

FIRST AMENDMENT TO CONDOMINIUM DECLARATION
FOR
HISTORIC LINDEN CONDOMINIUMS
(a Common Interest Community)

THIS FIRST AMENDMENT TO CONDOMINIUM DECLARATION FOR HISTORIC LINDEN CONDOMINIUMS ("First Amendment") is made by the undersigned, being the Owners holding one hundred percent (100%) of the votes in Historic Linden Condominium Association, a Colorado non-profit corporation ("Association").

WITNESSETH:

WHEREAS, the Condominium Declaration for Historic Linden Condominiums was recorded on April 28, 1995, at Reception No. 95023914 of the Larimer County, Colorado records ("Declaration"); and

WHEREAS, the Declaration pertains to certain real property situate in the City of Fort Collins, County of Larimer, State of Colorado, legally described on Exhibit "A" attached hereto and incorporated herein by reference (the "Real Estate"); and

WHEREAS, Article XI, Section 3, of the Declaration provides as follows with respect to the amendment of the Declaration:

Section 3: Amendment. Except as otherwise provided in this Declaration, this Declaration may be altered or amended at any time by a vote of sixty-seven percent (67%) or more of the votes entitled to be cast by all Owners through a duly written and recorded instrument.

WHEREAS, the undersigned are the Owners of one hundred percent (100%) of the votes entitled to be cast by the Owners in the Association; and

WHEREAS, there are no existing Security Interests on the Real Estate; and

WHEREAS, for convenience of reference, capitalized terms herein shall have the meanings ascribed to said terms in the Declaration or as otherwise specified in this First Amendment.

HORIZON WEST PROP. MGMT INC
GDG 4/6/07
760 WITAVEL'S WAY A-200
- COLLINS CO 80525

NOW, THEREFORE, the undersigned, representing the Owners holding one hundred percent (100%) of the votes entitled to be cast by the Owners in the Association, do hereby publish and declare that the Declaration is hereby amended and modified as follows:

1. Insurance. There is hereby added a new Article XII entitled "Insurance:"

ARTICLE XII. INSURANCE

Section 1: Insurance. The Association shall obtain and maintain (i) all insurance required to be obtained and maintained by the Association under the Act; (ii) any additional insurance that the Executive Board deems necessary; and (iii) the following types of insurance, to the extent that such insurance is reasonably available, considering the availability, cost and risk coverage provided by such insurance, and the cost of said insurance shall be paid by the Association as Common Expenses.

(a) Property and casualty insurance with extended coverage, vandalism, malicious mischief, all risk and replacement cost in amounts determined by the Executive Board to represent not less than the full then current insurable replacement value of the building located on the Real Estate and all fixtures, interior and perimeter walls and floors, partitions, decorated and finished surfaces of interior and perimeter walls, floors, and ceilings, doors, windows and other elements comprising a part of a Unit, including heating, cooling, ventilating equipment serving each Unit, and appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping, but excluding other personal property of the Unit Owner or any Unit Occupant. All interior finishes covered pursuant to this Article XII shall be limited to finishes associated with generally established industry standards in existence at the time of the transfer of each Unit by the Declarant to a Unit Owner, or comparable finish (collectively, "Standard Interior Unit Improvements"). Any betterments or improvements to a Unit ("Betterments") made by the Unit Owner which are of a higher quality or of a distinctive nature beyond Standard Interior Unit Improvements are specifically excluded from this Article XII. The Association shall obtain insurance covering the Standard Interior Unit Improvements within each Unit and each Owner shall be responsible for obtaining additional or supplemental insurance covering Betterments to the Standard Interior Unit Improvements located within an Owner's Unit. In the event that satisfactory arrangements have not been made for additional insurance by the Unit Owner for any betterments to the Standard Interior Unit Improvements, the Unit Owner shall be responsible for any deficiency in any resulting insurance loss recovery and the Association shall not be obligated to

apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the installation of any betterments to the Standard Interior Unit Improvements. Notwithstanding the foregoing, in the event that the Executive Board of the Association shall formally adopt a resolution requiring each Unit Owner to be responsible for securing insurance for the finished interior surface of the walls, floors and ceilings or any heating or air conditioning equipment or other appliances located in each Unit, and after the giving of thirty (30) days' prior written notice to each Unit Owner, such Unit Owner shall be responsible for thereafter obtaining insurance with respect to such finished interior surfaces and appliances.

