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FIRST AMENDMENT TO DECLARATION

THIS FIRST AMENDMENT ("First Amendment")
is made hereby made this 6th day of March,
2002, by Denver Rental Company.com, L.L.C.

WITNESSETH

WHEREAS, on December 20, 2001, Denver Rental Company.com, L.L.C. as the Declarant, caused a certain Declaration (the "Declaration") to be recorded in the records of the Clerk and Recorder for the City and County of Denver, State of Colorado, at Reception No. 2001-215463; and,

WHEREAS, the Declaration imposed certain covenants, conditions and restrictions upon and against the real property known as 3049-3089 West 18th Avenue, Denver, Colorado and 1800-1816 Grove Street, Denver, Colorado, as more fully described in Exhibit A, attached thereto (the "Property"), which the Declarant is marketing as "Townhomes At Mile Hi" (the "project"); and,

WHEREAS, specifically, in part, the Declaration imposes a shared responsibility upon the Owners of Lots A through M, as defined therein, for the upkeep, repair, maintenance and replacement of certain "common areas": a "Parking Area", identified in the Declaration as Lot O, including, without limitation, the surface of thereof, a "Laundry Room", as identified in the Declaration as Lot N, including, without limitation, the hot water heater located in the Laundry Room, which provides hot water to Lots A through L, and, a "Common Sprinkler System", as defined therein; and,

WHEREAS, specifically, in part, the Declaration provides that the Owners of Lots A through M shall share equally certain "common expenses": those relating to the "common areas", water and sewer charges and

the cost of gas and electricity service to the Laundry Room; and,

WHEREAS, specifically, in part, the Declaration provides that a Management Company, as originally retained by the Declarant, will be charged with collecting from the Owners of Lots A through M their share of such "common expenses" and paying same; and, on behalf of such Owners, the maintenance and upkeep of the "common areas", granting to the Management Company a right, on behalf of all of said Owners, to enforce such obligations; and,

WHEREAS, specifically, in part, the Declaration imposes the duty and responsibility upon the owners of Lots A through M for the maintenance and upkeep of the exteriors, foundations and roofs of the structures constructed upon said Lots; and,

WHEREAS, specifically, in part, the Declaration imposes a duty and responsibility upon the owners of Lots A through M to obtain and maintain insurance coverage on their Lot, including the structures constructed thereon, and, as well, their interest in the Parking Area and the Laundry Room; and,

WHEREAS, specifically, in part, the Declaration provides that any alteration or modification to the exteriors of the structures constructed upon Lots A through M must be approved by a majority of the Owners of said Lots; and,

WHEREAS, specifically, in part, the Declaration provides for easements for the benefit of the Owners of Lots A through M to allow for ingress and egress to and from, and through, the crawlspaces beneath the structures constructed upon said Lots; and,

WHEREAS, specifically, in part, the Declaration reserved to the Declarant the right to abandon the use of the structure constructed on Lot M as a residential dwelling unit, conveying an undivided 1/12th

interest in said Lot to the owners of Lots A through L; and,

WHEREAS, specifically, in part, the Declaration provides that an undivided 1/13th interest, as tenants in common, in and to the "common area", will be conveyed by the Declarant to the owners of Lots A through M; and,

WHEREAS, the Declarant wishes to have the Project approved by the Federal Housing Administration ("F.H.A."), so that the purchasers of Lots A through M will be able to obtain F.H.A. financing; and,

WHEREAS, F.H.A. has advised the Declarant that the Declaration must be amended in certain respects before such approval will be granted; and,

WHEREAS, specifically, in part, F.H.A. will require that the Declaration be amended to provide for the creation of a homeowners association (an AHOA@), which must be a Colorado Non-Profit Corporation, of which each of the owners of Lots A through M will be members, with the right to vote, to which the duties and responsibilities imposed upon the Management Company by the Declaration will be delegated; that is, the collection and payment of "common expenses" and, the maintenance and upkeep of the "common areas"; and,

WHEREAS, specifically, in part, F.H.A. will require that the Declaration be amended to provide that the maintenance, upkeep, repair and replacement of the exteriors, foundations and the roofs of the structures constructed upon Lots A through M become the responsibility of the HOA, on behalf of the owners of said Lots; and,

WHEREAS, specifically, in part, F.H.A. will require that the Declaration be amended to provide that the HOA obtain and maintain insurance coverage on the "common areas" and the structures constructed upon Lots A through M, the cost of such insurance being paid equally by the owners of Lots A through M as a "common expense"; and,

WHEREAS, therefore, the Declarant desires to so amend the Declaration to comply with the requirements of F.H.A.; and,

WHEREAS, Section 12.12 of the Declaration provides that as long as the Declarant owns one of the Lots, it shall have the right to amend the Declaration for the purpose of conforming to, or meeting, the requirements of any lender, title company or loan guarantor, including, without limitation, FHA/VA, provided that the Declarant provides the other Owners with a copy of such amendment at least seven days prior to its recordation; and,

WHEREAS, as of the date of this First Amendment, only Lot A (3055 West 18th Avenue, Denver, Colorado), together with an undivided 1/13th interest in Lot N and O, and Lot F (3081 West 18th Avenue, Denver, Colorado), together with an undivided 1/13th interest in Lot N and O, have been conveyed by the Declarant, the Declarant remaining the record owner of Lots B through E, G through M, and an undivided 11/13th interest in Lots N and O; and,

WHEREAS, the Declarant provided the Owners of Lots A and F with a copy of this First Amendment and the Amended Declaration, which is attached hereto as Exhibit A, at least seven days prior to the recording of this First Amendment, or, obtained the written waiver of such seven day period from said Owners.

NOW THEREFORE, the Declarant amends the Declaration as follows:

1. The Declaration shall be amended in the form of the Amended Declaration, attached hereto as Exhibit A, which, by this reference is made a part hereof.

2. Upon the recording of this First Amendment, with its Exhibit A, the Amended Declaration, the Declaration shall be of no further force or effect whatsoever, as if withdrawn.

