations.

(a) The Board reserves the right to establish, make and enforce compliance with such polices, rules, and regulations as may be necessary for the operation, use and occupancy of this condominium project with the right to amend same from time to time. Copies of such policies, rules and regulations shall be furnished to each owner prior to the date when the same shall become effective.

By signature below, the Secretary of the Board of Managers certifies these Amended and Restated Bylaws received the approval by a two-thirds vote of the total members at a duly constituted meeting of the members for such purpose.

Signed and effective as of this ___ day of _____, 2011

LANAI CONDOMINIUM ASSOCIATION, INC.,
a Colorado nonprofit corporation

By: _____
Secretary

Appendix C Declaration

AMENDED AND RESTATED
CONDOMINIUM DECLARATION
FOR THE
LANAI CONDOMINIUMS

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, REALTY TITLES, INC., a Colorado Corporation, (hereinafter called "Declarant") was the owner of the real property described on Exhibit "A", attached hereto and by reference expressly incorporated herein; and

WHEREAS, there existed on said real property a multistory 100 unit rental apartment complex, containing 40 two bedroom and 60 one bedroom rental units; which improvements are commonly known as the "Lanai Apartments", 800 Washington Street, Denver, Colorado; and

WHEREAS, Declarant desired to convert said apartment complex into a condominium and to establish a condominium project under the Condominium Ownership Act of the State of Colorado; and

WHEREAS, on or about December 6, 1974, Declarant recorded a certain Condominium Declaration for the Lanai Condominiums ("Original Declaration") establishing a plan for the ownership in fee simple of the real property estates, subject to the easements, restrictions, reservations, conditions, taxes and assessments as set forth in this Original Declaration, consisting of the area or space contained in each of the air space units in the building, improvements and the co-ownership by the individual and separate owners thereof, as tenants in common, of all of the remaining property, which property is hereinafter defined and referred to as the "common elements"; and

WHEREAS, the Owners and the Association desire to amend and restate all provisions of the Original Declaration by virtue of this Amended and Restated Condominium Declaration for Lanai Condominiums ("Amended Declaration"), and intend, upon the recording of this Declaration, that all prior recorded declarations, amendments and instruments creating covenants, conditions, restrictions and reservations on the Property shall be superseded and replaced by this Amended Declaration; and

WHEREAS Owners representing at least sixty-seven percent (67%) of the membership and one hundred percent (100%) of the holders of the recorded first deeds of trust have approved this Declaration pursuant to C.R.S. §38-33.3-217(1)(a) and (b), or alternatively, a court order entered by the District Court for City and County of Denver, Colorado pursuant to C.R.S. §38-33.3-217(7), has been entered approving this Declaration;

NOW, THEREFORE, the Original Declaration is hereby replaced and amended and restated as follows:

1. Definitions. Unless the context shall expressly provide otherwise:

(a) "Unit" means one individual airspace which is contained within the windows, doors and unfinished perimeter walls, floors and ceilings of each unit as shown on the Condominium Map to be filed for record, together with all fixtures and improvements therein contained, but not including any of the structural components of the buildings, if any, located within the unit.

(b) "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 such unit, and all other rights and burdens created by this Declaration.

(c) "Owner" means a person, persons, firm, corporation, partnership, association or other legal entity, or any combination thereof, which own(s) an interest in one or more condominium units.

(d) "Common elements" means and includes all of the land described in Exhibit A and all the improvements thereto and thereon located, excluding units. Common elements shall consist of the general common elements and limited common elements.

(1) "General common elements" means and includes the land described in Exhibit A; the structural components of the building; the service roads, if any; such improvements, portions of the building and areas as are provided for community, recreation, utility and common use of all owners; and all other parts of such land and the improvements thereon necessary or convenient to its existence, maintenance and safety which are normally and reasonably in general common use, including the air above such land, all of which shall be owned, as tenants in common, by the owners of the separate units, each owner of a unit having an undivided interest in such general common elements as is hereinafter provided. General common elements shall include all tangible physical properties of this project except limited common elements and the units.

(2) "Limited common elements" means those parts of the common elements which are either limited to and reserved for the exclusive use of an owner of a condominium unit or are limited to and reserved for the common use of more than one but fewer than all of the condominium unit owners, which shall include by way of illustration and not limitation, balconies and patios, which are specifically designated as being part of a particular condominium unit.

(e) "Condominium project" means all of the land and improvements initially submitted with the Original Declaration and as supplemented and subsequently submitted as is hereinafter provided.

(f) "Declaration" means this Amended Declaration and supplements thereto, if any.

(g) "Common expenses" means and includes (i) expenses of administration, operation and management, repair or replacement of the common elements; (ii) expenses declared common expenses by the provisions of this Declaration or by the By-Laws of the Association; (iii) all sums lawfully assessed against the common elements by the Board of Managers of the Association; and (iv) expense agreed upon as common expenses by the Association of unit owners.

(h) "Association of unit owners" or "Association" means the Association formed as a Colorado not-for-profit corporation bearing the name of this condominium project, the Articles of Incorporation and By-Laws of which shall govern the administration of this condominium project, the members of which Association shall be all of the owners of the condominium units.

(i) "Building" means a single building containing condominium units as shown on the Map.

(j) "Map", "Condominium Map" or "Supplemental Map" means and includes the engineering survey of the land depicting and locating thereon all of the improvements; the floor and elevation plans and any other drawing or diagrammatic plan depicting a part of, or all of the improvements and land which are included in this condominium project.

(k) "Act" shall mean the Colorado Common Interest Ownership Act, C.R.S. §38-33.3-101 *et seq.*, as it may be amended.

2. Division of Property into Condominium Units

(a) The real property described on Exhibit A including the improvements thereon is hereby divided into) one hundred (100) fee simple estates as is set forth on Exhibit B, attached hereto and incorporated by reference herein. Each such estate shall consist of the separately designated unit and the undivided interest in and to the limited common elements appurtenant to such unit as therein set forth.

(b) Right to Combine Condominium Units. Each owner reserves the right to physically combine the area or space of one unit with the area or space of one or more adjoining units: provided, however, that no owner shall exercise said right without the written consent of any mortgagee having an interest in said units. In the event of any such physically combining of units to create a combined unit, such combined unit shall also include the combining of the

fixtures and improvements and of the undivided interests in limited common elements appurtenant to the units so combined. The owner combining said units reserves the right to designate and convey to any purchaser of any such combined condominium unit, as additional limited common elements thereto, any walls, floors 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; provided, however, that such walls, floors or other structural separations or such space shall automatically become common elements if the combined condominium units become subject to separate ownership in the future.

3. Address. The address of the Association for purposes of notification, including, but not limited to, for purposes of notice to the Association of actions impacting any lien, shall be the registered agent as listed with the Colorado Secretary of State or the current president of the Association. At the time of execution of this Declaration the registered agent is Centennial Property Services, Inc., 14800 E. Maplewood Drive, Centennial, Colorado 80016 with a principal mailing address of P.O. Box 461322 Centennial, Colorado 80046.

4. Limited Common Elements. Subject to the definition thereof, the limited common elements shall be identified on the Map. Any balcony, which is accessible from, associated with and which adjoin(s) a unit shall, without further reference thereto, be used in connection with such unit to the exclusion of the use thereof by the other owners of the common elements, except by invitation. All of the owners of condominium units in this condominium project shall have a non-exclusive right in common with all of the other owners to use of sidewalks, recreational facilities, streets and drives located within the entire condominium project. In addition to rights of use herein described and elsewhere described in the Declaration, the Association, Board of Managers and Managing Agent shall have the unrestricted irrevocable easement to traverse, cross and utilize any portion of the common elements which may be necessary in order to maintain, repair or replace general and/or limited common elements. Except as specifically hereinabove required, no reference thereto, whether such limited common elements are exclusive or non-exclusive, need be made in any instrument of conveyance or other instrument in accordance with paragraph 4 of this Declaration.

5. Description of Condominium Unit.

(a) After the Condominium Map and this Declaration have been recorded in Denver County, Colorado, every contract, deed, lease, mortgage, trust deed, will or other instrument may legally describe a condominium unit as follows: Condominium Unit No. _____, Lanai Condominiums, in accordance with the Declaration, recorded on _____ 20____, in Book _____ at Page _____, and Condominium Map recorded on _____, in Book _____ at Page _____ of the Denver County records. 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 undivided interest in the common elements appurtenant to said unit and all other appurtenant properties and property rights, and incorporate all of the rights and burdens incident to ownership

of a condominium unit and all of the limitations thereon as described in this Declaration and Condominium Map. Each such description shall be construed to include a non-exclusive easement for ingress and egress to and from an owner's unit and use of all of the limited common elements appurtenant to said unit as well as all the general common elements.

(b) The reference to the Map and Declaration in any instrument shall be deemed to include any supplements or amendments to the Map or Declaration, without specific reference(s) thereto.

6. Condominium Map. The Map may be filed for record in whole or in parts or sections. Each such Map shall be recorded prior to the conveyance of the condominium units shown thereon. Each such Map shall depict and show at least the following: the legal description of the land and a survey thereof; the location of the building; the floor and elevation plans; the location of the unit within the building, both horizontally and vertically; the thickness of the common walls between or separating the units; the location of any structural components or supporting elements of the building located within a unit; and the condominium unit designations. Each such Map shall contain the certificate of a registered professional engineer, licensed architect or registered land surveyor certifying that the Map substantially depicts the location and the horizontal and vertical measurements of the units, the unit designations, parking and storage spaces and the elevations of the constructed unfinished floors and ceilings, and that such Map was prepared subsequent 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. The Owners and Association 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.

7. Inseparability of a Condominium Unit. Each unit, the appurtenant undivided interest in the common elements and the appurtenant limited common elements, as well as all other appurtenances, rights and burdens, shall together comprise one condominium unit; shall be inseparable and may be conveyed, leased, devised or encumbered only as a condominium unit.

8. Separate Assessment and Taxation - Notice to Assessor. Declarant gave written notice to the Assessor of the County of Denver, Colorado, of the creation of condominium ownership in this property, as was provided by law, so that each unit and the undivided interest in the common elements appurtenant thereto, was deemed a separate parcel for purposes of separate assessment and taxation.

9. Form of Ownership - Title. A condominium unit may be held and owned in any real property tenancy relationship recognized under the laws of the State of Colorado.

10. Non-Partitionability of General 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 and/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 action therefore. A violation of this provision shall entitle the Association to personally collect, jointly and severally, from the parties violating the same, the actual attorney fees, costs and other damages the Association incurs in connection therewith. In addition to the foregoing any decree of partition or proceeding to obtain such a decree shall be void.

11. Use of General and Limited Common Elements. Each owner shall be entitled to exclusive ownership and possession of his unit. Each owner may use the appurtenant general and limited common elements and other appurtenances to his unit, 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 governing the use of general and limited common elements, but such rules and regulations shall be uniform and shall not discriminate on the basis of gender, race, creed or other unlawful grounds and shall constitute a part of this Declaration.

12. Use and Occupancy. The units shall be used and occupied by the owner, his family and their guests, his business invitees and his tenants and their guests only as and for residential purposes. Accommodations, tenancy, usage or rental of units shall be allowable, but are subject to such terms and conditions as may be established by the Board of Managers including any limit on the total number of units that may be rented in the Condominium Project ("Rental Cap"). The Board of Managers shall only establish a Rental Cap in order to increase the marketability of Units by attempting to comply with the limits and restrictions established by governmental lending agencies such as the FHA, HUD, FNMA and FDIC.

13. Easements for Encroachments. If any portion of the common elements encroaches upon a unit or units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion of a unit encroaches upon the common elements, or upon an adjoining unit or units, a valid easement for the encroachment and for the maintenance of the same, so long as it stands shall and does exist, and such encroachment(s) 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.

14. Termination of Mechanic's Lien Rights and Indemnification. Subsequent to the completion of any alterations, modifications or additions to the improvements described on the Map, no labor performed or materials furnished and incorporated in a unit with the consent or at the request of the unit owner, his agent, his contractor or subcontractor, shall be the basis for filing of a lien against the unit or any other unit owner not expressly consenting to or requesting the same, or against the common elements. 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. The

provisions herein contained are subject to the rights of the Managing Agent or Board of Managers of the Association as set forth in paragraph 16. Notwithstanding the foregoing, any mortgagee of a unit who shall become the owner of such unit pursuant to a lawful foreclosure sale 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.

