

Property Information

- **Property Address:** 20 MARCELLINA LN 109 MT CRESTED BUTTE 81225
- **Property Type:** Condo
- **Square Footage:** 546 sq/ft
- **Number of Bedrooms & Bathrooms:** 2 bed, 1 bath
- **Year Built:** 1999

Qualified Buyers

A Qualified Buyer must be a natural person who meets the following qualifications

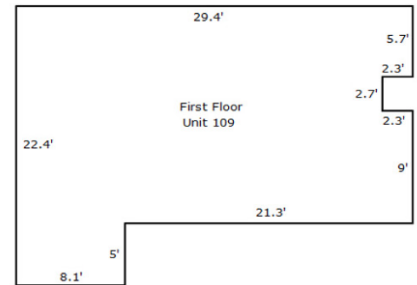
- Has resided in Gunnison County, CO for at least the immediately preceding one year
- Is employed in Gunnison County, CO and derives 80% of his or her total income from wages or salary from said employment
- Does not own an interest, alone or in conjunction with others, in any real property except for one parcel of real property zoned or used for commercial purposes and/or one unimproved residential lot or building site that cannot be further subdivided.
- Please refer to the deed restriction for additional details about qualified buyers.

Financial Information

- **Purchase Price:** \$197,060.50
- **Property Taxes:** 2024 taxes - \$661.93
- **HOA dues:** \$514 per month

Contact & Next Steps

- **Point of Contact:** Skyler Matthias – ownership@gvrha.org
- **Next Steps for Interested Buyers/Tenants:** Currently, there is no defined sales process, interested buyers should contact seller for next steps.
 - GVRHA will qualify buyer once buyer and seller are under contract.
 - If you would like to discuss qualification process, please contact ownership@gvrha.org or 970-641-7900 and speak with Skyler Matthias.





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RESTRICTIVE COVENANT

THIS RESTRICTION is entered into this 30 day of November, 1999, by and between MARCELLINA APARTMENTS, INC., a Colorado corporation, ("Owner"), and the TOWN OF MT. CRESTED BUTTE, a Colorado Home Rule Municipal Corporation ("Town"), upon the following terms and conditions:

WITNESSETH:

1. **DEFINITIONS.** The following definitions shall apply to this Restrictive Covenant:

1.1 "Employee" shall mean a person employed within Gunnison County who claims the Town of Mt. Crested Butte as his/her domicile.

1.2 "Long Term Basis" shall mean for a rental period of 30 consecutive days or more, and, in addition, if the unit is a rented to a Seasonal Employee, there must be one rental of the unit for a term of not less than four (4) months during each calendar year.

1.3 "Project" shall mean the multiple-family building known as Marcellina Apartments, constructed on the Real Property at an address of 20 Marcellina Lane that contains 26,929 square feet of gross residential floor area as more fully shown on the plans and specifications which have been approved by the Town in Planning Department file DR 1998-06.

1.4 "Real Property" shall be the real property as more fully described in Exhibit A.

1.5 "Seasonal Employee" shall mean a person employed within Gunnison County who may but is not required to claim the Town of Mt. Crested Butte as his/her domicile.

2. **RECITALS:**

2.1 Owner is the wholly owned subsidiary of Crested Butte Mountain Resort, Inc., a Colorado corporation, ("CBMR"), and has been created for the purpose of constructing employee housing in Mt. Crested Butte, Colorado.

2.2 Owner is the assignee of an agreement between Henry A. Gallin and the Town recorded July 10, 1995, in Book 766 at page 845 of the records of Gunnison County, ("Gallin Agreement"). The Gallin Agreement acknowledged the creation of 1,717 square feet of Employee Living Space pursuant to the Mt. Crested Butte Town Ordinances, by the deed restriction of the following real property as Employee Living Spaces:

Condominium Units 1 and 6, Building C, CHADLINGTON HOUSE, a condominium project, according to the Condominium Map Bearing Reception No. 339241 and the Amended Dedication thereof and the Amended Condominium Declaration recorded March 4, 1983 in Book 590 at page 440, and the Amendment to Amended Condominium Declaration recorded November 1, 1983 in Book 599 at page 1 of the records of Gunnison County, Colorado,

Town of Mt. Crested Butte,
County of Gunnison,
State of Colorado.

2.3 The Employee Living Spaces created under the Gallin Agreement have not been utilized for the creation of residential, commercial, or retail development within the Town of Mt. Crested Butte.