(b) Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Common Elements, insuring the Association in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence, insuring the Executive Board, the Association, any managing agent, and their respective employees, agents and all Persons acting as agents. The 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 Elements. The insurance shall cover claims of one (1) or more insured parties against other insured parties.

(c) In addition, the Association may obtain insurance against such other risks of a similar or dissimilar nature as it shall deem appropriate from time to time, to the extent that such coverage is reasonably available, including, but not limited to, personal liability insurance to protect directors and officers of the Association from personal liability in relation to their duties and responsibilities in acting as directors and officers on behalf of the Association, and coverage on fixtures, equipment and other personal property inside Units.

Section 2: General Provisions of Insurance Policies. All policies of insurance carried by the Association shall be carried in blanket policy form naming the Association as insured, or its designee as trustee and attorney-in-fact for all Owners, and each Owner shall be an insured person under such policies with respect to liability arising out of any Owner's membership in the Association. The policy or policies shall contain a standard non-contributory Security Interest holder's clause in favor of each Security Interest holder and a provision that it cannot be cancelled or materially altered by either the insured or the insurance company until at least thirty (30) days' prior written notice thereof is given to the insured and each Security Interest holder, insurer or guarantor of a Security Interest. The Association shall furnish a certified copy or duplicate original of such policy

or renewal thereof, with proof of premium payment and a certificate identifying the interest of the Owner in question, to any party in interest, including Security Interest holders, upon request. All policies of insurance carried by the Association shall also contain waivers of subrogation. All policies shall contain waivers of any defense based on invalidity arising from any acts or neglect of an Owner where such Owner is not under the control of the Association.

Section 3: Deductibles. The Association may adopt and establish written non-discriminatory policies and procedures relating to the submittal of claims, responsibility for deductibles, and any other matters of claims adjustment.

(a) To the extent the Association settles claims for damages, it shall have the authority to assess negligent Owners causing such loss or benefiting from such repair or restoration all deductibles paid by the Association. In the event that more than any one (1) Unit is damaged by a loss, the Association, in its reasonable discretion, may assess each Owner a pro rata share of any deductible paid by the Association.

(b) Any loss to any Unit or to any Common Elements which the Association has the duty to maintain, repair and/or reconstruct, which falls within the deductible portion of such policy, shall be borne by the Person who is responsible for the repair and maintenance of the property which is damaged or destroyed. In the event of a joint duty of repair and maintenance of the damaged or destroyed property, then the deductible may be apportioned among the Persons sharing in such joint duty or may be partly or wholly borne by the Association, at the election of the Executive Board. Notwithstanding the foregoing, after notice and hearing, the Association may determine that a loss, either in the form of a deductible to be paid by the Association or an uninsured loss, resulted from the act or negligence of an Owner. Upon said determination by the Association, any such loss or portion thereof may be assessed to the Owner in question and the Association may collect the amount from said Owner in the same manner as any assessment.

Section 4: Association Insurance as Primary Coverage. If at the time of any loss under any policy which is in the name of the Association, there is other insurance in the name of any Owner and such Owner's policy covers the same property or loss, or any portion thereof, which is covered by such Association policy, such Association policy shall be primary insurance not contributing with any of such other insurance. An Owner shall be liable to the Association for the amount of any diminution of insurance proceeds to the Association as a result of policies of insurance of an Owner, and the

Association may collect the amount from said Owner in the same manner as any assessment. Any such Owner's policy shall also contain waivers of subrogation.

Section 5: Acceptable Insurance Companies. Each hazard insurance policy purchased by the Association must be written by a hazard insurance carrier which is authorized by law to do business in the State of Colorado. The Association shall not obtain any policy where (a) under the terms of the insurance company's charter, bylaws, or policy, contributions or assessments may be made against the mortgagor or mortgagee's designee, or (b) under the terms of the carrier's charter, bylaws, or policy, loss payments are contingent upon action by the carrier's Board of Directors, policy holders or members, or (c) the policy includes any limiting clauses (other than insurance conditions) which could prevent mortgagees or any Owner from collecting insurance proceeds.