15. Lanai Condominium Association. The interests of all owners of condominium units shall be governed and administered by the Articles of Incorporation and By-Laws of the Lanai Condominium Association, Inc. An owner of a condominium unit upon becoming an owner shall be a member of the Association and shall remain a member for the period of his ownership.

16. Reservation for Access - Maintenance, Repair and Emergencies.

(a) The owners shall have the irrevocable right, to be exercised by the Managing Agent or the Association's Board of Managers or officers, or custodian, to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the common elements therein or accessible therefrom, or at any hour for making emergency repairs, maintenance or inspection therein necessary to prevent damage to the common elements or to another unit.

(b) Damage to the interior or any part of a unit resulting from the maintenance, repair, emergency repair or replacement of any of the common elements or as a result of emergency repairs within another unit, at the instance of the Association, shall be a common expense of all of the owners; provided, however, that if such damage is caused by negligent or tortious acts of a unit owner, members of his family, his agent, employee, invitee, licensee or tenants, then such unit owner shall be responsible and liable for all of such damage and the cost thereof shall forthwith become said unit owner's obligation, which must be paid on demand. Said obligation shall be a common expense as it relates to said unit owners, only, and is subject to the provisions elsewhere herein provided. All damaged improvements shall be restored substantially to the extent reasonably practical, to the same condition in which they existed prior to the damage. All maintenance, repairs and replacement of the common elements, whether located inside or outside of units (unless necessitated by the negligence, misuse or tortious act of a unit owner, in which case such expense shall be charged to such unit owner), shall be the common expense of all of the owners. However, the Association shall not be obligated to seek redress for damages caused by a negligent owner and this covenant shall not abrogate the insurance provisions of this Agreement.

17. Maintenance Responsibility.

(a) Owner:

(1) For maintenance purposes, an owner shall be deemed to own the interior non-supporting walls, the materials such as, but not limited to, plaster, gypsum drywall, paneling, wallpaper, paint, wall and floor tile and flooring, but not including the sub-flooring, which make up the finished surfaces of the perimeter walls, ceilings and floors within the unit, including unit doors and windows. The owner shall not be deemed to own lines, pipes, wire, conduits or systems (which are general common elements and for brevity are herein and hereafter referred to as "utilities") running through his unit which serve one or more other units except as a tenant in common with the other owners. Such utilities shall not be disturbed or relocated by an owner without the written prior consent of the Board of Managers.

(2) An owner shall maintain and keep in repair the portions of unit described in the preceding paragraph, including the fixtures thereof to the extent current repair shall be necessary in order to avoid damaging other unit owners, the fixtures and equipment installed within the unit commencing at a point where the utilities enter the unit shall be maintained and kept in repair by the owner thereof. An owner shall do no act, nor any work that will impair the structural soundness or integrity of the building or impair any easement or hereditament. An owner shall always keep the balcony area adjoining and appurtenant to his unit and any other limited common elements appurtenant thereto in a clean, orderly and sanitary condition.

(b) Association: The Association shall have the duty of maintaining and repairing all of the common elements within the project and the cost of said maintenance and repair shall be a common expense of all of the owners.

18. Compliance with Provisions of Declaration, By-laws of the Association. Each owner shall comply strictly with the provisions of the Declaration; the Articles of Incorporation; By-Laws; and Policies, Rules, and Regulations of the Association, and the decisions and resolutions of the Association adopted pursuant thereto 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 attorney's fees incurred in connection therewith, which action shall be maintainable by the Managing Agent or Board of Managers in the name of the Association on behalf of the owners, or, in a proper case, by an aggrieved owner.

19. Revocation or Amendment to Declaration.

(a) Except as is otherwise provided, this Declaration shall not be revoked unless the owners representing an aggregate unit ownership interest of sixty-seven percent (67%) or more of the common elements consent and agree to such revocation by instrument (s) duly recorded. This Declaration shall not be amended unless the owners representing an aggregate unit ownership of at least sixty-seven percent (67%) or more, of the common elements agree to such amendment by instrument(s) duly recorded; provided, however, that the undivided interest in the common elements appurtenant to each unit as expressed in the Declaration, shall have a

permanent character and shall not be altered without the consent of all of the unit owners as expressed in an amended Declaration duly recorded.

20. Additions Alterations and Improvements-General and Limited Common Elements. There shall be no capital additions, alterations or improvements of or to the common elements by the Association requiring an expenditure in excess of twenty-five percent (25%) of the total annual budgeted assessments in any one calendar year without prior approval of a majority of the owners except in the event of an emergency. Such limitation, as adjusted, shall be in addition to the customary operating and ownership common expenses elsewhere defined in this Declaration.

21. Assessment for Common Expenses.

(a) All owners shall be obligated to pay the estimated assessments imposed by the Board of Managers or Managing Agent of the Association to meet the common expenses and reserves. The assessments shall be made in proportion to each owner's interest in and to the common elements. Subject to specific provisions elsewhere provided in this Declaration, the limited common elements shall be maintained as general common elements, (except, however, this shall not impose upon the Association the obligation to clean balconies and interior storage lockers), and owners having exclusive use thereof shall not be subject to any special charges or assessments for the repair or maintenance thereof. Assessments for the estimated common expenses shall be due in advance on the first day of each calendar month, or less frequently as may be determined by the Board of Managers or Managing Agent. The Managing Agent or Board of Managers shall cause to be prepared, delivered or mailed to each owner at least once each year a payment statement setting forth the estimated common assessments. Regarding any special assessments, the Board of Managers may implement such procedure as they deem appropriate.

(b) The Board of Managers shall adopt an annual budget as stipulated in the Bylaws of the Association.

(c) In the event the ownership of a condominium unit, title to which ~~is derived from Declarant,~~ commences on a day other than the first day of the assessment period, the assessment for that period will be prorated.

(d) Assessments shall be based upon the cash requirements deemed to be such aggregate sum as the Managing Agent or the Board of Managers of the Association shall from time to time determine is to be paid by all of the condominium unit owners to provide for the payment of all estimated expenses growing out of or connected with the maintenance, repair, operation, additions, alterations and improvements of and to the common elements and community personal property owned by the Association, which sum may include, but shall not be limited to, expenses of management; taxes and special assessments until separately assessed; premiums for insurance; landscaping and care of grounds; common lighting and heating; repairs

and renovations; trash collections; wages, common water and sewer charges; legal and accounting fees, management fees; expenses and liabilities incurred by the Managing Agent or Board of Managers on behalf of the unit owners under or by reason of this Declaration and the Articles of Incorporation and By-Laws of the Association, for any deficit remaining from a previous period; for the creation of a reasonable contingency, reserve, working capital and sinking funds as well as other costs and expenses relating to the common elements.

(e) The omission or failure to fix the assessment or deliver or mail a statement for any period shall not be deemed a waiver, modification, or a release of the owners from their obligations to pay the same.

(f) The Association shall maintain an adequate reserve fund out of the annual assessments for the maintenance, repair, and replacement of those elements of the Common Area ~~that~~^{that} must be maintained, repaired, or replaced on a periodic basis.

22. Insurance.

(a) The Association shall obtain and maintain in full force and effect at all times, to the extent reasonably available, the insurance coverage set forth in this Sections 2 and 3 of this Section and in the Act, as amended. Financially responsible and able companies duly authorized to do business in the State of Colorado shall provide all insurance coverage. If the Association is unable to obtain the insurance set forth in Sections 2 and 3 of this Article, it shall promptly provide notice to all Owners. The Association's insurance policies shall include ~~the~~ following terms or provisions:

(1) Each Unit Owner is an insured person under the policy with respect to liability arising out of such Owner's interest in the common elements.

(2) All policies of insurance shall contain waivers of any defense based on invalidity arising from any acts of an Owner, unless based upon that Owner's actions on behalf of and under authority from the Association. Furthermore, that such policies must contain provisions providing that the insurer may not cancel or modify the policy without at least thirty (30) days' prior written notice to all of the Unit Owners, holders of first lien security interests, and the Association;

(3) The insurer waives its right to subrogation under the policy against any Unit Owner or member of his or her household;

(4) If requested, duplicate originals of all policies and renewals thereof, together with proof of payments of premiums,

shall be delivered to any Owner or holder of a security interest at least ten (10) days prior to the expiration of the then-current policies.

(5) In no event shall any casualty insurance policy contain a co-insurance clause.

(6) If, at the time of loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

(b) Property Insurance on the Units and Common Elements: The Association shall obtain adequate property insurance upon the Common Areas and all fixtures, improvements, and alterations situated thereon or constituting a part thereof, which the Association owns for the common use and benefit of all the Owners. The property insured under this Section shall include the Units, but not the finished interior surfaces of the walls, floors, ceilings, improvements, furnishings, crawl spaces, appliances, or other utilities that service only one Unit. This insurance shall provide coverage for broad form covered causes of loss in an amount not less than the full insurable replacement cost of the insured property without depreciation. All blanket property insurance policies under this Section shall contain a standard non-contributory mortgage clause against all perils in favor of each holder of first lien security interests, and their successors and assigns, which shall provide that the loss, if any thereunder, shall be payable to the Association for the use and benefit of such holders of first lien security interests, and their successors and assigns, as their interests may appear of record in the records of the office of the Clerk and Recorder of the City and County of Denver, State of Colorado.

(c) Liability Insurance: The Association shall obtain adequate Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, or management of the common elements, in an amount deemed sufficient by the Board of Directors but not less than One Million Dollars (\$1,000,000.00) per injury, per person, insuring the executive board, the unit owners' association, the management agent, and their respective employees, agents, and all persons acting as agents. The unit owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use, or management of the Common Areas. The insurance shall cover claims of one or more insured parties against other insured parties. If there are steam boilers in operation on the Community, or if the Community has central heating or cooling, there must be in force boiler explosion and machinery coverage insurance providing for not less than Two Million Dollars (\$2,000,000.00) per accident, per location.

(d) Fidelity Insurance: The Association shall obtain adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the parts of its officers, directors, trustees, employees, and others who handle or are responsible for handling the funds of the

Association, including persons who serve the Association with or without compensation. The fidelity coverage or bonds should be in an amount equal to the aggregate of two months' current assessments plus reserves, as calculated from the current budget of the Association. Any person employed as an independent contractor by the Association must obtain fidelity insurance in an equal amount, unless that person is insured by the Association as an employee of the Association.

(e) Worker's Compensation and Employer's Liability Insurance: The Association shall obtain worker's compensation and employer's liability insurance and all other similar insurance with respect to its employees and subcontractors in the amounts and forms as may now or hereafter be required by law.

(f) Officers' and Directors' Personal Liability Insurance: The Association may obtain officers' and directors' personal liability insurance to protect the officers, directors, committee members, and any person acting at the discretion of the Board from personal liability in relation to their duties and responsibilities in acting on behalf of the Association.

(g) Other Insurance: The Association may obtain insurance against such other risks, as the Board of Managers shall deem appropriate with respect to the Association responsibilities and duties.

(h) Insurance Premium: Except as assessed in proportion to risk, insurance premiums for the above provided insurance shall be a common expense to be included as a part of the annual assessments levied by the Association.

(i) Managing Agent Insurance: The manager or managing agent, if any, shall be adequately insured for the benefit of the Association and shall maintain and submit evidence of such coverage to the Association. The Association may indemnify its managing agent, except for that agent's intentional acts or omissions or negligence outside the scope of their duties and obligations to the Association, or outside of direction from, or of the Association.

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

(k) Adjustments by the Association: Any loss covered by an insurance policy described above shall be adjusted by the Association, and the insurance proceeds for that loss shall be payable to the Association and not to any holder of a first lien security interest. The Association shall hold any insurance proceeds in trust for the Association, Owners, and holders of first lien security interests as their interests may appear. Proceeds must be distributed first for the repair or restoration of the damaged property.

The Owners and holders of first lien security interest are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the common interest community is terminated. The Association, through the Board of Managers, may determine how a surplus of proceeds, if any, shall be utilized in compliance with the Act.