2.4 The Town has enacted Ordinance 13, Series 1997 which amended the Employee Housing Units Policy and Zoning Chapter of the Town of Mt. Crested Butte to identify seasonal worker housing as a need within the Town, and amending the Employee Housing Units Policy to allow for the provision of Seasonal Employee Housing by a developer to satisfy the employee housing requirements in Section 21-700 of the Town Code.

2.5 Pursuant to the Employee Housing Policy of the Mt. Crested Butte Town Ordinances, CBMR has been required to provide 2,838 square feet of Employee Housing Space in consideration for the 1997 Town approval of the Sheraton Crested Butte Hotel, which was constructed on Lodge Site 6, according to the Replat of Lodge Sites 5 and 6, of Northern Lodge Sites according to the Plat recorded July 7, 1997 at Reception No. 476638 of the records of Gunnison County, Colorado. Owner hereby assumes this obligation of CBMR, and will deed restrict the required Employee Housing Space within the Project as set forth in this Restrictive Covenant.

2.6 Pursuant to the Employee Housing Policy of the Mt. Crested Butte Town Ordinances, Owner is required to provide 2,154 square feet of Seasonal Employee Living Space in consideration of the Town approval of the Project.

2.7 This restriction affects the real property ("Real Property") owned by Owner described as set forth in attached Exhibit A, located in the Town of Mt. Crested Butte, County of Gunnison, State of Colorado.

2.8 Owner has constructed a multi-family building on the Real Property consisting of 26,929 square feet of gross residential floor area which will utilized for housing for employees within the Town of Mt. Crested Butte, Colorado ("Project").

2.9 Owner intends to satisfy the Town requirements for Employee Living Space and Seasonal Employee Living Space by utilizing the 1717 square feet of Employee Living Space under the Gallin Agreement, deed restricting the managers unit consisting of 493 square feet within the Project as Employee Living Space, and deed restricting the remaining square footage required by the Town as Seasonal Employee Living Space within the Project as illustrated below:

Calculation of Employee Living Space and Seasonal Employee Living Space	Employee Living Space (in Square feet)	Seasonal Employee Living Space (in Square feet)
Employee Living Space required for Sheraton	2,838	
<i>less</i> Gallin Agreement Credit	(1,717)	
<i>less</i> Manager's Unit in Project	(493)	
SUBTOTAL	628	
<i>Adjustment to convert balance to Seasonal Employee Living Space (multiply by 2)</i>		1,256
<i>plus</i> Seasonal Employee Living Space required for Marcellina Apartments Project		2,154
TOTAL SEASONAL EMPLOYEE LIVING SPACE REQUIRED		3,410

3. **AGREEMENT.** In consideration of the recitals stated above and the mutual covenants and conditions set forth hereafter, Owner, for itself, its successors and



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assigns, and all future persons or entities having any right, title or interest in and to the Real Property, hereby makes, declares and imposes the following Restrictive Covenant to run with and be an appurtenant restriction on the following units within the Real Property:

3.1 Unit 001, the manager's unit within the Project as shown on Exhibit B which contains 493 square feet of gross residential floor area, shall be exclusively used and occupied by Employees and their dependants.

3.2 The following units within the Project as shown on Exhibit B shall be exclusively used and occupied by Seasonal Employees and their dependants:

<u>Unit Number</u>	<u>Gross Residential Floor Area</u>
Unit 002	556 square feet
Unit 004	556 square feet
Unit 006	556 square feet
Unit 008	556 square feet
Unit 009	556 square feet
Unit 011	<u>718 square feet</u>
TOTAL	3,498 square feet

3.3 The units within the Project shall be leased to Seasonal Employees and Employees on a Long Term Basis.

3.4 The right of Owner, CBMR, or its affiliates or subsidiaries to utilize any remaining square footage of gross residential floor area as Seasonal Employee Living Space shall be assignable, transferable, and capable of being combined with other employee living space credits under Section 21-700(b) for future development within the Town of Mt. Crested Butte. *

3.5 In the event Owner converts the Project to a common interest community, the units within the Project that are sold to third parties shall either be owner-occupied by such Employees that purchase the units, or rented to Employees or Seasonal Employees on a long term basis.

4. The parties recognize and agree that the Employee Living Space credits under the Gallin Agreement have been completely utilized in satisfaction of the Employee Living Space required for the Sheraton Crested Butte Hotel, and that, through the execution of this Restrictive Covenant, Owner, its affiliates, successors and assigns shall have no further right to claim or utilize such Employee Living Space credits under the Gallin Agreement except as set forth herein.