Section 6: Annual Review of Insurance Policies. All insurance policies carried by the Association shall be reviewed periodically by the Executive Board to determine that the coverage provided by such policies, to the best of the Executive Board's knowledge, adequately covers those risks intended to be insured by the Association. In making the aforesaid determination, the Executive Board or the managing agent of the Association may obtain a written appraisal from a duly qualified real estate or insurance appraiser, or seek other advice or assistance.

2. Effective Date. The effective date for this First Amendment shall be the date of the recording of this First Amendment with the Clerk and Recorder of Larimer County, Colorado.

3. Signatures in Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one (1) and the same instrument, notwithstanding the fact that all parties are not signatory to the original or the same counterpart.

IN WITNESS WHEREOF, the undersigned have executed this First Amendment on the dates set forth below.

EXHIBIT "A" ATTACHED TO AND MADE A PART OF FIRST AMENDMENT TO
CONDOMINIUM DECLARATION FOR HISTORIC LINDEN CONDOMINIUMS

Legal Description of Real Estate

A portion of Lots 2 and 4, Block 13, Town of Fort Collins, Larimer County, Colorado. Being more particularly described as follows:

Considering the Northwestern Right-of-way line of Linden Street as bearing N 41°10' E as determined by a cross chiseled on 7.0' offsets from said Right-of-way and nails set in concrete on 7.0' offsets from said Right-of-way, and with all bearings contained herein relative thereto.

BEGINNING at the Southeast corner of said Lot 2, said point also being the most Southerly corner of said Block 13; thence N 41°10' E 75.36 feet; thence N 48°41'45" W 100.00 feet; thence S 41°10' W 75.60 feet; thence S 48°50' E 100.00 feet to the BEGINNING.

EXCEPT THE FOLLOWING DESCRIBED PARCEL:

A portion of Lot 2 and Lot 4, Block 13 Town of Ft. Collins, Larimer County, Colorado. Being more particularly described as follows:

Considering the Northwestern Right-of-way line of Linden Street as bearing N 41°10' E as determined by a cross chiseled on 7.0' offsets from said Right-of-way and nails set in concrete on 7.0' offsets from said Right-of-way and with all bearings contained herein relative thereto.

Commencing at the most Southerly corner of said Lot 2; thence N 41°10' E along the Southeasterly line of said Lot 2 7.8 feet to the TRUE POINT OF BEGINNING; thence continuing along said line N 41°10' E 67.5 feet; thence departing from said line N 48°50' W 1.6 feet; thence S 41°10' W 7.4 feet; thence N 71°05' W 2.7 feet; thence S 41°10' W 6.3 feet; thence S 26°35' E 2.7 feet; thence S 41°10' W 21.0 feet; thence N 71°05' W 2.7 feet; thence S 41°10' W 6.3 feet; thence S 26°35' E 2.7 feet; thence S 41°10' W 22.2 feet; thence S 86°10' W 9.2 feet; thence N 48°50' W 53.4 feet; thence N 18°55' E 2.6 feet; thence N 48°50' W 4.8 feet; thence S 63°25' W 2.6 feet; thence N 48°50' W 32.2 feet; thence S 41°10' W 1.6 feet to the Southwesterly line of said Lot 4; thence along said line S 48°50' E 50.5 feet more or less to the most Southerly point of said Lot 4; thence departing from said line and along the most Southerly line of said Lot 2 S 48°50' E 42.2 feet; thence departing from

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said line N 86°10' E 11.0 feet more or less to the TRUE POINT OF BEGINNING, Together with an easement for the maintenance of the Linden Hotel facade as more fully described in that certain Agreement recorded April 27, 1994 at Reception No. 94036314, COUNTY OF LARIMER, STATE OF COLORADO.

AND

TOGETHER WITH Declarant's reversionary interest in and to the facade improvements as more fully described in that certain "Deed for Conveyance of Facade and Grant of Maintenance Easement for Facade Regarding the Linden Hotel" dated March 8, 1995, and recorded March 27, 1995, at Reception No. 95016796 of the Larimer County, Colorado records, which facade improvements will revert to the owner of the above-described property upon the expiration of the thirty (30) year term referred to therein.