(l) Duty to Repair: Any portion of the Community for which insurance is required under this Article which is damaged or destroyed must be repaired or replaced promptly by the Association or Unit Owner unless:

(1) The common interest community is terminated, in which case Colorado Revised Statutes Section 38-33.3-218 applies;

(2) Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety; or

(3) Sixty-seven percent (67%) of the unit owners, including every owner of a unit or assigned limited common element that will not be rebuilt, vote not to rebuild.

(m) Responsibility for Payment of Deductible Amount: The Association may adopt and establish policies and procedures relating to the submittal of claims and claims adjustment. Whether the Board, in its discretion, chooses to submit a claim under the Association insurance policies or not, the payment of the deductible amount for claims which the Association is responsible for insuring shall be as follows:

(1) The Association shall pay or absorb the deductible amount for any work, repairs or reconstruction for damage to Common Elements, or an individual unit, unless the damage is caused by any act or omission of an Owner, his agents, family, guests, or invitees, in which case the Association may seek reimbursement of the deductible amount.

(2) Any loss falling within the deductible portion of the Association policies to property for which Owners have repair and maintenance responsibility shall be paid or absorbed by the Owners involved in the same proportion as each Owner's claim bears to the total amount of insurance proceeds paid for the occurrence.

(n) Insurance to be Maintained by Owners: Owners shall maintain property insurance on such Owner's Unit including the interior finished surfaces of their unit

walls, personal property, floors, crawl spaces and ceilings as well as any improvements or betterments.

23. Owner's Personal Obligation for Payment of Assessments.

The amount of the common expenses assessed against each condominium unit shall be the personal and individual debt of the owner thereof. No owner may exempt himself from liability for his contribution for the common expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of his unit. Both the Board of Managers and Managing Agent shall have the responsibility to take prompt action to collect any unpaid assessment which remains unpaid as set forth in the Association's Collection Policy. In the event of default in the payment of the assessment, the unit owner shall be obligated to pay interest at the rate established by the Board of Managers on the amount of the assessment from due date thereof, together with all incurred expenses, including attorney's fees, together with such late charges as shall be established by the Board of Managers. In addition to the foregoing, the Association shall have the right to bring an action for foreclosure of its lien rights. A suit to obtain a money judgment or an action to foreclose a lien for unpaid common expenses shall be maintainable without constituting an election of remedies or waiving the lien securing said debt.

24. Assessment Lien

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

(b) The owner shall be required to pay the costs, expenses and attorney's fees incurred in regard to any such default by an owner and for preparation and filing the lien and, in the event of foreclosure proceedings, all additional costs, expenses and attorney's fees incurred. The owner of the condominium unit being foreclosed shall be required to pay to the Association the monthly assessment for the condominium unit during the period of foreclosure, and the Association shall be entitled to a receiver to collect the same. The Association shall have the

power and right to bid on or purchase any Unit at foreclosure or other legal sale, and to acquire and hold, lease, mortgage, vote the Association votes appurtenant to ownership thereof, convey or otherwise deal with the same including, but not limited to, selling such Unit upon the decision of the Board of Managers.

(c) Any encumbrancer holding a lien on a condominium unit may pay, but shall not be required to pay, any unpaid common expenses payable with respect to such unit, and upon such payment, such encumbrance shall have a lien on such unit for the amounts paid of the same rank as the lien of his encumbrance without the necessity of having to record a notice or claim of such lien. Upon request of a mortgagee, the Association shall report to the mortgagee of a condominium unit any unpaid assessment remaining unpaid for longer than thirty (30) days after the same is due, or other default not cured within thirty (30) days; provided, however, that a mortgagee shall have furnished to the Managing Agent, if any, and to the Board of Managers, notice of such encumbrance.

25. Liability for Common Expenses upon Transfer of Condominium is Joint.

(a) The grantee of a condominium unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for the unpaid common assessments up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amount paid by the grantee therefore provided, however, that upon payment of a reasonable fee periodically established by the Board of Managers, and upon written request, any such prospective grantee shall be entitled to a statement from the Managing Agent or Board of Managers of the Association, setting forth the amount of the current monthly assessment, the date that such assessment becomes due and credits for any advanced payments of common expenses and prepaid items, such as insurance premiums, but not including accumulated amounts for reserves, if any, which statement shall be conclusive upon the Association. Unless such request for such a statement shall be complied with within twenty (20) days from receipt thereof, then such requesting grantee shall not be liable for, nor shall the unit conveyed be subject to a lien therefore, together with all costs of collection, interest, penalties and reasonable attorney's fees.

(b) Upon payment to the Managing Agent, or if there is no Managing Agent, then to the Board of Managers of the Association, of a reasonable fee periodically established by the Board of Managers, and upon the written request of any owner or any mortgagee or prospective mortgagee of a condominium unit, the Association, by its Managing Agent, or if there is no Managing Agent, then by an officer of the Association, shall issue a written statement setting forth the amount of the unpaid common expenses, if any, with respect to the subject unit, the amount of the current monthly assessment and the date that such assessment becomes due, credit for any advanced payments of common assessments and for prepaid items (such as insurance premiums, but not including accumulated amounts for reserves, if any), which statement shall be conclusive upon the Association in favor of all persons who rely thereon in

good faith. Unless such request for a statement of indebtedness shall be complied with within twenty (20) days from receipt thereof, all unpaid common expenses which become due prior to the date of making such request shall be subordinate to the rights of the person requesting such statement.

(c) Notwithstanding the terms and conditions of paragraph 25(a), supra, in the event of any default on the part of any owner under any first mortgage or first deed of trust which entitles the holder thereof to foreclose the same, any sale under such foreclosure, including delivery of a deed to the first mortgagee in lieu of such foreclosure, shall be made free and clear of the provisions of paragraph 25(a) relating to the liability of a grantee for the unpaid assessments of his grantor.

26. Destruction, Damage or Obsolescence - Association as Attorney-in-Fact. This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the property upon its destruction or damage, for its repair, reconstruction or obsolescence and to maintain, repair, replace and improve the condominium units, buildings, and common elements, or any portion thereof. Title to any condominium unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any owner or grantor shall constitute appointment of the attorney-in-fact herein provided. All of the owners irrevocably constitute and appoint the Lanai Condominium Association, Inc. as their true and lawful attorney in their name, place and stead, for the purpose of dealing with the property upon its damage or destruction or obsolescence as is hereinafter provided. As attorney-in-fact, the Association, by its President and Secretary or Assistant Secretary or its other duly authorized officers and agents, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instrument with respect to the interest of a condominium unit owner which are necessary and appropriate to exercise the powers herein granted. In the event that the Association is dissolved or becomes defunct, a meeting of all of the condominium unit owners shall be held within thirty (30) days of either such event. At such meeting a new attorney-in-fact, to deal with the property upon its destruction, damage or obsolescence, shall be appointed. Said appointment must be approved by the owners representing an aggregate ownership interest of seventy percent (70%), or more, of the common elements. Repair and reconstruction of the improvements as used in the succeeding subparagraphs means restoring the improvement(s) to substantially the same condition in which they existed prior to the damage, with each unit and the general and limited common elements having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair, restoration, reconstruction or replacement unless all of the owners and all first mortgagees agree not to rebuild in accordance with the provisions hereinafter set forth.

(a) In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvement(s), shall be applied by the

Association, as attorney-in-fact, to such reconstruction, and the improvement(s) shall be promptly repaired and reconstructed. The Association shall have full authority, right and power as attorney-in-fact, to cause the repair and restoration of the improvement(s). Assessments for common expenses shall not be abated during the period of insurance adjustments and repair and reconstruction.

(b) If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is not more than fifty percent (50%) of the total replacement cost of all of the condominium units in this project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, as attorney-in-fact, using the proceeds of insurance and the proceeds of a special assessment to be made against all of the owners and their condominium units. Such deficiency assessment shall be a common expense and made pro rata according to each Owner's interest in the common element and shall be due and payable within thirty (30) days after written notice thereof. The Association shall have full authority, right and power, attorney in- fact, to cause the repair, replacement or restoration of the improvement(s) using all of the insurance proceeds for such purpose, notwithstanding the failure of an owner to pay the assessment. The assessment provided for herein shall be a debt of each owner and a lien on his condominium unit and may be enforced and collected as is provided in paragraph 24. In addition thereto, the Association, as attorney-in-fact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such deficiency assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the Association, as attorney-in-fact, pursuant to the provisions of this paragraph. Assessments for common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction. The delinquent owner shall be required to pay to the Association the costs and expenses for filing the notice, interest at a rate which is periodically promulgated by the Board of Managers or its agents, on the amount of the assessment and all reasonable attorney's fees. The proceeds derived from the sale of such condominium unit shall be used and disbursed by the Association, as attorney-in-fact, in the following order:

- (1) For payment of taxes and special assessments liens in favor of any assessing entity and the customary expenses of sale;
- (2) For payment of the balance of the lien of any first mortgage;
- (3) For payment of unpaid common expenses and all costs, expenses and fees incurred by the Association;
- (4) For payment of junior liens and encumbrances in the order of and to the extent of their priority; and
- (5) The balance remaining, if any, shall be paid to the condominium unit owner.

(c) If the insurance proceeds are insufficient to repair and reconstruct the damaged improvement(s) and, if such damage is more than fifty percent (50%) of the total replacement cost of all of the condominium units in this project, not including land, and if the owners representing an aggregate ownership interest of fifty-one percent (51%) or more, of the common elements do not voluntarily, within one hundred days (100) thereafter, make provisions for repair, replacement and reconstruction, then the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's President and Secretary or Assistant Secretary, the entire remaining premises shall be sold by the Association pursuant to the provisions of this paragraph, as attorney in fact for all of the owners, free and clear of the provisions contained in this Declaration, the Map, Articles of Incorporation and the By-Laws. Assessments for common expenses shall not be abated during the period prior to sale. The insurance settlement Proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each owner's interest in the common elements, and such divided proceeds shall be paid into separate accounts, each such account representing one of the condominium units. Each such account shall be in the name of the Association, and shall be further identified by the condominium unit designation and the name of the owner. From each separate account the Association, as attorney-in-fact shall forthwith use and disburse the total amount (of each) of such accounts, without contribution from one account to another, toward the partial or full payment of the lien of any first mortgagee against the condominium unit represented by such separate account. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds obtained from the sale of the entire property. Such apportionment shall be based upon each condominium unit owner's interest in the common elements. The total funds of each account shall be used and disbursed, without contribution from one account to another, by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in subparagraph (b) (1) thru (5) of this paragraph.

(d) In the event of such damage or destruction under subparagraph (c) of this paragraph, and if a plan for repair, replacement and reconstruction is adopted as therein provided, then all of the owners shall be bound by the terms and other provisions of such plan. Any assessment made in connection with such plan shall be a common expense and made pro rata according to each owner's interest in the common elements and shall be due and payable as provided by the terms of such plan, but not sooner than thirty (30) days after written notice thereof. The association shall have full authority, right and power, as attorney-in-fact, to cause the repair, replacement or restoration of improvements using all of the insurance proceeds for such purpose, notwithstanding the failure of an owner to pay the assessment. Assessments for common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction.

The assessment provided for herein shall be a debt of each owner and a lien on his condominium unit, and may be enforced and collected as is provided in paragraph 24. In addition thereto, the Association, as attorney-in-fact, shall have the absolute right and power to sell the condominium

unit of any owner refusing or failing to pay such assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the Association. The delinquent owner shall be required to pay to the Association the costs and expenses for filing the notices, interest at the rate as periodically promulgated by the Board of Managers or its agents of the amount of the assessment, and all reasonable attorney's fees. The proceeds derived from the sale of the condominium unit shall be used and disbursed by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in subparagraph (b) (1) through (5) of this paragraph.

(e) The owners representing an aggregate ownership interest of sixty-seven percent (67%) or more, of the common elements in this project may agree that the common elements are obsolete and adopt a plan for the renewal and reconstruction. If a plan for the renewal or reconstruction is adopted, notice of such plans shall be recorded, and the expense of renewal and reconstruction shall be payable by all of the owners as a common expense, whether or not they have previously consented to the plan of renewal and construction. The Association, as attorney-in-fact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the Association. The delinquent owner shall be required to pay to the Association the costs and expenses for filing the notices, interest at the rate which shall be periodically promulgated by the Board of Managers or its agents on the amount of the assessment, and all reasonable attorney's fees. The proceeds derived from the sale of such condominium unit shall be used and disbursed by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in subparagraph (b) (1) through (5) of this paragraph.