5. The above restrictions shall run with the land in perpetuity and may be enforced by Owner and the Town.

6. The foregoing restrictions may only be amended, altered, suspended or released by a written instrument executed by Owner and the Town in accordance with the provisions of Mt. Crested Butte Town Ordinances. Notwithstanding the foregoing, Owner may unilaterally amend this Restrictive Covenant by the recording of an instrument that:

6.1 Adds additional square footage, buildings and/or units to the Project that will be utilized as housing for Employees or Seasonal Employees within the Real Property. Such units or square footage added shall be specifically identified in the recorded instrument which effectuates the inclusion of such units or additional gross residential floor area.

6.2 Amend the legal description of the Real Property set forth in Exhibit A to more accurately encompass the Project, and to include any additions, deletions, or alterations thereto to the Real Property made by Owner.

7. This Restrictive Covenant shall automatically terminate and shall be of no further force and effect upon the recording of an affidavit signed by the Town and Owner stating any of the following:

7.1 That Owner has provided an equal amount of offsite employee housing in lieu of the employee housing required within the Project in a manner approved by the Town.

7.2 That the employee housing is no longer necessary and the Town has released or suspended this restriction in accordance with the Town of Mt. Crested Butte Town Ordinances.

8. This restriction and all the rights, privileges, duties and obligations set forth herein shall be binding upon and inure to the benefit of the parties and their respective successors, assigns, grantees and heirs unless or until terminated as set forth above.

9. This Restrictive Covenant is executed in Gunnison County, Colorado, and the law of the State of Colorado shall govern the interpretation, enforcement and rights of the parties thereto.

10. Jurisdiction and venue of any action pertaining to the interpretation, enforcement or the rights and duties of the parties to this Restrictive Covenant shall be the District Court of Gunnison County, Colorado.

11. If any action is brought in a court of law by either party to this Restrictive Covenant as to the interpretation, enforcement, construction or the rights and duties of the parties to this Restrictive Covenant, the prevailing party in any such action shall be entitled to reasonable attorneys' fees as well as all costs and expenses incurred in the bringing or maintaining of such action or in defending any such action.

IN WITNESS WHEREOF, the parties have executed this Restrictive Covenant on the date first set forth above.

ATTEST

THE TOWN OF MT. CRESTED BUTTE,
COLORADO, a Colorado home rule municipality

Laura M. Havel
Town Clerk

By: Charles C. Stearns
Charles C. Stearns, Manager



MARCELLINA APARTMENTS, INC., a Colorado corporation

By: Edward C. Callaway
Edward C. Callaway, President

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing Restrictive Covenant was acknowledged before me this 7th day of December, 1999, by Charles C. Stearns, Town Manager, and Jane Welch, Town Clerk of the Town of Mt. Crested Butte, a Colorado Home Rule Municipal Corporation.

Witness my hand and official seal.
My commission expires:

Andrea Brauer
Notary Public

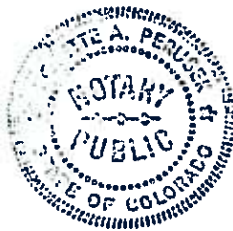


MY COMMISSION EXPIRES
February 22, 2003

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing Restrictive Covenant, was acknowledged before me this 30 day of November, 1999, by Edward C. Callaway as President of Marcellina Apartments, Inc., a Colorado corporation.

Witness my hand and official seal.
My commission expires: 8/29/03



Colette A. Perusek
Notary Public



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LEGAL DESCRIPTION

Township 13 South, Range 86 West, 6th P.M.

A tract of land located in the SW1/4SE1/4 of Section 23, and the NW1/4NE1/4 of Section 26, all in Township 13 South, Range 86 West, 6th P.M., more particularly described as follows:

Commencing at the north quarter corner of said Section 26, (as marked by a USGLO brass cap monument), thence North $70^{\circ}55'00''$ East 477.00 feet; thence along the arc of a curve to the left a distance of 18.13 feet, (said curve having a radius of 1075.00 feet and a long chord of South $07^{\circ}46'00''$ West 18.13 feet), to the north corner of the Marcellina Apartments, Inc. property, (as described under Reception Number 486539 of the records of Gunnison County), said corner also being the POINT OF BEGINNING for the herein described tract, thence the following courses around said tract:

