

REMODEL AGREEMENT

LODGE AT LIONSHEAD

THIS AGREEMENT ("Agreement") is made this ___ day of _____, 20____ by and between **Lodge at Lionshead III Condominium Association**, ("Association"), a Colorado non-profit corporation, _____ ("Owner"), and _____ ("Contractor").

RECITALS

- A. Owner is the owner of Unit _____, Lodge at Lionshead III Condominium Association ("Unit").
- B. Owner has requested that the Association approve a renovation of their unit.
- C. Contractor is Owner's contractor for the renovation.
- D. The Association's Board of Managers is willing to consider approval of the proposed renovation only upon the terms and conditions set forth in this Agreement.
- E. Owner is willing to agree to such terms and conditions in connection with obtaining the approval of the Board of managers for their unit renovation.

AGREEMENT

NOW, THEREFORE, for and in consideration of the covenants and agreements herein contained, the parties agree as follows:

1. Owner agrees that any work requiring the services of any outside contractor or worker and/or a permit from the Town of Vail shall be subject to all of the provisions of this Agreement. Notwithstanding the foregoing, all remodel work within the unit, including work performed exclusively by Owner, requires Association prior approval. In order to obtain Association approval owner must submit in writing, a detailed description of the proposed renovation for Board of Manager review and written approval prior to commencement of any work. Additional structural, architectural, electrical and mechanical plans and other information and materials may be required for approval dependent upon the scope of the remodel. The Board will use commercially reasonable efforts to complete its review within two weeks of receiving all materials. Notwithstanding the foregoing, no work may commence until written approval is received from the Board. Owner and Contractor must agree to and meet all terms and conditions of the Agreement prior to receiving written Board of Manager remodel approval.
2. Once remodel plans are approved, Owner agrees that no changes or additions, other than cosmetic modifications to the interior of the Unit will be made to the plans or scope of the remodel without prior written approval of the Association. All remodel work shall be performed in accordance with the approved plans. The Association may employ, at Owner's expense, consultants and experts to assist it in connection with the remodel, including without limitation in reviewing plans and construction. Owner agrees to provide the Association and its agents, consultants and experts with reasonable access to the Unit in connection with the remodel.

3. Owner agrees that all work requiring a permit will be performed by qualified, Association approved, Contractors licensed and/or registered to do work within the Town of Vail. Contractor represents and certifies that at all times during the remodel it will have and maintain a contractor's license and/or registration with the Town of Vail. Contractors and workers performing work that does not require a permit must also be approved by the Association prior to commencing work in the building.
4. Owner and Contractor agree that a building permit, when required by the Town of Vail, will be obtained from the Town of Vail prior to commencement of and at all times maintained during any work. A copy of this permit is to be delivered to the Lodge at Lionshead management office and permit is to be on display in the unit at all times. All remodel work shall be performed in accordance with all applicable governmental codes, laws, regulations, permits and approvals, including without limitation those of the Town of Vail.
5. **Indemnification.** To the fullest extent permitted by law, Owner shall indemnify, defend and hold harmless the Association, and all agents, owners, officers, directors, assigns, affiliates, members, agents and employees of Association, from and against any and all claims, liabilities, liens, encumbrances, costs, damages, citations, penalties, fines, royalties, license fees, attorneys' fees, payments, suits, actions, judgments, losses and expenses of whatever nature or kind (collectively "Claims") in any way arising out of or resulting from remodel of the Unit, and Owner's or Contractor's performance of or failure to perform under this Agreement, regardless of whether or not such claims are caused in part by a party indemnified hereunder, but only to the extent caused in whole or in part by breach of this Agreement or by the acts or omissions of the Owner, Contractor, Owner's or Contractor's contractors, subcontractors, workers, suppliers and anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, including their respective agents, assigns, officers, directors, owners, shareholders, employees, suppliers and contractors . The indemnification obligation shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for the Owner, Contractor or Owner's or Contractor's contractors or subcontractors under worker's compensations acts, disability benefit acts, or other employee benefit acts, or insurance. Owner's indemnity obligation shall be limited only to the extent necessary to comply with governing law and only to the extent any such governing law limits the indemnity provided herein, Owner's obligations shall be deemed to be limited so as to comply with such governing law.
6. **Insurance – Contractor/worker performed work.** Prior to commencement of any work by Contractor or any subcontractor or worker, Contractor, at its or Owner's expense, shall obtain and at all times while work is performed maintain commercial general liability insurance with a minimum \$1,000,000 each occurrence, and \$2,000,000 general aggregate; insurance that is necessary to underwrite Owner's indemnity obligations under this Agreement; and any other insurance required by law, including without limitation workers' compensation/employers liability and automobile insurance; and such other insurance specified on *Exhibit A* attached hereto. The foregoing insurance shall be of the types and with the coverage specified on *Exhibit A*. All CGL policies shall name the Association and its members and manager as additional insureds. Contractor shall provide to the Association an undertaking by the insurance company issuing each policy that each such policy will not be cancelled, not renewed or substantially changed except after thirty (30) days