(f) The owners representing an aggregate ownership interest of eighty percent (80%) or more, of the common elements may agree that the condominium units are obsolete and that the same should be sold. In such instance, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's President and Secretary or Assistant Secretary, the entire premises shall be sold by the Association, as attorney-in-fact, for all of the owners, free and clear of the provisions contained in this Declaration, the Map, the Articles of Incorporation and the By-Laws. The sale proceeds shall be apportioned among the owners on the basis of each owner's interest in the common elements, and such apportioned proceeds shall be paid into separate accounts, each such account representing one condominium unit. Each such account shall be in the name of the Association and shall be further identified by the condominium unit designation and the name of the owners. From each separate account, the Association, as attorney in fact, shall use and disburse the total amount (of each) of such accounts, without contribution from one account to another, for the same purposes and in the same order as is provided in subparagraph (b) (1) through (5) of this paragraph.

27. Condemnation. If at any time or times during the continuance of the Condominium ownership pursuant to this Declaration all or any part of the Condominium Project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of, or in avoidance thereof, the following provisions of this Article shall apply:

(a) Proceeds. All compensation, damages or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award" shall be payable to the Association.

(b) Complete Taking.

(1) In the event that the entire Condominium Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the owners on the same basis of each condominium unit owner's interest in the common elements provided that if a standard different from the value of the property as a whole is employed as the measure of the Condemnation Award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

(2) On the basis of the principle set forth in the last preceding paragraph, the Association shall as soon as practicable determine the share of the condemnation award to which each owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable in the same manner provided in Section 26 (b) (1) through (5).

(c) Partial Taking. In the event that less than the entire Condominium Project is taken or condemned, or sold, or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each owner shall be entitled to a share of the Condemnation Award to be determined in the following manner: As soon as practicable the Association shall, reasonably and in good faith, allocate the Condemnation Award between compensation, damages or other proceeds and shall apportion the amounts so allocated among the owners, as follows: (a) the total amount allocated to taking of or injury to the Common Elements, Common Elements shall be apportioned among the owners on the basis of each owner's interest respectively in the common elements; (b) the total amount allocated to severance damages shall be apportioned to those condominium units which were not taken or condemned; (c) the respective amounts allocated to the taking of or injury to a particular unit and to improvements an owner has made within his own unit shall be apportioned to the particular unit involved and (d) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances. If an allocation of the condemnation award is already established in negotiation, judicial decree or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be disbursed as soon as practicable in the same manner provided in Section 26(b) (1) through (5).

28. Reorganization. In the event a partial taking results in the taking of a complete unit, the owner thereof automatically shall cease to be a member of the association and shall cease to hold any right, title or interest in the condominium project. Thereafter, the Association shall reallocate the ownership, voting rights and assessment ratio in accordance with this Declaration according to the same principles employed in this Declaration at its inception (square footage ratio) and shall submit such reallocation to the owners and of first mortgagees of remaining units for amendment of this Declaration as provided in Section 19.

29. Reconstruction and Repair. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Section 26.

30. Period of Condominium Ownership. The separate condominium estates created by this Declaration and the Map shall continue until this Declaration is revoked in the manner and as is provided in paragraph 19 of this Declaration or until terminated in the manner and as is provided in paragraph 26 and 27 of this Declaration.

31. Parking Spaces and Storage Lockers. All parking spaces and storage lockers shall be general common elements. The owner of each condominium unit shall be specifically designated one parking space, and one storage area by the Association. Any and all other parking areas and storage areas located on this condominium project shall be under the control of the Association for the use of all of the condominium unit owners on a non-discriminatory basis.

32. Restrictive Covenants and Obligations.

(a) Subject to subparagraph (d) hereof, the property is hereby restricted to residential dwellings for residential use and uses related to the convenience and enjoyment of such residential use. No structures of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used or permitted to be kept or stored on any portion of the premises at any time either temporarily or permanently.

(b) No animals, livestock or poultry of any kind shall be raised, bred or kept on the property, except that dogs, cats or other household pets may be kept; provided, however, that the right to keep a household pet shall be coupled with the responsibility to pay for any damage caused by an owner's pet. Every owner of a pet shall maintain strict control over his pet and shall prohibit the pet from making loud, disturbing noises or any other behavior reasonably annoying to other owners. The Association may adopt rules and regulations to supplement this covenant.

(c) No advertising signs (except as permitted in certain areas periodically designated by the Board of Managers), unsightly objects or nuisances shall be erected, placed or permitted to remain on the premises, nor shall the premises be used in any way or for any purpose which may endanger the health or unreasonably disturb the owner of any condominium unit or any resident thereof. Further, no business activities of any kind whatever shall be conducted in any building or in any portion of the property except those permitted by law and the

Board of Managers (the exercise of its discretion may be inconsistent) only if such activities are categorized as "household occupations"; provided, further that the foregoing covenants shall not apply to the business activities, signs and billboards or the construction and maintenance of buildings and improvements, if any, of the Declarant, its agents, contractors and assigns during the construction and sale and rental period and of the Association, its successors and assigns, in furtherance of its powers and purposes as hereinafter set forth; provided, further that notwithstanding anything to the contrary, a mortgagee on obtaining title to a condominium unit shall be allowed to post signs pertaining to the sale or rental of the unit. Signs intended to impact the outcome of an election must comply with the terms of the Act and the terms of any Rules and Regulations as may be adopted.

(d) No nuisance shall be allowed on the condominium property, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful enjoyment or possession and proper use of the property by its resident(s). All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate nor any fire hazard to exist. No unit owner shall permit any use of his unit or make use of the common elements which will increase the rate of insurance upon the condominium property. The Association may adopt By-Laws and Rules and Regulations relative to abatement and enjoinder of nuisances.

(e) No immoral, improper, offensive or unlawful use shall be permitted or made of the condominium property or any part thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction shall be observed.

(f) Except for those improvements erected or installed by the Declarant, no exterior additions, alterations or decorating to any buildings, nor changes in fences, hedges, walls and other structures shall be commenced, erected or maintained without the prior written approval of the Board of Managers.

(g) Additional and supplemental rules and regulations may be adopted by the Board of Managers concerning and governing the use of the general and limited common elements provided, however, that such rules and regulations shall be furnished to unit owners prior to the time that they become effective and that such rules and regulations shall be uniform except to the extent the Board has discretionary rights specifically given to it in this Declaration.

33. Association Right to Acquire Additional Property.

(a) The Board of Managers may acquire and hold for the benefit of all of the condominium unit owners tangible personal property and may dispose of the same by sale or otherwise. 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.

(b) The owners of the condominium units described in Exhibit "B" shall have a perpetual non-exclusive easement in common with all other condominium unit owners in this condominium project, on, over and across driveways and extensions thereof which are located on the condominium project for purposes of ingress and egress to and from the units from the public street which adjoins the condominium project and any other common element (e.g. area and facility) so designated on the Map (or Maps), subject, however, to reasonable regulations adopted and amended by the Association.

34. Acceptance of Provisions of all Documents. The conveyance or encumbrance of a condominium unit shall be deemed to include the acceptance of all of the provisions of this Declaration; the Articles of Incorporation; the Association By-Laws; and Policies, Rules, and Regulations and shall be binding upon each grantee or encumbrances without the necessity of inclusion of such an express provision in the instrument of conveyance or encumbrance.

35. Professional Manager: The Association may employ a Professional Manager for the management of this condominium project.

36. General.

(a) If any of the provisions of this Declaration or any paragraph, 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 Declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

(b) The provisions of this Declaration shall be in addition to and supplemental to the Act, the Condominium Ownership Act of the State of Colorado and to all other provisions of law.

(c) That 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.

(d) Paragraph titles are for convenience of reference and are not intended to limit, enlarge or change the meaning of the contents of the various paragraphs.

The foregoing Amended and Restated Declaration was acknowledged before me this _____ day of _____, 2011, by _____ as Secretary of Lanai Condominium Association, Inc., a Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A
TO
CONDOMINIUM DECLARATION
FOR THE
LANAI CONDOMINIUMS

Lots 10, 11, 12, 13, 14, 15, 16 and 17, Block 15, EMERY'S CAPITOL HILL ADDITION TO DENVER, and fractional Lot Seventeen, Block 15, ARLINGTON HEIGHTS ADDITION TO DENVER, and a strip described in a Deed in Book 79 at Page 341 as follows: Beginning at a point 2512 feet east of the S.E. corner of Block 9 in Whitsitt's. Addition to Denver and in the produced North line of Bowles Street (now 8th Avenue) in said Addition, thence running East in said produced North line of Bowles Street (now 8th Avenue) 130 feet to a point, thence North at right angles to the last mentioned line 40 feet to a point, thence West at right angles 130 feet to a point; thence South at right angles 40 feet to point of beginning, being a part of the S.E. 1/4 S.E. 1/4 of Section 3, Township 4 South, Range 68 West of the 6th P.M.

EXHIBIT B
TO
CONDOMINIUM DECLARATION
FOR THE
LANAI CONDOMINIUMS

The Real Property described in Exhibit A is hereby divided into the following fee simple estates:

- (a) One hundred fee simple estates consisting of one hundred separately designated units, each such unit being identified by number on the Map.
- (b) The remaining portion of the entire premises referred to as the common elements which shall be held (in fee simple) in common by the owners, each such undivided interest being appurtenant to one of the one hundred units. Declarant does hereby establish each undivided interest in the common elements appurtenant to each of the units as follows:

Unit Number Appurtenant Undivided Interest (Percentage)

201	1.292
202	1.076
203	0.836
204	0.741
205	0.836
206	0.861
207	0.836
208	0.741
209	1.292
210	1.292
301	1.292
302	1.292
303	0.836
304	0.741
305	0.836
306	0.861
307	0.836
308	0.741
309	1.292
310	1.292
401	1.292
402	1.292

403	0.836
404	0.741
405	0.836
406	0.861
407	0.836
408	0.741
409	1.292
410	1.292
501	1.292
502	1.292
503	0.836
504	0.741
505	0.836
506	0.861
507	0.836
508	0.741
509	1.292
510	1.292
601	1.292
602	1.292
603	0.836
604	0.741
605	0.836
606	0.861
607	0.836
608	0.741
609	1.292
610	1.292
701	1.292
702	1.292
703	0.836
704	0.741
705	0.836
706	0.861
707	0.836
708	0.741
709	1.292
710	1.292
801	1.292
802	1.292

803	0.836
804	0.741
805	0.836
806	0.861
807	0.836
808	0.741
809	1.292
810	1.292
901	1.292
902	1.292
903	0.836
904	0.741
905	0.836
906	0.861
907	0.836
908	0.741
909	1.292
910	1.292
1001	1.292
1002	1.292
1003	0.836
1004	0.741
1005	0.836
1006	0.861
1007	0.836
1008	0.741
1009	1.292
1010	1.292
1101	1.292
1102	1.292
1103	0.836
1104	0.741
1105	0.836
1106	0.861
1107	0.836
1108	0.741
1109	1.292
1110	1.292

Appendix D

Construction Rules and Remodeling Guidelines

Appendix D: Construction and Remodeling Guidelines

The purpose of these guidelines is to preserve the integrity and property values of the Lanai in accordance with the provisions of the Lanai's Articles of Incorporation, Bylaws, Declarations, and Rules and Regulations. Written permission is required from the Board of Managers (the "Board") for all repairs, construction or renovations.

Prior to Beginning Work

Contractors: Contractors are required to obtain city building permits when applicable. Licensed and bondable contractors must be used for all plumbing, electrical, HVAC and mechanical projects. All contractors must provide copies of licensure, general liability insurance of no less than \$1 million, workman's compensation insurance, and a bond if required by the Board. All construction must comply with current city of Denver building codes.

The property manager keeps a list of contractors the Association uses or has heard positive reviews regarding their work. You may ask for a copy of the current list. The Association has not formally vetted those contractors, so they are not "approved" or "recommended" by the Association. You should review their credentials and references to see if they meet your needs.