1. Along the northeasterly boundary of said property along the arc of a curve to the right a distance of 81.41 feet, said curve having a radius of 126.00 feet and a long chord of South $51^{\circ}46'00''$ East 80.00 feet;
2. South $33^{\circ}35'00''$ East 416.00 feet along said boundary;
3. Along said boundary along the arc of a curve to the right a distance of 99.25 feet, said curve having a radius of 180.00 feet and a long chord of South $17^{\circ}45'00''$ East 98.00 feet;
4. Along said boundary along the arc of a curve to the left a distance of 61.80 feet, said curve having a radius of 180.00 feet and a long chord of South $11^{\circ}40'00''$ East 61.50 feet;
5. South $22^{\circ}35'00''$ East 243.00 feet along said boundary;
6. Along said boundary and its extension along the arc of a curve to the right a distance of 72.76 feet, (said curve having a radius of 129.00 feet and a long chord of South $06^{\circ}20'28''$ East 71.80 feet), to a point on the easterly boundary of Marcellina Lane, (as dedicated on the record plat of the Town of Mt. Crested Butte filed under Reception #301771 of said records;
7. Along said boundary along the arc of a curve to the right a distance of 679.92 feet, said curve having a radius of 672.00 feet and a long chord of North $40^{\circ}34'54''$ West 651.28 feet;
8. Along said boundary along the arc of a curve to the right a distance of 352.43 feet, said curve having a radius of 1075.00 feet and a long chord of North $02^{\circ}06'29''$ West 350.85 feet;
9. North $34^{\circ}36'53''$ East 0.13 feet to the north corner of said Marcellina Apartments, Inc. property, said corner also being the POINT OF BEGINNING of the herein described tract.

Town of Mt. Crested Butte,
County of Gunnison,
State of Colorado.

EXHIBIT A



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MARCELLINA APARTMENTS
BASEMENT FLOOR PLAN

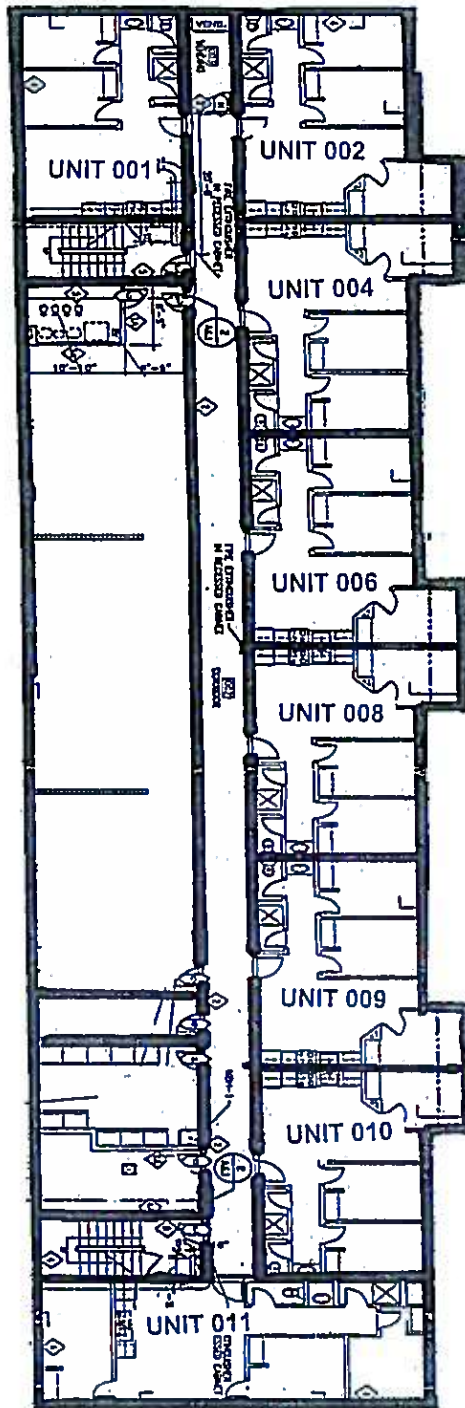


EXHIBIT B

AMENDMENT TO RESTRICTIVE COVENANT

I. RECITALS

WHEREAS, a restrictive covenant dated November 30, 1999, was recorded on December 9, 1999, at Gunnison County Clerk & Recorder Reception No. 498281 ("Covenant") by and between the Town of Mt. Crested Butte, a Colorado home rule municipal corporation ("Town") and Marcellina Apartments, Inc., a Colorado corporation, upon the real property ("Property") described in Exhibit A, attached hereto.

WHEREAS, pursuant to the terms of the Covenant, the occupancy of certain units within the Project was restricted ("Restricted Unit" or "Restricted Units") to allow occupancy or ownership by only those persons defined in the Covenant.

WHEREAS, GOCB, LLC, a Colorado limited liability company ("Developer") is in the process of converting the Property to a common interest community under Colorado law; and, in connection therewith, the Developer has replatted the property as Lot 1, Marcellina Centre, Town of Mt. Crested Butte, Colorado, Gunnison County, Colorado, and is moving the physical location of the Restricted Units within the Project.

