

**FIRST AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS
FOR THE 750 MAIN BUILDING**

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS FOR THE 750 MAIN BUILDING (hereafter "First Amendment") is made as of October 21, 2024, by the unanimous vote of the current Members of the 750 Main Building Association ("Association").

1. RECITALS.

1.1 The Declaration of Covenants and Restrictions for the 750 Main Building was recorded in the Office of the Clerk and Recorder for La Plata County, Colorado on October 16, 2009 at Reception No. 1004810 (hereafter the "Declaration"). The basic definitions as described and identified in Section 2 of the Declaration shall be applicable to this First Amendment.

1.2 Section 13.2 of the Declaration provides that Members of the Association have the right to amend the Declaration pursuant to the provisions contained therein.

2. AMENDMENTS TO SECTION 1 OF THE DECLARATION.

2.1 Section 1.2 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

"1.2 Declarant has created a mixed-use Condominium project, the name of which is the 750 Main Building. The 750 Main Building shall initially consist of two (2) Residential Units and three (3) Commercial Units as defined below with Condominium improvements constructed thereon, and General Common Elements and Limited Common Elements for the benefit of the 750 Main Building and its Owners. The Commercial Units shall initially consist of Units 101, 201, and 202. Unit 101 shall encompass both a main floor and a basement. The Residential Units shall initially consist of Units 301 and 302. However, Units 201 and/or 202 may be converted to Residential Units in the future at the sole option of the then Owners of Units 201 and 202. If, and when, Units 201 and/or 202 are converted from Commercial Units to Residential Units in the future, the then Owners of Units 201 and/or 202 shall be solely responsible to undertake any and all actions, and to pay all amounts, required by the United States of America, State of Colorado, County of La Plata, City of Durango or other governmental or lawful authority to convert from a Commercial Unit to a Residential Unit. After conversion to Residential Units, Units 201 and/or 202 shall be subject to all terms, conditions, and provisions of this Declaration that apply to Residential Units. See further information about Residential to Commercial conversion in 12.3 and 12.4."

3. AMENDMENTS TO SECTION 3 OF THE DECLARATION.

3.1 Section 3.1.1 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

"3.1.1 Use. All Residential Units shall be used only for residential purposes and such accessory or incidental uses thereto as may be permitted by the Plat, this Declaration and the City of Durango. A Residential Unit may also be used to conduct a home occupation, artistic, or literary activity with the prior written approval of the Association. Such home occupation, artistic, or literary activity shall not create any adverse impacts to the 750 Main Building in general, or to neighboring Units, including, but not limited to, signage, noise, odor, traffic, or parking. Nothing herein shall be construed to preclude the use of a Residential Unit for meetings, seminars, or social gatherings, so long as the use is on an occasional basis, and the resultant impacts to the 750 Main Building and neighboring Units are minimal."

3.2 Section 3.1.2 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

"3.1.2 Leases. Owners of Residential Units may rent or lease their Residential Units, provided, however, that any such rental or lease shall be for a minimum period of (6) six months, with no more than two leases (2) per year. No short-term vacation rentals of any kind or description will be allowed to be undertaken. Neither may they advertised in short-term rental sites, including but not limited to: Airbnb, Vrbo, Home Away, Facebook Marketplace, Vacasa nor Expedia Group. Violation of Covenants will mean the suspension of owners voting rights and a lawsuit to obtain a restraining order and or injunction all subject to the limitations then existing under Colorado law to undertake such actions. All leases shall be in writing and shall incorporate all applicable terms and conditions of this Declaration and all rules and regulations governing the 750 Main Building. A Residential Unit Owner proposing to lease their Residential Unit shall ensure that the lessee complies with all applicable terms and conditions of this Declaration and all rules and regulations governing the 750 Main Building."

3.3 Section 3.1.6 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

"3.1.6 Parking. Residential Units 301 and 302 shall have assigned to it for its exclusive use one (1) parking space as shown on the Plat, which shall be used for parking purposes."