Contractors must check in and check out with the property manager daily. Contractors are not allowed to use parking anywhere at the Lanai, nor the loading zone out front without prior approval of the property manager. Large vehicles may never be brought onto the upper deck of the back lot.

Damages: Damages to other units or the common areas are the responsibility of the homeowner. Repairs must be completed promptly.

Asbestos Mitigation: If any work will involve wall or ceiling penetrations, you must have a licensed hazardous waste inspector test for asbestos prior to beginning work. You must provide a copy of the results to the property manager. Should any level of asbestos be discovered, you are required to hire a licensed asbestos removal team to mitigate the asbestos prior to proceeding with other work.

Prior Approval

Homeowners must submit prior written notice by filing a completed Construction Project Approval Form (available in Appendix F). Copies of all available plans, photographs, drawings, material specifications, plumbing schematics, electrical schematics, mechanical designs, along with the names, addresses and phone numbers of all contractors should be included with the Construction Project Approval Form.

Please enlist the help of your contractor(s), designers and architects to assure the forms are filled out completely. Missing information may delay the approval of your project. The owner will include a written, detailed description of the improvement and/or changes to be made and will include a proposed construction timetable with anticipated completion date.

Forms should be turned into the property manager during regular business hours no less than two-weeks prior to beginning work. The Board has the authority to approve or deny any requests. Upon approval by the Board, the property manager will give written permission for the homeowner to proceed. If the approval is not received within five days of submittal, the project shall be considered denied.

Prior to hiring an outside contractor, you should contact the property manager to see if additional approvals are necessary.

During the Project

- Trash bins may be placed in the lower back parking lot after consultation with the property manager regarding location and time limits. A weekly fee of \$15 is required while the dumpster is in place.
- Construction or repair work is limited to the hours of 8 am to 5 pm, Monday through Saturday, except in case of emergency repairs. You may not move construction material or trash around the building on Saturdays. Emergency repairs must be coordinated with the property manager.
- Homeowners are entirely responsible to grant and supervise access to the building. Contractors may not use the front door to bring materials in or out of the Lanai unless approved by the property manager.

- Contractors may not receive large item deliveries or supplies on Saturdays, nor may they do large scale removal of construction materials on Saturdays except by prior approval of the property manager.
- You are required to provide the property manager no less than three (3) days prior notice of construction plans and schedules. Advance notice is necessary for the coordination of the use of the elevator, loading areas, utility shut-offs, and cleanup issues.
- Use of heavy hammers (i.e. sledge hammers) is prohibited. Extensive wall and floor pounding must be done with electric hammers.
- Homeowners are responsible for their contractors and for cleaning up any affected common areas. Carpet protection must be used. Homeowners are responsible to ensure the carpeting and tile floors in the common areas remains clean and agree to be responsible to repair or replace any common area flooring or walls damaged by contractors.
- Hallways and common areas are not to be used for storage of materials unless approved by the property manager.
- No utility shut-offs are to be performed without the presence of the property manager or designee. Three (3) day advance notice is required before utility shut-offs in order to give advance notice to the other residents.
- No contractor's debris may be placed in the dumpsters without prior arrangements with the Property manager.

A \$500 fine and appropriate costs will be imposed on any owner of a unit who fails to adhere to the above procedures.

Examples

The following list contains common examples of construction requiring approval, but if you are not sure if your specific project requires pre-approval, please contact the property manager.

Kitchens and Bathrooms: Except for painting, all work done in kitchens and bathrooms must be reviewed by the Board.

Washers and Dryers: Installation of washers and dryers is strictly prohibited. Washers and dryers with grandfathered approvals must meet current city building codes at all times.

Walls: Except for painting, all modification or demolition of interior walls, ceilings, or soffits must be approved by the Board. Asbestos testing is required for all wall penetrations and if the test is positive for asbestos, mitigation is required. Owners should note that some utility items, such as plumbing, electrical, HVAC, and natural gas items under their responsibility may be enclosed behind walls. Generally speaking, you are responsible for all parts of the structure serving your unit exclusively. Exterior wall penetrations are not allowed unless specifically approved and supervised by the Board.

Electrical: Homeowners are responsible for their entire electrical system up to and including your electrical meter box. Any electrical modifications in your unit including equipment run by electricity must be approved by the Board. Adding, deleting, or modifying any electrical system must be done to city code and most work requires a knowledgeable or licensed contractor. Only Xcel is allowed to service your electric service meter.

Plumbing: All work involving access, modification, installation, removal, or connecting devices to the plumbing systems including heating and cooling, domestic water, natural gas, or sewage lines must be approved by the Board. Except for emergencies, you must give three (3) days advance notice to the property manager if plumbing service needs to be temporarily shut off. Service shut offs affecting other residents must last no longer than two hours. Owners are responsible to ensure plumbing connections are completed with appropriate material to prevent future corrosion between mismatched metals. Isolation valves are strongly encouraged in all plumbing upgrades to prevent the need to shut down water stacks in the future.

Energy and Water Efficiency: Owners are encouraged to buy energy efficient and water saving fixtures and appliances to reduce the overall water, sewer and electrical demands on the building and to save you money in the long run.

Balcony Enclosures: Balcony enclosures require complete architectural drawings for approval. Exterior railings may not be removed. The knee wall is not to be less than (railing height) and placed immediately behind existing hand railing. The exterior of the knee wall must be ½" cement board such as Wonder Board or comparable

product. No wood or trim is to be attached to the exterior of the high rise. Exterior panels are to be of the same texture and color of the building. Interior and exterior walls are to be insulated to existing city code. Enclosure framing is to be centered on the balusters of the building's existing railing with one panel of glass from the knee wall to ceiling and tram baluster to baluster. All plans must be designed to comply with high rise building and Denver city codes.

Windows: Construction of all new and replacement windows must comply with high rise building codes. Very few window companies in the Denver area will work on windows above the 4th floor, so vetting contractors is essential. Windows must be made of premium white vinyl or fiberglass casement, thermo-pane, E-Glass and tempered where required by Denver code. All windows must be removable from the inside for easy cleaning. Homeowners are responsible for proper maintenance of enclosures and window replacements including painting and window cleaning. The exterior of blinds and curtains must be white. Draperies must be white or lined with white for uniform appearance of the exterior of the building.

Flooring: Hard surface flooring such as tile, laminates, or solid wood must be installed with Board-approved sound buffering material underneath.

Regular Maintenance

Filters for heating/air conditioning vents should be changed at least twice a year. Check with the property manager or see the website for details on the type of filters you should use in your unit.

You should regularly check all the valves and switches in your unit and on your electrical panel. Lack of use can lead to deterioration.

Dishwashers should be run at least once a month to keep seals lubricated.

HVAC fan coil motors are the responsibility of the Association. Report any noises you hear promptly.

You are responsible for your own thermostat. Your Lanai thermostats must have hot and cold switching capability and must be compatible with a 120-volt system. (Most modern thermostats run on 24-volt systems and are not compatible in the Lanai without additional electrical work.) We know the Honeywell TB6575B1000 works with our system.

Water shut-off valves under each sink and toilet should be turned off and on several times a year. Lack of use may also lead to deterioration and possible valve freeze-up.

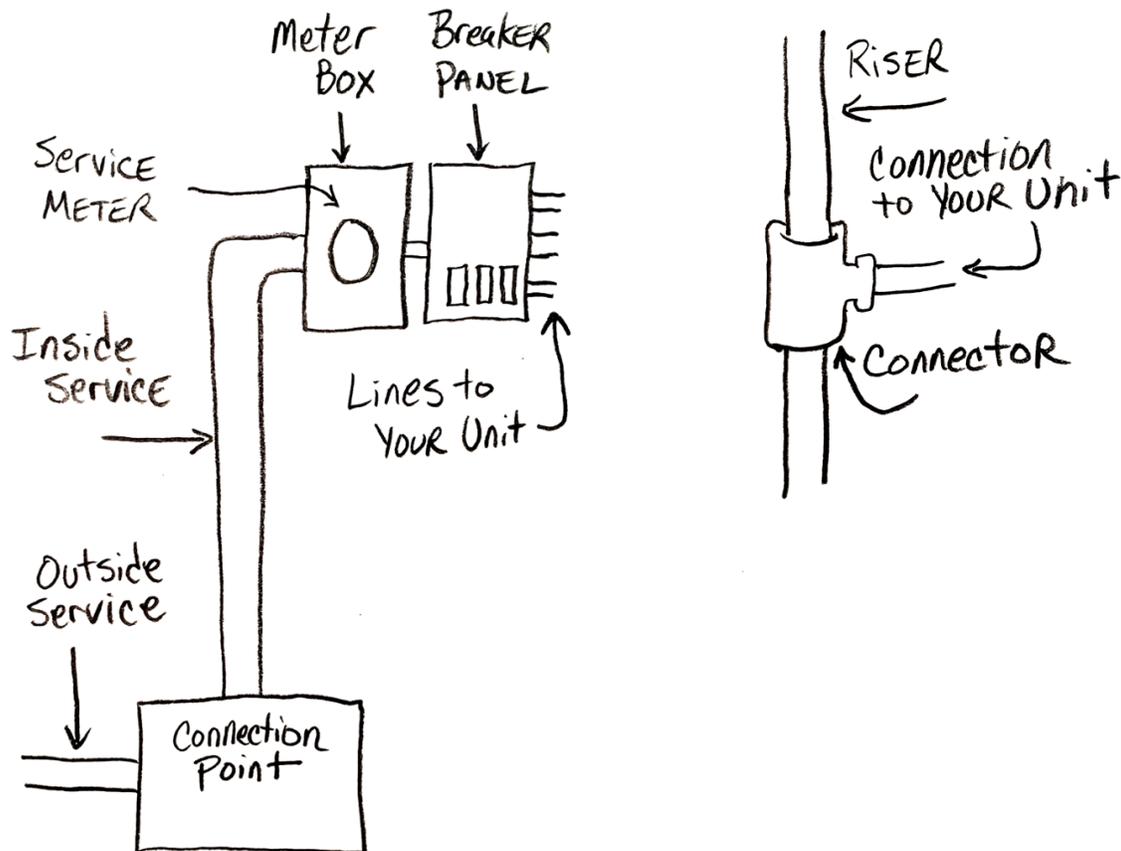
Insurance

You are required to carry homeowner's (and renter's insurance if applicable). The consequences of damages to your unit or other units due to fire or flood or other acts inside and outside of your control and caused by faulty equipment or use of that equipment is your responsibility. You will need good insurance coverage if you are the cause or the victim of any type of catastrophe in the building.

Neglect

In the event you or previous owners of your unit have neglected plumbing, electrical, natural gas, or HVAC issues affecting other residents or the structural elements of the building, the Board may require you to fix the issue at your cost. In the event you neglect or delay repair, you agree the Board may make the repair at your cost and you agree to pay via the Lanai Collection Policy.

Homeowner Areas of Electrical and Plumbing Responsibility



Electrical Service Responsibility

1. Xcel provides outside service to the connection point. They maintain a secure area to deliver service to the building.
2. The Association is responsible for the inside service equipment between the connection point and your meter box.
3. Xcel is responsible for the service meter.
4. Owners are responsible for all other equipment associated with electrical service including meter boxes, breaker panels, breakers, and wiring from the meter box to your unit.
5. You are also responsible to maintain all appliances connected to your electrical wiring and ensure all equipment is properly installed and UL listed.
6. Breaker boxes and service meters are housed on even-numbered floors in the closet between the 04 and 06 units.

Plumbing Service Responsibility

1. The Association is responsible for the risers dedicated to domestic water, heating and cooling water, natural gas, and sewer service.
2. The Association is responsible for the connectors on the risers.
3. You are responsible for all plumbing dedicated exclusively to your unit from the connector, and all the equipment connected to it such as faucets, toilets, dishwashers, sinks and showers.
4. You should inspect all valves, faucets, appliances, and drains regularly to ensure they are in working condition and not clogged.

It is often confusing where your responsibility ends and the Association's begins. In many cases you are responsible for equipment behind the walls including connectors and valves. You are required to consult with the Board prior to undertaking any work on plumbing or electrical items. In the event a utility concern is partially your responsibility and partially the Association's responsibility, a mutually acceptable proration of expenses will be shared by you and the Association.