WHEREAS, Developer, the Town and the Town of Mt. Crested Butte Housing Authority ("Housing Authority") have agreed to amend the Covenant as provided in this instrument ("Amendment").

NOW, THEREFORE, the undersigned hereby agree to amend the Covenant as follows, and all other provisions of the Covenant consistent herewith shall remain in full force and effect, unmodified hereby. This Amendment shall not have the impact of waiving or altering the applicability of Ordinance 13, Series 1997, which continues to apply to the Property.

II. AMENDMENT

- A. Definitions. Terms not expressly defined herein are as defined in the Covenant. Paragraph 1.6 is added to the list of Definitions in the Covenant:

1.6 "Owner" means the owner of record, at any given time, whether one or more persons, of fee simple title to any Restricted Unit.

- B. Relocation of Restricted Units. Section 3.2 of the Covenant is hereby amended to relocate certain Restricted Units. Including the "Manager's" Unit 001 defined in and governed by Section 3.1 of the Covenant. The following shall be the Restricted Units in the Project, and replace those units formerly restricted, as further depicted on the Condominium Map for the Timbers Project recorded in the records of the Clerk & Recorder of Gunnison County on _____, 2015 at rec. no. _____:

Units 001, 014, 101, 103, 105, 107 & 109 containing approximately 4,364 ft² of gross floor area shall henceforth be the Restricted Units

Units 002, 004, 006, 008, 009 and 011 which were formerly restricted under the Covenant, are no longer Restricted Units and are instead replaced by those new Units listed above.

- C. Section 3.5 of the Covenant is hereby amended to state: In the event Developer converts the Project to a common interest community, the use and occupancy of the Restricted Units within

the Project shall be exclusively limited to housing for natural persons who meet the definition of an Employee, Seasonal Employee, or "Qualified Individual", their families and/or accompanying tenants as set forth in the Covenant.

D. Qualified Individuals. The Housing Authority, working in consultation with the Gunnison Valley Regional Housing Authority ("GVRHA"), shall be responsible for the administration of this restrictive covenant and shall determine which individuals meet the definition of Qualified Individuals, and shall enforce the terms and conditions of this Covenant.

- (i) A Qualified Individual is a natural person who meets all of the following qualifications:
 - (a) Unless specifically waived in writing by the Housing Authority, has resided in Gunnison County, Colorado, for at least the immediately preceding one year; and
 - (b) Is employed in Gunnison County, Colorado, and derives eighty percent (80%) of his or her total income from wages or salary from said employment.
 - (c) Nothing in this Covenant defining or addressing a Qualified Individual shall be construed to amend the definition of, or requirements imposed upon, an Employee or Seasonal Employee.
- (ii) In order to be approved as a Qualified Individual by the Housing Authority, a person must establish by competent evidence that he or she meets the qualifications. Evidence that is acceptable to establish such qualifications includes, but is not limited to, the following:
 - (a) Rent receipts, record of mortgage payments, utility receipts, voter registration records, and payroll records.
 - (b) Income tax returns with all schedules.
 - (c) Sworn affidavits regarding property ownership and/or tax roll records, with supporting copies of deeds or bank statements, or account information.
- (iii) Any person who seeks to be approved as a Qualified Individual by the Housing Authority shall submit an application therefor upon forms to be provided by the Housing Authority. The Housing Authority shall either approve or disapprove such applicant in writing, stating the reason for any disapproval, within fifteen (15) days of its receipt of the completed application and documentary evidence of the applicant's qualifications as a Qualified Individual. If an applicant is disapproved as a Qualified Individual, he or she may seek a hearing before the Housing Authority, as hereinafter provided.
- (iv) The Developer, including any of its successors and assigns, will be considered a Qualified Individual with no further action required hereunder, and shall be permitted to own a Restricted Unit or Units within the Property so long as each Restricted Unit is rented on a Long Term Basis to a Seasonal Employee, Employee, or Qualified Individual.
- (v) The Town, Housing Authority, GVRHA, local government entity (such as, without limitation, a fire protection district), or any Business Owner in Gunnison County, Colorado, will be considered a Qualified Individual with no further action required, and shall be permitted to own a Restricted Unit or Units within the Property so long as each

Restricted Unit is rented on a Long Term Basis to an Employee, Seasonal Employee or Qualified Individual. A "Business Owner" is defined as a business which is operating legally in the aforesaid jurisdiction and holds a business license or sales tax license issued by the Town of Mt. Crested Butte, Colorado, but only to the extent such a license is required to operate its business in the Town of Mt. Crested Butte. A Business Owner shall also include a business entity formed under the laws of the State of Colorado which is formed for the limited purpose of taking title a Restricted Unit or Units to be leased to an Employee, Seasonal Employee, or Qualified Individual as provided herein.

