

## Summary of Changes to Declaration

Below is a chart of paragraphs in the original documents, and related paragraphs in the Amended and Restated documents, to help you as you compare the two documents. Because the original documents are so obsolete, we could not create a direct redline. After we met with community members on October 20, 2021, we made two minor changes: we removed restrictions on real estate signs (as these can be created by rule under the new document, and Colorado law regarding signs is in flux), and we corrected a couple minor typographical errors.

Substance	Original Declaration	Amended and Restated Declaration	Reasoning
<b>Unit definition</b>	Defined in Paragraph 1(a)	Definitions, Article 2, § 2.31.	Original declaration includes definitions of "unit" and "condominium unit" that do not need to be separately defined; the new Declaration merges the two. Also specifies clear Unit boundaries in same location for ease of reference when considering insurance and maintenance matters.
<b>Owner definition</b>	1(c) owner is any person or entity that owns an interest in one or more units	2.25 requires owner to be of record, or a contract purchaser	Original declaration allows someone who has a deed that isn't recorded to claim ownership, creating potential voting confusion.
<b>Limited Common Elements Definition</b>	Defined in Paragraph 1(e); Further defined by Para. 3.	Defined in 2.12.2	Much broader definition: important to ensure HOA can assess owners benefitted by particular LCE the costs of maintenance where appropriate. Separation of 1(e) and 3 in original Declaration creates potential confusion - keep the definition contained to one part for clarity.
<b>Common Expenses</b>	See 1(g)	Defined in 2.11	Substantially similar provisions, but the A&R Declaration provides that the Board can determine if something is a Common Expense, rather than the unit owners. This is appropriate to ensure Board control of decision-making since the Board has the duty to act on behalf of the corporation and make sure the corporation does the right thing.
<b>First Mortgagee</b>	Undefined; referenced in sections re: liens, insurance, termination	Defined by Section 2.16	Ensuring that First Mortgagees can receive notice of matters related to their properties helps ensure availability of federally backed financing, without hamstringing the HOA with administrative tasks.
<b>Parking</b>	Paragraph 6	Section 4.10	The revisions remove Declarant references and make it clear that the Association regulates parking, while ensuring owners have appropriate access

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<b>Common Element Use</b>	Paragraphs 11; 4(b)	Section 4.2	The revised document provides more information regarding the Board's authority to regulate Owners' rights in the Common Elements
<b>Residential Dwelling</b>	Paragraphs 12, 37(a)	Section 4.4	Colorado requires any use restriction to be clear and unambiguous; we make sure that owners can use their units for working from home, which was arguably prohibited by the original.
<b>Mechanics liens</b>	Paragraph 14	Article VII	Ensures that if HOA disputes contractor's bill, contractor can't lien individual units. Requires owners who are subject to contractor liens to protect HOA with a bond, much faster than litigating validity of a lien.
<b>Maintenance Access, Easements</b>	Paragraph 17	Article VIII	Ensures that Association can access units for maintenance, broadens authority to ensure units aren't damaging other units, while ensuring appropriate notice to membership. Allows Association to grant easements over Common Elements (such as to allow a utility company to come in at a future date).
<b>Owner Maintenance</b>	Paragraph 18	Section 9.1	The homeowners remain responsible for maintenance, repair, and replacement of their interior units, and the Association remains responsible for Common Elements, including individual lines that serve units that are located outside of the unit boundaries
<b>Amendment</b>	Paragraph 20	Article XVII	Decreases the threshold for amendment approvals by lenders to be more workable than the current 100% requirement; provisions designed to protect lenders are incorporated to encourage their approval of the amendment.
<b>Common Element Changes</b>	21	Article XV	Current version limits additions, alterations, or improvements to the GCE or LCE in excess of \$100 without majority owner approval. This impairs the Association's ability to present a modern/high class appearance. The revised section removes the limit in recognition the Association needs to be able to do regular improvements to protect property values and restricts owners from making changes to common elements.

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<b>Assessments</b>	22, 24, 25	Article XI	The revised Declaration aligns with CCIOA provisions re: lien priority, budgeting. Allows Association to charge individual expenses to individual units to ensure that not everyone has to pay for something that doesn't benefit everyone. Ensures that all charges the Association incurs due to an Owner's act or for the owner can be part of the lien.
<b>Insurance</b>	Paragraph 23	Article X; 10.1	Current declaration does not exclude finishes or fixtures, betterments, and improvements from scope of HOA coverage, which can result in coverage gaps. Revision allows for Association to not cover finishes, fixtures, betterments and improvements - these will be the owner's responsibility. Lowers premiums and decreases Association's necessity of administering interior rebuilding. Allows for Association to allocate deductibles to benefited or responsible parties, which can help save common funds for other purposes.
<b>Lien Priority</b>	Paragraph 27	11.7	The original declaration does not grant the Association the lien priority provided by Colorado law. We have revised accordingly.
<b>Right of First Refusal</b>	Paragraphs 29-30	Removed	Expired, and generally advised against.
<b>Restrictive Covenants</b>	Paragraph 37	Article 4, generally	37(a) and (b) are expired due to completion of development. 37(d) is largely unenforceable as the law has changed this year. 37(e) also is undermined by changes in Colorado law. Our restrictive covenants are current with the law as changed through the 2021 General Assembly.
<b>Signs &amp; business activities</b>	Paragraph 37(d)	4.11, 4.4	Allows home-based business use as required by Colorado law, aligns sign restrictions with current law.
<b>Leasing</b>	n/a	4.5	Rental restrictions must be in the Declaration to be enforceable; the new rental restrictions do not impose duration requirements or other limits that might impact current rental structures, but instead are designed to ensure that tenants comply with community rules.

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<b>Assessment Reserves</b>	Paragraph 38	Conveyance Fees, Section 11.8	This is a frequently overlooked provision, and it forces the HOA to hold money in trust for individual owners. Now, a smaller fee is charged during a closing to help fund Association reserves. It is not refundable, helping avoid accounting difficulties.