Appendix E

Fire Department Rules



CITY AND COUNTY OF DENVER
DEPARTMENT OF SAFETY
FIRE • POLICE • SHERIFF
9-1-1 • COMMUNITY CORRECTIONS
CRIME PREVENTION & CONTROL • SAFE CITY

Office of Fire Prevention
Denver Fire Department
745 W. Colfax Avenue
Denver, CO 80204
Phone: (720) 913-3474
Fax: (720) 913-3596
www.denvergov.org/firedepartment

December 11, 2012

TO: Managers, Owners and Occupants of Multi-family Dwellings within the City and County of Denver

FROM: Denver Fire Department - Fire Prevention Division

RE: **BARBECUES, PROPANE AND HEAT-PRODUCING DEVICES ON BALCONIES**

The Fire Code of the City and County of Denver contains regulations for the use of barbecues on balconies, patios, and decks of residential structures having more than two (2) dwelling units. These include apartments, condominiums and townhouses.

Liquefied Petroleum Gas (LPG, or propane), charcoal and wood fuels are included in the prohibition. The prohibition against barbecue units on balconies comes from the potential for hot embers to fall from the firebox of the cooking device and ignite a combustible surface. The 10-foot separation required by the fire code reduces the likelihood that fire-starting or cooking flare-ups will come into contact with combustible wall construction, which is easily ignited. LPG cannot be carried through a building since, if there is an accidental release, the heavier-than-air LPG vapors will remain at floor level and can reach an open flame, such as a hot water heater and/or furnace heating elements, and an explosion can result.

The following are the exact code requirements per Denver Fire Code:

101.3 Intent. The purpose of this code is to establish the minimum requirements, consistent with nationally recognized good practice, for providing a reasonable level of occupant and pedestrian fire- and life-safety and property protection from the hazards of fire, explosion, production, use, and handling of dangerous and hazardous materials, substances, and devices, or dangerous conditions in new and existing buildings, structures, and premises, and to provide safety to firefighters and emergency responders during emergency operations.

Section 308.1.4 – Open Flame Devices.

No gas-fired grills, charcoal grills or other similar devices used for cooking, heating, or any other purpose, shall be used or kindled on any balcony or under any overhanging portion or within 10 feet (3 m) of any structure.

Exceptions:

1. One and 2 family dwellings.
2. LP-gas burners having an LP-gas container with a water capacity not greater than 2.5 pounds [nominal 1 pound (0.454kg) LP-gas capacity]. Two extra 1 pound LP-gas containers may be stored on the balcony.
3. Listed natural gas appliances shall be permitted on balconies when installed in accordance with the **International Fuel Gas Code** and supplied by the building's natural gas system.
4. Listed electric ranges, grills or similar electrical apparatus shall be permitted.

Appendix F

Forms

1. New Resident Information Sheet
2. Pet Registration Form
3. Registration of Non-Resident Unit Owners
4. Rental Policy Checklist
5. Lanai Lease Rider
6. Ohana Room Rules, Reservation, and Check In/Out Form
7. Construction project approval Form
8. BBQ training and waiver form
9. Bicycle Room agreement
10. Parking Lease
11. Storage Unit Lease

LANAI CONDOMINIUMS

Resident Information Form

Welcome to the Lanai!

We're glad you're joining us as a resident and want to give you a heads up on the most important things we value at this building.

- You really do need to **read the rules**. There are many ways to accidentally end up with a fine right off the bat and you can avoid this by being knowledgeable about the Lanai.
- You must notify our property manager prior to **moving in or out** of the Lanai. There is a fine for failing to plan moves. If you're new to the building, you need to fill out the new resident form and submit it to the office. There is a \$175 fee to move into the building.
- Do not move anything large in or out of the **front door**. Use the garage door or the back door. Delivery drivers must use the back door but cannot park large trucks on the upper deck of the parking lot.
- If you are a smoker, you are allowed to **smoke** in your unit, but the odors from your tobacco or marijuana may not leave your unit or bother other residents. We are adamant when we say your lifestyle choices cannot negatively impact your neighbors.
- In the same way, you may never play **music** at unreasonable volumes in your unit or in any of the common areas. This isn't an apartment building and many owners have been here for years and we all expect a quiet, clean, and smoke-free environment. We do allow people to play piano and other acoustic instruments at reasonable hours for reasonable lengths of time.
- Read up on how to use the **laundry room** correctly. We have a top-of-the-line facility with very reasonable rates and we expect you to help us keep it that way. High Efficiency laundry detergent is required and using the app to pay for your loads should be a breeze. Pods go into the load, not the detergent drawer.
- **Parking** in any spot other than your designated spot or misusing the guest parking will get you towed at your expense. Talk to the property manager before doing anything creative with your parking space. We do not allow trailers or anything other than a car or motorcycle to park in any space.
- You should give the property manager a key to your place in case we need to get in there in an emergency, and you want to have a **spare key** to your place somewhere else in case you are locked out after hours. There is nobody to let you into the building or your unit after hours and on weekends. You'll end up calling a locksmith.
- You need to know the **pet rules**. You are allowed one dog under 40 pounds or one cat if you fill out the pet approval form. You may not have two dogs. We have approved two cats in certain situations in the past. You need to take wonderful care of your animals and clean up accidents.
- Do not do any **construction** in your unit of any type without first filling out a Construction Project Approval Form and notifying the Board of your intentions. We can save you money by helping you do it right the first time.
- We only have one **elevator** so treat it kindly. You will be sharing rides with people so expect most people to be friendly and it won't hurt you to be friendly too. You can get right back to Instagram after saying, "Hi."
- Get on the **e-mailing list** to stay informed about changes. They happen a lot. Go to the website to sign up and see our other fun things there.
- Come to **Board meetings**. The Lanai is run by an all-volunteer group of residents just like you and your voice plays an important role in decisions we make.

We believe this is the best place to live in the city. We are walking distance to dozens of great restaurants, the bus stops right across the street, and we have a small town neighborhood feeling while living in the center of the city. It's fun here. Keep it that way. And welcome.

LANAI CONDOMINIUMS

Resident Information Form

Date: _____

Unit Number: _____ Number of Occupants: _____ Number of Pets: _____ Owner Y / N (circle)
All pets must be pre-approved

Names of Occupants & Pets:

Occupants	Pets (please include type & weight)
1.	1.
2.	2.
3.	3.
4.	

Owner Name & Phone Number: _____ (____)

Owner Mailing Address: _____

Homeowner-Insurance Provider: _____

Emergency Contact	Relationship	Work#	Cell#
1.			
2.			
3.			
4.			

Renter Name & Phone Number: _____ (____)

Alternative Mailing Address: _____

Renter-Insurance Provider: _____

Emergency Contact	Relationship	Work#	Cell#
1.			
2.			
3.			
4.			

Key Fob | Storage | Parking

Number of Key Fobs _____ List Fob Number 1. 2. 3. 4.

Number of Vehicles: _____ License Plate #'s A. B.

Parking Spaces _____, _____, Storage Units _____, _____, _____, _____,

Additional Information or Special Instructions:

Pet Registration

Owners are responsible to ensure all rules listed in the Lanai Owners Manual are followed along with city ordinances. Pets living in the building or that visit the Lanai more than seven days per year must be registered. You must receive Board approval for all pets. You are responsible to maintain vaccination and licensing on an annual basis.

Date _____ Owner/Tenant Name _____ Unit _____

Service Animals: Service animals are individually trained to perform a task for the benefit of an individual with a disability. Under Colorado state law HB16-1426 (effective January 2017), **it is a crime to knowingly misrepresent an animal as a service animal, or a companion, assistance, or emotional support animal.** Therapy, emotional support, companion, or crime prevention animals are not considered service animals.

My animal IS a service animal. _____ My animal IS NOT a service animal. _____

I have read the Lanai Owners Manual and agree to be bound by its rules including those related to pets in the building and on the grounds.

Signature: _____

Responsible Person	Phone	Email
Unit Owner's Name		
Renter's Name (if applicable)		
Guest Dog's Owner's Name		

Name of Dog and Breed ¹	Weight of Dog ²	Dog Rabies ³ Tag # and Expiration Date	City of Denver License ⁴ Tag # and Expiration Date
Name of Cats		Cat Rabies ³ Tag # and Expiration Date	City of Denver License ⁴ Tag # and Expiration Date
Type of Birds	Number of Birds		Fish (circle)
			Yes / No

1. The Lanai Condominium Association Owners Manual limits the weight of dogs to 40 pounds. Puppies likely to grow more than 40 pounds will not be approved.
2. The responsible person agrees to maintain each pet's health, vaccination and city licensing requirements. A licensed veterinarian may waive vaccination requirements for some pets.
3. The City of Denver requires that all dogs and cats 6 months of age and older to be licensed with the City within 30 days of being in the city (Sec. 8-61, 62, 63) and have a current rabies vaccination (Sec. 8-32). Spaying/neutering is also required for dogs and cats living in the City and County of Denver. (Sec. 8-70).

Registration of Non-Resident Unit Owner

I/we hereby appoint and designate the individual listed below as my/our registered agent for receiving notices of Housing Code, Building Code, Fire Code, Zoning Ordinance or any other Ordinance of the City and County of Denver and for receiving court process on my/our behalf, relative to said property, and service to be as effective and binding as through personally served on me/us. I/we also understand that the name and address of the registered agent will be available for public review.

Schedule Number: _____

Property Address: _____

Registered Agent's Name: _____

Registered Agent's Address (no PO Boxes): _____

Denver, Colorado Zip Code _____

Daytime Phone Number of Registered Agent: _____

I accept the appointment as set forth above:

Signature of Registered Agent

Date

* Registered agents that do not reside or work within the City and County, will not be accepted and you will continue to be in violation of the ordinance. If your agent works within the City and County of Denver, their work address must be listed as the agent address! It is not within the City and County of Denver unless property taxes are paid to the City and County of Denver. The U.S. Postal Service definition of Denver does not accurately identify these boundaries.

Owner's Name: _____

Owner's Current Address: _____

Owner's Daytime Phone Number: _____

Signature of Owner

Date

Rental Policy Checklist

Your Responsibility as Unit Owner: Prior to leasing or renewing a lease on a unit you own, you must submit a request to the Association's Board of Managers. Please submit a copy of this page and indicate your assent to your obligations by initialing each item below and submitting the required documentation.

1. _____ You affirm you will have a written lease agreement with your prospective tenant, that the lease agreement complies with all of the requirements of this Rental Policy, that you have attached the required Lease Rider to the written lease, and that your lease covers a time period of at least sixty (60) days.
2. _____ You must attach the full names of all intended occupants (not including minors), phone numbers, and email addresses for each to this form. All occupants should also provide alternate emergency contact information. This information will be kept on file in the Lanai manager's office and must be updated by you or the resident if the information changes.
3. _____ As unit owner, you must update your contact information with the Lanai manager, and if you reside and work outside of Denver County, you are required to authorize an agent to act on your behalf. (The required form is found in Appendix F of the Rules and Regulations.)
4. _____ You certify you have investigated the tenant's credit history and found it to be acceptable, and you certify the tenants have not been convicted of a felony or violent crime within the past 10 years, and that the tenants are not sex offenders based upon a completed criminal background check you obtained within the previous thirty (30) days for all prospective non-owner adult residents of the unit.
5. _____ You acknowledge by submission of this form that you have provided to the prospective tenants a complete current copy of the Lanai Owner's Manual and you certify they have read it and agree to comply with all of its provisions. You also acknowledge you and the prospective tenants are bound by the terms in those documents and any future amendments approved by the Association.
6. _____ You must attach a current copy of your unit-owner's certificate of insurance. You should also attach a copy of the tenant's rental insurance.
7. _____ Prior to the tenant's occupancy, the unit owner will submit a copy of the fully executed Lease Rider (see Appendix F) to the Association. Failure to timely provide a fully executed Lease Rider shall revoke any approval previously given by the Association.

The Association's Responsibility: Within five (5) days of receipt of the written request for approval, a designee of the Board of Managers of the Association shall respond to the request in writing. If the Board of Managers fails to respond in writing the request shall be deemed denied.

Failure by the unit owner to comply with the provisions in this Rental Policy will result in fines.