- (vi) The Housing Authority may request Qualified Individuals who are renters and not Owners to recertify their status as a Qualified Individual on a periodic basis, no more frequently than annually.

E. Resale Limitations. After the initial sale of a Restricted Unit by the Developer to a Qualified Individual, no subsequent sale of the Restricted Unit shall be for an amount greater than the "Maximum Sales Price."

- (i) The Maximum Sales Price shall be the aggregate of the following amounts:
 - (a) The seller's purchase price of the Restricted Unit;
 - (b) An amount equal to three percent (3%) per annum of the seller's purchase price, prorated at the rate of 0.25 per cent per month from the date of seller's purchase of the Restricted Unit to the date of seller's sale of the Restricted Unit; and
 - (c) An amount equal to the actual cost incurred by seller in making improvements to the Restricted Unit which are eligible to add to the seller's basis in the Unit pursuant to the Internal Revenue Code up to a maximum of 10% of the seller's cost of the Unit.
- (ii) Prior to the listing for sale of a Restricted Unit, the seller shall obtain the approval of the Housing Authority (or successor administrator, as the case may be) that the sales price of the Restricted Unit does not exceed the Maximum Sales Price. The seller shall submit to the Housing Authority a copy of the proposed sales contract for the Restricted Unit, verified by affidavit of the seller, as being a true and correct copy, and a calculation of the Maximum Sales Price accompanied by evidence of the cost of any improvements which seller believes qualify for inclusion in the Maximum Sales Price. At a minimum, seller shall submit receipts to verify the costs of the improvements and affidavit verifying that the receipts are valid and correct and represent costs actually paid by seller at the time the improvements were made, and a copy of any building permit required for the improvement.
- (iii) The Housing Authority shall either approve or disapprove the proposed sales contract and the Maximum Sales Price calculation, in writing, and if disapproved, shall state the reason for such disapproval, within fifteen (15) business days of the receipt of the sales contract and the accompanying materials. If the sales contract is disapproved, either the seller or buyer may request a hearing before the Housing Authority as set forth herein.
- (iv) The seller shall not permit the buyer to assume any or all of seller's customary closing costs, nor shall seller accept any other consideration which would cause an increase in the sales price of the Restricted Units, above the Maximum Sales Price so as to induce the seller to sell the Restricted Unit to such buyer.

- (v) NOTHING HEREIN SHALL BE CONSTRUED TO CONSTITUTE A REPRESENTATION OR GUARANTEE BY THE HOUSING AUTHORITY OR DEVELOPER THAT UPON SALE OF THE RESTRICTED UNIT, THE SELLER SHALL OBTAIN THE MAXIMUM SALES PRICE.
- (vi) At the time of the closing of any sale of a Restricted Unit, after the initial sale by the Developer, the seller and/or buyer, upon such terms they may agree, shall pay an administrative fee in the amount of \$500.00 to the Housing Authority; the purpose of which is to fund the cost of administering the terms of this Covenant. The amount of the administrative fee may be amended by the Housing Authority, upon the express determination of the Housing Authority that such an amendment is necessary in order to defray the cost of administering this Covenant.

F. Ownership and Rental.

- (i) After the initial sale by the Developer of a Restricted Unit, each subsequent Owner of the Restricted Unit by acceptance of a deed thereto, represents and warrants that the Restricted Unit shall be used only as his or her sole and exclusive place of residence, and he or she is and shall remain a Qualified Individual; or that the Restricted Unit will be leased to an Employee, a Seasonal Employee or Qualified Individual as his or her place of residence.
- (ii) It is agreed that in the event an Owner ceases to have the qualifications of a Qualified Individual, or if the owner changes his or her place of domicile or ceases to use the Unit as his or her sole and exclusive place of residence, the Restricted Unit will be offered for sale and will be sold to a Qualified Individual as provided herein. While the Unit is listed for sale, the owner may rent the Unit to a Qualified Individual, Employee or Seasonal Employee. An Owner shall be deemed to have changed domicile by becoming a resident elsewhere, deriving less than eighty percent (80%) of their income from employment in Gunnison County, Colorado, or residing in the Restricted Unit fewer than nine months per calendar year, without the express written consent of the Housing Authority.
- (iii) In the event that title to the Restricted Unit vests by descent in individuals and/or entities who are not Qualified Individuals, the Restricted Unit shall be listed for sale and shall be sold to a Qualified Individual as provided herein. While the property is listed for sale, the owner may rent the Unit to a Qualified Individual, Employee or Seasonal Employee.
- (iv) The requirements of this section shall not preclude an Owner from sharing occupancy of the Restricted Unit with non-owners who do not meet the requirements concerning occupancy of the Restricted Unit, or with non-owners who do not meet the requirements of a Qualified Individual, provided that the Owner continues to meet the obligations contained in this Covenant.
- (v) Any mortgage or deed of trust encumbering a Unit must include the Town, Housing Authority and GVRHA as parties to receive notices of default, consent, approval, or assignment; and the Owner shall timely request the lender agree to provide such notice when making loan application, but does not represent or guaranty the lender will do so.