3.4 Section 3.1.7 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

"3.1.7 Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept in the 750 Main Building except common household pets, including dogs and cats. The dogs shall be on a leash at all times when being walked outside a Unit. There shall be no more than two (2) dogs, or two (2) cats, or two (2) dogs and two (2) cats in any Unit. No pets shall be kept, maintained or bred for any commercial purpose. All pets shall be maintained at all times so that they are not a nuisance to other residents in the 750 Main Building. Excessive barking shall be considered a nuisance for the purpose of this section. Owners must clean up all feces and urine from their animals at all times and at all places on the Property. Owners and Lessees agree to find new homes for their pets if the pet becomes a nuisance to other residents."

Each Owner shall be responsible and liable for any damage to persons or property caused by the pets of the Owner or the Owner's guests or Lessees."

3.5 Section 3.2.1 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

"3.2.1 Commercial Use. Each Commercial Unit shall be limited to use as a light commercial business, restaurant, medium to high traffic office space, art gallery or retail space. Each Owner of a Commercial Unit shall have the right to lease part or all of a Commercial Unit."

4. AMENDMENTS TO SECTION 4 OF THE DECLARATION.

4.1 Section 4.2 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

"4.2 Board of Directors and Officers. The affairs of the Association shall be conducted by the Board of Directors, and such Officers, as the Board may elect or appoint in accordance with its Articles and Bylaws as the same, may be amended from time to time. The Association, by and through the Board, shall govern and manage the 750 Main Building, including the Property, and any property owned by the Association, and shall enforce the provisions of this Declaration. The initial Board shall be composed of three (3) Members. The Board may also appoint various committees. Declarant (during the Declarant Control Period) shall have the right to appoint and remove Directors and Officers. The Declarant Control Period commences on the date on which Declarant forms the Association and terminates on the earliest to occur of: (i) sixty (60) days after conveyance to Purchasers of seventy-five (75%) percent of the maximum number of Units that may be created by Declarant pursuant to this Declaration; or (ii) two (2) years after the last conveyance of a Unit by Declarant to a Purchaser in the ordinary course of business. After the Declarant Control Period, the Board shall consist of five (5) members, one owner from each Unit.

Declarant may voluntarily surrender the right to appoint and remove Directors and Officers before termination of the Declarant Control Period. In that event, the Declarant may require, for the duration of the Declarant Control Period, that specified actions of the Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

For the election of Board Members, those candidates receiving the highest number of votes shall be deemed elected. Lessees of Units shall have no voting rights."

4.2 Section 4.5 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

"4.5 Membership. The Association shall be a membership association without certificates or shares of stock. The Members of the Association shall be those persons or entities, including Declarant, who are the Owners, from time to time, of Units within the 750 Main Building. Membership in the Association shall automatically terminate when a Member ceases

to be an Owner of a Unit. There shall be one class of membership that is a voting membership by Owners of Units.

Each of the Units shall be entitled to one vote, for a total of five (5) votes within the Association. Except as otherwise provided herein, and in the Rules and Regulations, the affirmative vote of a majority of the Owners of Units entitled to vote on any matter shall constitute approval of such matter. Where there are multiple Owners of a Unit, there shall remain only one vote for each Unit. If only one of the multiple Owners of a Unit are present at a meeting of the Association, such Owner shall be presumed to be entitled to cast the vote allocated to such Unit. If more than one of the multiple Owners is present, the vote allocated to the Unit may be cast only in accordance with the agreement of a majority in interest of the Owners of such Unit."

5. AMENDMENTS TO SECTION 5 OF THE DECLARATION.

5.1 Section 5.2.2 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

"5.2.2 Within thirty (30) days after adopting a proposed budget, the Board shall deliver a summary of the proposed budget to the Owners. If allowed under Colorado law, Owners will have 30 days after delivery of the budget to propose changes by email to the Board, or the budget will be considered ratified. Any changes Owners are requesting will need to be discussed in a meeting within 30 days of notification of requested changes. If the foregoing process is not allowed, then the Board will set a date for a meeting of the Owners to consider ratification of the proposed budget. The date of such meeting shall not be less than fourteen (14) days nor more than sixty (60) days after the delivery of the summary of the proposed budget to the Owners. Unless at that meeting a majority of the votes allocated to all Unit Owners rejects the proposed budget, whether or not a quorum is present, the proposed budget shall be deemed ratified. If the proposed budget is rejected, the annual budget last ratified by the Owners shall be deemed renewed for the next calendar year and shall remain in full force and effect until such time as the Owners ratify a subsequent budget proposed by the Board."