Lanai Lease Rider

All leases of units at the Lanai shall be in writing and include the following provisions and will be signed by lessee and lessor. Failure to include this Lease Rider on any lease will result in the Association declaring the lease void.

1. This Lease is subject to the right of the Association to remove and/or evict the occupant and to assess fines or other penalties for failure to comply with the terms of the Articles of Incorporation, the Declaration, Bylaws of the Association, and the Rules, Resolutions, Regulations and Policies of the Association (collectively the Owner's Manual) or applicable law all of which shall be considered incorporated herein and made a part of this Lease.
 - a. The occupants acknowledge and affirm that they have received and read, and agree to be bound by, the Articles of Incorporation, the Declaration, Bylaws of the Association, and the Rules, Resolutions, Regulations and Policies of the Association (collectively the Owner's Manual) and applicable law.
 - b. The occupants acknowledge and affirm their understanding that this lease shall not be valid unless it complies with the terms of the Association's Rental Policy and the Association has approved in writing the rental of the unit.
 - c. The occupants acknowledge and affirm that the Association may act as agent or attorney-in-fact to enforce the terms of this Lease and/or the Articles of Incorporation, the Declaration, Bylaws of the Association, and the Rules, Resolutions, Regulations and Policies of the Association.
 - d. Remedies: In the event of any violation of the terms of this policy, the Association shall have the following remedies:
2. The Association may take any action authorized by the Owner's Manual and applicable law.
3. The Association, as agent and attorney-in-fact, may commence an eviction action directly against the occupant of the unit pursuant to Colorado Revised Statutes, Section 13-40-101, et seq. and shall be considered an agent of the unit owner for that purpose.
4. The Association may assess fines pursuant to the Owner's Manual.
5. The Association may seek damages, injunctive or other relief against both the unit owner and the occupant, including all costs and reasonable attorney fees.
 - a. Attorney Fees: As an additional expense, the Association shall be entitled to recover from both the unit owner and any occupants all costs, including its reasonable attorney fees, incurred in enforcing or complying with this policy. The reasonable attorney fees incurred by the Association shall be due and payable immediately when incurred and shall constitute an assessment against the unit.
 - b. Association's Authority: All leases shall be subject to the right of the Association to remove and/or evict the occupants and to assess fines or other penalties for failure to comply with the terms of the Articles of Incorporation, the Declaration, Bylaws of the Association, and the Rules, Resolutions, Regulations and Policies of the Association all of which shall be considered incorporated into and made a part of this lease.
 - c. Appointment of a Receiver: The Association may seek the appointment of a receiver pursuant to the Declaration and Colorado law. A receiver is a disinterested person, appointed by the court who manages the rental of the property, collects the rent and disburses the rents according to the court's order. The purpose of a receivership for the Association is to obtain payment of current assessments, reduce past due assessment; correct any violations of the Articles of Incorporation, the Declaration, Bylaws of the Association, and the Rules, Resolutions, Regulations and Policies of the Association and prevent the waste and deterioration of the property.
 - d. Defenses: Failure of the Association to comply with any provision in this policy shall not be deemed a defense.

- e. Amendment: This Rental Policy may be amended from time to time by the Association.
- f. Survival: In the event a court of competent jurisdiction finds a provision of this policy void or otherwise unenforceable, the other provisions shall remain in full force and effect.

Signatures:

Unit Owner: _____ Lessee: _____ Date: _____

12th Floor Usage Rules and Regulations

The 12th floor, including the outside deck, is an amenity for the benefit of all residents. Please respect your neighbors and all amenities.

GENERAL USE OF 12TH FLOOR

With the exception of locked storage areas reserved for use by the Association, all 12th floor areas are available to all residents except when those areas are rented or reserved. You must rent or reserves space on the 12th floor if you anticipate having more than 7 guests.

- The Ohana Room is available 7 days a week from 8 am to 10 pm.
- The Library is available 7 days a week from 8 am to 10 pm.
- The non-rental areas of the deck are available at all times.
- The exercise room is available at all times for residents.

Maximum capacity for each area is defined in attached Lanai Roof Level Floor Plan (see below). The Ohana Room and Library are reserved for Association use on July 4th, Christmas Eve and Day, and New Year's Eve and Day.

Residents are responsible for the behavior of their guests. You must be present when hosting guests and you must supervise the conduct of guests. You must leave all areas, furniture and equipment in same condition as before your event. You must report any damaged or stolen property promptly to the property manager.

Rules:

- You are responsible for any fines as a result of the behavior of your guests.
- Music and noise must not be unreasonable. The use of sub-woofers is prohibited.
- In the event of a significant disturbance or noise problem, any resident can ask you to solve the problem and you agree to do so. In the event you do not solve the problem, any resident may call the police and report you. You will be fined as a nuisance should your event result in police intervention.
- The Board of Managers may revoke your right to use the 12th floor for a period of time in the event you create a nuisance of any type on 12th floor.
- You are responsible to ensure guests follow proper procedures when arriving at the building and when leaving the building.
- No pets allowed on 12th floor indoors or outdoors.
- No objects may be thrown or dropped from the deck.
- No food or drinks permitted on pool table.
- Do not smoke within 25 feet of any door. A "designated smoking area" is defined on the south end of the roof.
- Do not start a fire in the Ohana Room fireplace.
- Do not use Scotch tape to apply decorations.
- Upon leaving rooms: Lock all sliding doors, check for damage or fire hazards, adjust the heat to be 55 degrees in winter and 75 degrees in summer, close the curtains, turn off the lights.

Barbeque Grills

You must receive training and sign a waiver to use the barbeque grills.

12th Floor Rental

- Private rentals are allowed in the Ohana Room and the Library and their contiguous deck areas to the outer rails. Please see rental agreement form below for specific fees and hours. You may also reserve the library without a rental fee provided it is not rented.
- You agree to coordinate and cooperate with others who've reserved space on the same day at a different time or in different areas
- Please respect the privacy of rented areas.
- Reservations must be made with the property manager, require verification that Association dues are current, and the rental form and any payment due must be completed and returned to the manager at least four days prior to use.
- ~~Non-owners must provide written permission from the unit owner to rent 12th floor common areas.~~

~~• Two separate checks are required: (1) the rental fee and (2) security/cleaning deposit of \$300 to be refunded upon satisfactory inspection.~~

- Clean-up Inspection: You are required to clean and restore all rented or reserved areas to their normal state after your event. You agree to designate a time and person (either the property manager or a Board member) to do a follow-up cleaning inspection. You must comply with cleanup checklist, and you agree to pay for any damage caused as a result of your event.
- The property manager will post the date of rental in the elevator prior to the event.
- You will arrange advanced access to rented area with property manager.
- The Association reserves the right to grant or deny use of the 12th floor based on the frequency of use and the history of following the rental rules.

Library and Ohana Room Rental Agreement

Date: _____

Date of Event: _____ Time of Event: _____

Owner/Resident: _____

Unit #: _____ Number of Guests: _____

Rental Rates and Time Slots

- Monday-Thursday 8 am to 10 pm: \$25
- Friday 8 am to 4 pm: \$25
- Friday 4 pm to 10 pm: \$50
- Saturday 8 am to 4 pm: \$50
- Saturday 4 pm to 10 pm: \$75
- Sunday 8 am to 10 pm: \$50
- Holidays 8 am to 2 pm: \$25
- Holidays 2 pm to 10 pm: \$50

Notes:

- The Association does not offer rentals or reservations on July 4th, Christmas Eve and Day, and New Year's Eve and Day.
- Please notify the property manager if you need a different time slot than the ones listed above.
- Library Rentals and Reservations: The library may be reserved on its own without a fee. The library may be added as additional space when renting the Ohana Room for an additional \$25.

Cleaning Checklist

The reservation check in/out list must be completed by you and the property manager or a Board member. If the facilities are left in poor condition, the responsible party will pay a cleaning fee of at least \$250 and may also be fined under the Nuisance Policy.

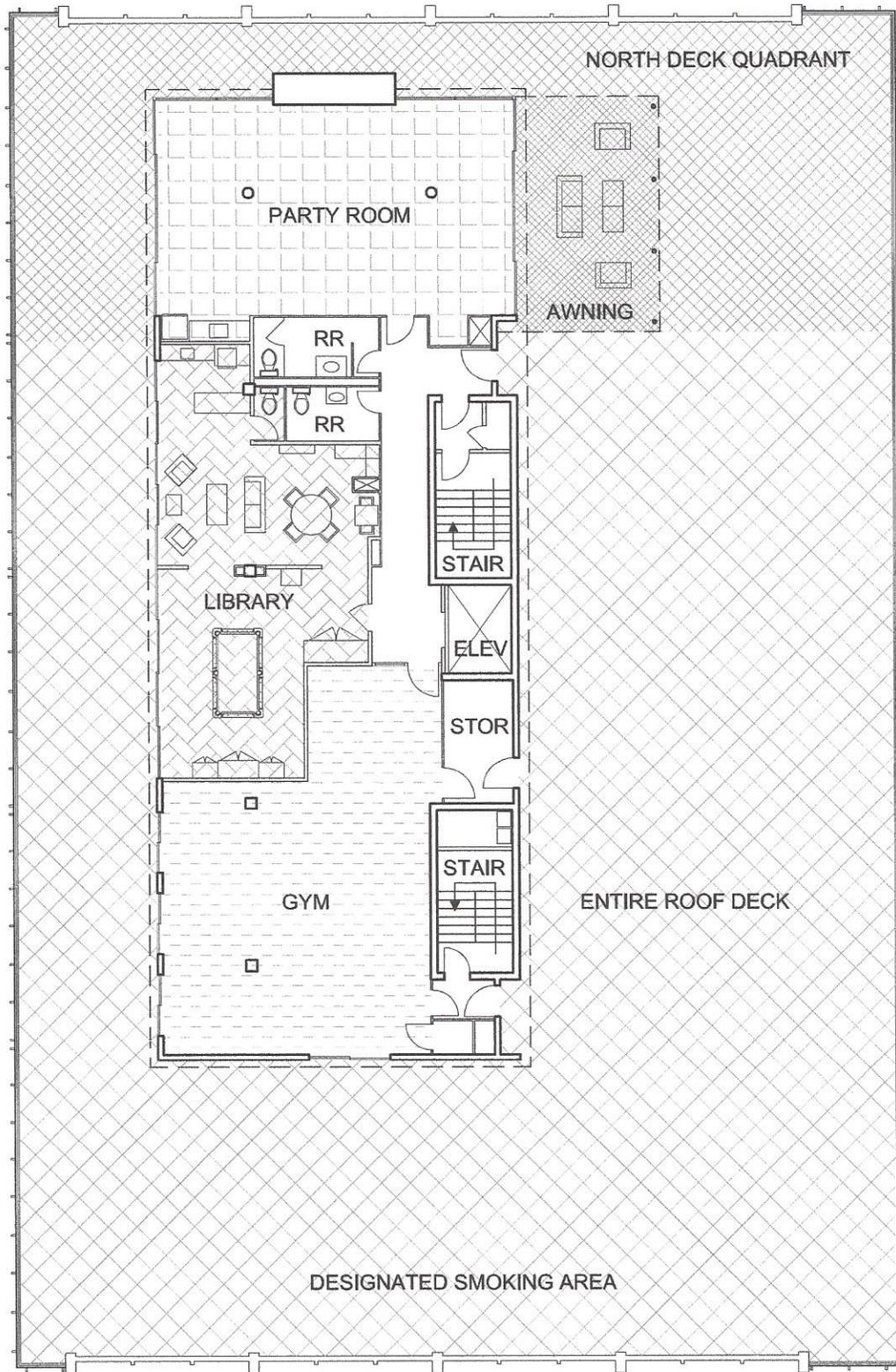
In / Out

- / Return all items to their original location.
- / All surfaces cleaned and wiped down inside and outside.
- / Vacuum carpets throughout rented or reserved space.
- / Sweep and mop hard surface flooring.
- / Remove all materials and decorations brought to the facility.
- / Remove all personal items from the refrigerator.
- / All trash bagged and taken down to dumpster and a new trash bag in container.
- / Cover gaming tables and return all gaming accessories to proper location.
- / All outdoor rental space must be swept and cleaned.
- / Close the curtains.
- / Adjust thermostat to 55 in the winter and 75 in the summer. degrees.
- / Lock and secure sliding doors and main entrance door.
- / Turn off all lights.