G. Foreclosure.

- (i) It shall be a breach of this Covenant for an Owner to default in the payments or other obligations due or to be performed under a promissory note secured by deed of trust encumbering the Restricted Unit. The Owner hereby agrees to notify the Town, the Housing Authority, GVRHA and Developer to the extent it still owns any unit within the Project, in writing, of any notification Owner receives from a lender, or its assigns, of a default in payment or other obligations due or to be performed under a promissory note secured by a deed of trust, as described herein, within five (5) calendar days of Owner's notification from lender, or its assigns, of said default or past due payments.
- (ii) Upon receipt of such notice, the Town, Housing Authority, GVRHA and the Developer, to the extent it still owns any unit in the Project, shall have the right, in its sole discretion, to cure the default or any portion thereof ("Curing Party"). In such event, the Owner shall be personally liable to the Curing Party for past due payments made by the Curing Party, together with interest thereon at the rate specified in the promissory note secured by the deed of trust, plus one (1) per cent, and all actual expenses of the Curing Party incurred in curing the default. In the event the Owner does not repay the Curing Party within sixty (60) days of notice that the Curing Party has cured the owner's default, the owner agrees that the Curing Party shall be entitled to a lien against the Restricted Unit to secure payment of such amounts. Such a lien may be evidenced by a notice of lien setting the amounts due and rate of interest accruing thereon, and such notice of lien may be recorded in the real property records of Gunnison County, Colorado, until such lien is paid and discharged. The Curing Party shall have the additional right to bring an action to foreclose on the Restricted Unit for the payment of the lien set forth in this paragraph.
- (iii) After the initial sale of a Restricted Unit by the Developer, the Housing Authority hereby agrees to release and waive its ability to enforce this Covenant in the event of foreclosure of a deed of trust upon the Restricted Unit, providing that the Town, Housing Authority, GVRHA and Developer, to the extent it still owns any unit within the Project, are provided with the option to purchase the Restricted Unit within thirty (30) days after the issuance of a public trustee's deed to the holder of the certificate of purchase for a price not to exceed the redemption price on the last day of all statutory redemption periods and any reasonable costs incurred by the grantee of the deed during the option period which are directly related to the foreclosure.
- (iv) If the Developer, Town, Housing Authority and GVRHA are offered the property for purchase as described herein, and the Developer, Town, Housing Authority, or GVRHA decline to purchase said property, the Housing Authority shall release the terms and conditions of the Covenant as amended hereby as to the Restricted Unit foreclosed.
- (v) In the event the Developer, Town, Housing Authority, or GVRHA exercise the option to purchase the property after foreclosure, they may lease to Employee, Seasonal Employee or Qualified Individuals, or resell the property to Qualified Individuals, without limitation as to price, but still subject to this Covenant.
- (vi) In the event the Developer, Town, Housing Authority or GVRHA exercise the option to purchase the property after foreclosure, the Owner hereby waives all right of homestead and any other exemption in the Restricted Unit under state or federal law presently existing or hereafter enacted.