6. AMENDMENTS TO SECTION 12 OF THE DECLARATION.

6.1 Section 12.3 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

"12.3 Second Floor Units-Electric Meter. The two (2) Units on the Second Floor (hereinafter "Second Floor Units") share a single electric meter. The Owners of the Second Floor Units shall share equally (50%/50%) in the cost of electricity provided to the Second Floor Units. The Owners of the Second Floor Units shall also share equally in the cost of maintenance, repair, and replacement of an electric meter, unless the repair or replacement is occasioned by damage caused to the electric meter by the negligence, misuse or tortuous act of an Owner of a Unit, in which case that Owner of the Unit causing damage shall be solely responsible for the costs of the maintenance, repair, or replacement of the electric meter. If at any point either Unit 201 or 202 are converted to Residential Units, an additional electric meter will

need to be added to enable one meter per Unit, so the Second Floor Units will no longer share the cost of electricity on one meter. The cost of adding the additional meter will be borne by the Owner of the Unit seeking the change to Residential, unless the Owner of the other Second Floor Unit agrees to split the cost, solely at their discretion.”

6.2 Section 12.4 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

“12.4 Second Floor Units-Water Heater. The Second Floor Units also share a single hot water heater. The Owners of the Second Floor Units shall share equally (50%/50%) in the cost of water provided to the Second Floor Units through the hot water heater. The Owners of the Second Floor Units shall also share equally (50%/50%) in the cost of maintenance, repair, and replacement of the hot water heater, unless the repair or replacement is occasioned by damage caused to the hot water heater by the negligence, misuse or tortuous act of an Owner of a Unit, in which case that Owner of the Unit causing damage shall be solely responsible for the costs of the maintenance, repair, or replacement of the hot water heater. If at any point either Unit 201 or 202 are converted to Residential Units, an additional hot water heater and associated meter will need to be added to enable one hot water heater and associated meter per Unit, so the Second Floor Units will no longer share either hot water itself, or the cost of hot water on one meter. The cost of adding the additional meter will be borne by the Owner of the Unit seeking the change to Residential, unless the Owner of the other Second Floor Unit agrees to split the cost, solely at their discretion.”

7. AMENDMENTS TO SECTION 14 OF THE DECLARATION.

7.1 Section 14.1 of the Declaration shall be deleted in its entirety and replaced with the following paragraph:

“14.1 Marketing Activity. Declarant and subsequent Owners may conduct, on the 750 Main Building, sales activities, including, the showing of Units by Owners and their designated sales agents, maintaining management offices, leasing, promoting or marketing events, and maintaining reasonable signs advertising the 750 Main Building Property for lease or sale.”

8. RATIFICATION.

8.1 As herein amended by this First Amendment, the terms and conditions of the Declaration are hereby ratified and confirmed by the unanimous vote of the membership.

IN WITNESS WHEREOF, the Secretary/Treasurer of 750 Main Building Association, has executed this THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS FOR THE 750 MAIN BUILDING this 21st day of October, 2024.

750 MAIN BUILDING ASSOCIATION

By: Eugene Treanor
_____, Secretary/Treasurer

STATE OF COLORADO)
) ss.
COUNTY OF LA PLATA)

The foregoing instrument was acknowledged before me this 22 day of October,
2024, by Eugene Treanor, Secretary/Treasurer 750 Main Building Association.
Witness my hand and official seal.
My commission expires: 12-06-25

Star L Schamp

Notary Public

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STAR L SCHAMP Notary Public State of Colorado Notary ID # 20214046892 My Commission Expires 12-06-2025
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