I affirm that I have read and agree to the 12th Floor Usage Rules and Regulations and will perform the Cleaning Checklist as listed.

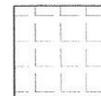
Signature of Responsible Party Date _____

Signature of Property Manager or Board Member Date _____



SPACE

AREA / CAPACITY



PARTY ROOM
744 SF / 50 PEOPLE



AWNING
322 SF / 22 PEOPLE



NORTH DECK QUAD
1,772 SF / 119 PEOPLE



ENTIRE ROOF DECK
7,925 SF / 529 PEOPLE



LIBRARY
702 SF / 47 PEOPLE

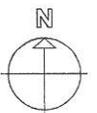


GYM
858 SF / 18 PEOPLE

1

LANAI ROOF LEVEL FLOOR PLAN

1/16" = 1'-0"



Construction Project Approval Form

This form must be submitted to the Office Manager for Board approval at least two weeks prior to the start of any remodeling or construction.

Date _____

Homeowner's Name _____ **Unit No.** _____

Address _____

Telephones _____

Email _____

Description of Proposed Work. Attach additional sheets if necessary.:

List of contractors doing the work:

You must attach a separate sheet with the name, license number, address and phone numbers for all contractors you intend to hire. You are required to ensure they licensed and bondable contractors. Licenses are required for all plumbing, electrical, HVAC and mechanical projects. All contractors must provide copies of licensure, general liability insurance of no less than \$1 million, workman's compensation insurance, and a bond if required by the Board. All construction must comply with current city of Denver building codes. You are required to ensure all contractors adhere to all requirements in the Lanai Owners Manual especially in Appendix D. You agree to be responsible for any damage to the common areas created by your contractors. You must notify the Board if your contractors change during the project.

You must attach copies of all available plans, photographs, drawings, material specifications, plumbing schematics, electrical schematics, and mechanical designs available.

Homeowner's Signature _____

Board Approval or Denial: _____ Yes _____ No. Approval or Denial Date _____

See attached approval or denial letter from the Board.

BBQ Grilling Rules and Training Certification

Report any damage, misuse, needed repairs, or problems to the Property Manager promptly.

Safety First!

- Only adult Lanai residents who have read and signed this agreement and have attended a safety and usage training, can use these grills. You will be held responsible for following all safety rules.
- Grills are under camera surveillance and misuse will result in fines and loss of user's privilege.
- **DO NOT** use matches lighters or any combustible fluid to light the grill. The electronic starters are located on the front control panel and will light the grill after turning on the gas.
- **DO NOT** leave grills unattended by an adult at any time. If you must leave the grills, turn all dials to the OFF position.
- **DO NOT** dump grease down any drain. Take it to the dumpsters in the garage.
- Grills should never be moved, disconnected, adjusted, dismantled or modified in any way. If something isn't working properly or a part is missing or damaged, turn off the gas, do not use the grills, and report it to the property manager. Do not take it upon yourself to fix a problem as it may create a dangerous situation.

In case of Fire:

- **Immediately turn off the gas** at the emergency shut off valve located against the wall behind the grills.
- **A Fire Extinguisher** is located next to the rooftop entrance door. Spray at the base of the flame.
- **Call 911!**

BEFORE turning on grill, check to make sure grills are undamaged, and burners are clean. Check the grease pans underneath. If grease pan is more than 1/2 full, use paper towels to clean it and dispose in trash. **DO NOT** dump grease down any drain.

Turning on Grills:

1. Keep top open to avoid damage to the grill.
2. Turn Timer dial to turn on gas to the grill.
3. Turn the Dial on the front panel under the burner you wish to use to start gas flowing.
4. Push electronic ignition button to ignite.
5. **DO NOT** use matches, lighters or any combustible fluid to start the grill. The electronic starter ignites the gas. If this doesn't work, do not use that grill and inform the property manager.

Clean-up: Keeping the grills clean is your responsibility after each use.

After you've completed grilling, **turn all dials to off & clean immediately.**

Easiest clean-up method: Use a Grilling Mat. Although grill marks will be missing, your food will be just as cooked and delicious without the mess to clean afterwards. Grilling Mats are reusable and will last several seasons.

Use the "Grill Daddy" attached to the BBQ Grills to clean the grates. Fill the "Grill Daddy" with water only. While grill is still hot, scrub the grill to remove all grease and food particles.

Wipe down the outside of the grills, dials and control panel. Clean up any spills on the ground. When grease pan is more than 1/2 full, use paper towels to empty it and dispose in trash.

Miscellaneous: Both Grills are on a first-come-first-served basis. The South Grill is always available for resident use. The North Grill can be reserved for a \$10 fee through the management office. Please don't be a BBQ Hog. Share when someone is waiting, promptly clean up your space and allow the next person access as soon as possible.

I have read and understand the rules as presented above and agree to follow them. I have been trained on proper grill usage.

_____ Date: _____
Lanai Resident

_____ Date: _____
Grill Trainer

Bicycle Room Rules and Agreement

Owner _____ Unit Number _____ Date _____

Type of Bicycle, Color and Serial Number: _____

Type of Bicycle, Color and Serial Number: _____

This form serves as an agreement between the Lanai Condominium Association and the Owner of a bicycle.

1. All bicycles must be locked to the bicycle rack.
2. Locks on unregistered bicycles will be cut off and the bicycle given to charity.
3. Users will be given a code to the door lock. Do not share this code with others. The code will be changed from time to time. Notification will be sent via email.
4. Do not assume your bicycle is safe in the garage. The Lanai Condominium Association has no responsibility for the security or replacement of any bicycles or any personal property anywhere in the garage or the bicycle enclosure area.
5. Bicycles in the storage room must be in operating order and it is expected they will be in regular use. If you only use your bicycle once a year, do not store it in the garage. Please be considerate of others and allow better spaces to be used for those who ride more frequently.
6. Bicycle repairs may be made in the storage room, but you must clean up the area before the end of the day. Any chemical spills must be scrubbed and cleaned immediately.
7. Once the storage limit is reached, no additional bicycles will be permitted. No resident will be allowed more than two bicycles per unit. Approximately once per year, if necessary, residents who do not use their bicycles on a regular basis will be required at the Association's discretion to remove the bicycles.
8. This agreement may be terminated at any time by either party.

Agreement: Bicycle owner agrees abide by the rules created by the Lanai Condominium Association for the use of the bicycle enclosure and to hold harmless, and will indemnify, and defend the Lanai Condominiums Association and its employees and officers against all claims, damages and costs incurred by or alleged against the Lanai Condominium Association arising from any act, omission, damage, or theft related to the use of the bicycle enclosure. Further, bicycle owner waives all claims against, and releases the Lanai Condominium Association for any injury, death, damage, theft, or loss related to use of the bicycle enclosure or any personal property stored there. The foregoing indemnities and waivers apply even if the claim is caused in whole or part by the condition of the building or by the negligence of the Lanai Condominium Association or its employees or officers.

Signature: Bicycle owner: _____

Signature: Lanai Condominium Association _____

Parking Space Lease Agreement

Lanai Condominium Association, Inc., as Lessor, does hereby agree to lease to the individual resident

_____, as Lessee, the parking space numbered _____ (the "Parking Space") being located on the Lessor's property at 800 N. Washington St., Denver, CO 80203 under the following terms and conditions collectively called the "Agreement."

Terms and Conditions:

1. **Fee:** The monthly rate for the Parking Space is: \$ _____. Bill Monthly? _____ or Annual? _____
2. **Lease Term:** This is a one-calendar-year non-transferable agreement for January 1 to December 31, _____. Unless otherwise agreed, the term will become a month-to-month agreement at the end of the Lease Term.
3. **Residency Requirement:** This agreement will be terminated if Lessee ceases to use its unit in the Lanai Condominiums as its principal residence. Any advance payments for the Parking Space paid by Lessee to Lessor will be prorated by the number of days used and the unused portion will be returned to the Lessee.
4. **Payment:** Lessee may pay for the entire year up front, or arrange for monthly payments in advance with the Lessor's property manager. Failure to pay timely will result in the termination of this agreement.
5. **Waiver of Liability:** Lessee agrees Lessor shall not be responsible for damage or loss to any vehicle in the Parking Space whether or not such damage is caused by other vehicle(s) or person(s) in the parking lot or surrounding area. Lessee agrees to accept all responsibility for any vehicle parked in the Parking Space and will defend, indemnify, and hold harmless Lessor for any damage or loss.
6. **Items Left in Vehicle:** Lessor shall not be responsible for damage or loss to possessions or items left in any vehicle in the Parking Space.
7. **Vehicle Condition:** Any vehicle parked in the Parking Space must be in good working order with current licensing from applicable authorities and readily moveable.
8. **Obligation to Move Vehicle:** Lessee agrees to move any vehicle from the Parking Space on a temporary basis at the request of the Lessor.
9. **Right to Re-Assign:** In the event Lessor needs to re-assign parking spaces during the Lease Term, Lessee agrees to accept the new parking space as replacement.
10. **First Right to Extend:** If Lessee is in good standing in regard to this Agreement, Lessee will have the first right to extend this Agreement for the following year during December of the Lease Term.
11. **Right to Terminate:** Lessee may terminate this Agreement with 30-days notice. Lessor may terminate this Agreement if Lessee defaults on the terms of this Agreement.

Executed and agree to by the parties hereto on this date _____ (month, day, year).

Lessee Signature and Unit Number

Lessor Signature for Lanai Condominium Association, Inc.
(May be signed by Lanai President, Vice-President, or Secretary)

Storage Space Lease Agreement

Lanai Condominium Association, Inc., as Lessor, does hereby agree to lease to the individual

_____, as Lessee, the storage space lettered _____ (the "Storage Space") being located on the Lessor's property at 800 N. Washington St., Denver, CO 80203 under the following terms and conditions collectively called the "Agreement."

Terms and Conditions:

1. **Fee:** The monthly rate for the Storage Space is: \$_____. Bill Monthly? _____ or Annual? _____
2. **Lease Term:** This is a one-year non-transferable agreement for January 1 to December 31, _____. Unless otherwise agreed, the term will become a month-to-month agreement at the end of the Lease Term.
3. **Residency Requirement:** This agreement will be terminated if Lessee ceases to use its unit in the Lanai Condominiums as its principal residence. Any advance payments for the Storage Space paid by Lessee to Lessor will be prorated by the number of days used and the unused portion will be returned to the Lessee.
4. **Payment:** Lessee may pay for the entire year up front, or arrange for monthly payments in advance with the Lessor's property manager. Failure to pay timely will result in the termination of this agreement.
5. **Waiver of Liability:** Lessee agrees Lessor shall not be responsible for damage or loss to any items in the Storage Space. Lessee agrees to accept all responsibility for any items in the Storage Space and will defend, indemnify, and hold harmless Lessor for any damage or loss.
6. **Items Left in Storage Space:** Lessor shall not be responsible for damage or loss to possessions or items left in any Storage Space.
7. **Storage Space Condition:** Lessee agrees to accept the Storage Space in its current condition. No modification will be made to any Storage Space without approval from the building manager. Lessee will report any damage to the Storage Space immediately to the building manager.
8. **Obligation to Move Items:** Lessee agrees to move any items from the Storage Space on a temporary basis at the request of the Lessor.
9. **Right to Re-Assign:** In the event Lessor needs to re-assign Storage Spaces during the Lease Term, Lessee agrees to accept a new Storage Space as replacement.
10. **First Right to Extend:** If Lessee is in good standing in regard to this Agreement, Lessee will have the first right to extend this Agreement for the following year during December of the Lease Term.
11. **Right to Terminate:** Lessee may terminate this Agreement with 30-days notice. Lessor may terminate this Agreement if Lessee defaults on the terms of this Agreement.

Executed and agree to by the parties hereto on this date _____ (month, day, year).

Lessee Signature and Unit Number

Lessor Signature for Lanai Condominium Association, Inc.
(May be signed by Lanai President, Vice-President, or Secretary)



**The Lanai Condominium Association
800 N Washington St
Manager's Office
Denver, CO 80203**

**See our website for contact details:
<https://lanaicondominium.com>**