H. Default/Breach.

- (i) In the event the Housing Authority has reasonable cause to believe an owner is violating the provisions of this Covenant, the Housing Authority, by its authorized representative, may inspect the Restricted Unit between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday, after providing the owner with no less than 24 hours advance written notice.
- (ii) The Housing Authority shall send a notice of violation to the Owner detailing the nature of the violation and allowing the Owner fifteen (15) days to determine the merits of the allegations, or to correct the violation. In the event the owner disagrees with the allegation of violation of this Covenant, the Owner may request, in writing, a hearing before the Housing Authority. If the Owner does not request a hearing and the violation is not cured within the fifteen-day period, the Owner shall be considered in violation of this Covenant.
- (iii) Whenever this Covenant provides for a hearing before the Housing Authority, such hearing shall be scheduled by the Housing Authority within 21 days of the date of receipt of a written request for a hearing. At any such hearing, the Owner or other aggrieved party may be represented by counsel and may present evidence on the issues to be determined at the hearing. An electronic record of the hearing shall be made and the decision of the Housing Authority shall be a final decision, subject to judicial review.
- (iv) There is hereby reserved to the parties hereto any and all remedies provided by law for breach of this Covenant. Enforcement by any appropriate legal or equitable action may include, but is not limited to specific performance injunction, reversion, or eviction of noncomplying owners and/or occupants. In the event the parties resort to litigation with respect to any or all provisions of this Covenant, the prevailing party shall be entitled to and awarded its reasonable attorney's fees and legal costs incurred.
- (v) In the event the Restricted Unit is sold and/or conveyed without compliance with the terms of this Covenant, such sale and/or conveyance shall be wholly null and void and shall confer no title whatsoever upon the purported buyer. Each and every conveyance of the Restricted Unit, for all purposes, shall be deemed to include and incorporate by this reference the covenants herein contained, even without reference therein to this Covenant. However any tenant, lender or Owner, or any prospective tenant, lender or Owner with interest in a Restricted Unit shall be entitled to give Notice defined hereunder to the Housing Authority requesting confirmation whether or not there are any outstanding violations of this Covenant pertaining to a Restricted Unit.

I. General Provisions.

- (i) This Covenant, shall constitute covenants running with the Property as a burden thereon, for the benefit of, and shall be specifically enforceable by the Town or Housing Authority and their respective successors and assigns, by any means stated herein.
- (ii) Any notice, consent, approval, or request which is required to be given hereunder shall be given by personal delivery; or by mailing the same, overnight or certified mail, return receipt requested, properly addressed and with postage fully prepaid, to the address provided herein or to the address of the Owner. Notice shall be deemed given on the date of personal delivery, by signed receipt, or three business days after mailing if rejected or unclaimed by the recipient. The Owner shall advise the Housing Authority of any change

in address, in writing said notices, consents, and approvals, shall be sent to the parties hereto at the following addresses, unless otherwise notified in writing:

To Developer:
(as long as it owns any unit)

GOCB, LLC
P.O. Box 460282
Denver, CO 80246
Telephone: 303-758-0387
Fax: 303-648-5753

To Town and Housing Authority:

Town of Mt. Crested Butte
P.O. Box 5800
Mt. Crested Butte, CO 81225
Telephone: 970-349-6632
Fax: 970-349-6326

To GVRHA:

Gunnison Valley Regional Housing
Authority
202 E. Georgia Avenue
Gunnison, CO 81230
Telephone: 970-641-7900
Fax: 888-406-1360

To Restricted Unit Owners:

At their last reported address, or to the Unit.

- (iii) Whenever possible, each provision of this Covenant and any other related document shall be interpreted in such manner as to be valid under applicable law; but if any provision of these restrictions shall be invalid or prohibited under said applicable law, such provisions shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provisions of such document.
- (iv) This Covenant and each and every related document are to be governed and construed in accordance with the laws of the State of Colorado.
- (v) Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors and assigns of the parties.
- (vi) Owners and subsequent owners agree that he or she shall cooperate to execute such further documents and take such further actions as may be reasonably required to carry out the provisions and intent of these Restrictions or any agreement or document relating hereto or entered into in connection herewith.

Any modifications of this Covenant shall be effective only when made in a written instrument duly executed by the Town and by the Developer, to the extent it still owns a unit in the Project, and recorded with the Clerk and Recorder of Gunnison County, Colorado. Notwithstanding the foregoing, the Town reserves the right to amend this Covenant unilaterally where deemed necessary to effectuate the purpose and intent of this Covenant, and where such unilateral action does not materially impair the owner's rights under this Covenant or the provision of affordable housing; however, in that event the amending party shall give notice of the proposed amendment to the other parties hereto who shall be entitled to object and state whether or not they deem such amendment to materially impair their rights under this Covenant or as Owner.

EXECUTED, this ____ day of _____, 2016.

ATTEST

TOWN

TOWN OF MT. CRESTED BUTTE, a Colorado
home rule Municipal corporation

Jill Lindros, Town Clerk

By: David Clayton
Title: Mayor

DEVELOPER

GOCB, LLC,
a Colorado limited liability company

By:
Title:

EXHIBIT A

**Lot 1 of Marcellina Centre,
Town of Mt. Crested Butte,
Gunnison County, Colorado**