prior written notice to Association of the intent to do so. Insurance coverage afforded under the policies required herein shall be primary and non-contributing, if available, with respect to any insurance carried independently by the Association, its members or their respective agents. All such insurance policies shall include a waiver of subrogation endorsement in favor of the Association, its members and agents. Approval, disapproval or failure to act by the Association regarding any insurance supplied hereunder shall not relieve Owner and Contractor of full responsibility for liability for claims, damages and accidents. Certificates of insurance for all coverage shall be provided to the Association prior to commencement of any remodel work.

7. **Insurance – Owner performed work.** If all work is performed exclusively by Owner and no Contractor or worker is used, Owner shall not be required to meet the insurance requirements set forth in Section 6 above. Instead, in such situation Owner shall be required to obtain and at all times while work is performed maintain comprehensive personal liability insurance with a minimum of \$500,000 each occurrence. A certificate of insurance evidencing the foregoing coverage shall be provided to the Association prior to commencement of any work.
8. Owner and Contractor agree that remodel work is restricted to non-ski season time periods, April 15 – November 15. In addition, no remodel work may occur on Sundays, Friday through Monday of Memorial and Labor Day Weekends, or the 4th of July week. Owner agrees to pay a daily fine of \$500 for any remodel work occurring during restricted time periods. Owner and Contractor agree also that Association has authorization, through Association Management to halt any work occurring during restricted time periods at the Board's sole discretion. Owner and Contractor may request permission to work during restricted time periods when special circumstances arise. Any approvals will be in the Board of Managers sole discretion.
9. Owner and Contractor agree that no remodel activity may commence prior to 9:00 am and shall cease no later than 5:00 pm on any day on which work is permitted. Any work that could create excessive noise, in the sole judgment of the Association's management, such as structural changes or jack hammering, may commence no earlier than 10:00 am and shall cease no later than 2:00 pm, on any day on which such remodel work is permitted. Owner and Contractor agree to take appropriate measures to minimize noise, so as not to interfere with the use and enjoyment of surrounding unit owners and guests. Owner and Contractor may request permission to extend hours during off season / low occupancy time periods. Any approvals will be in the Board of Manager's sole discretion.
10. Owner and Contractor agree and acknowledge that the Association shall have the authority to enforce this Agreement directly against the Owner and/or Contractor, including without limitation by stopping the progress of the work whenever, in the Association's opinion, such stoppage may be necessary to insure its proper execution, or to protect the building and the interest of other owners or occupants.
11. Owner and Contractor agree, due to the common nature of the building, that the central fire alarm system, fire sprinkler system, low voltage (phone, cable and internet) wiring system and mechanical heat and hot water boiler system are under the exclusive control of the Association. These systems are exclusively maintained by companies contracted with the Association. Owner agrees that they will only use the Association approved/contracted companies for any work relating to these systems even when the work is to be performed within the owners unit. Owner and

Contractor agree not to block, restrict or deny access to any utilities and systems that service other units.

12. Owner and Contractor agree that the domestic water serving the Unit is a common system for the building. Owner and Contractor understand that any modifications to their plumbing fixtures may involve a shut off of water to the entire building and drain down of the system. Owner agrees to, at their sole expense, provide for and install water shut off valves for their unit as part of their renovation if it involves work that requires a shut down of the entire system and the shut-off valves can be reasonably installed. Any work that requires a shut down of services to other units in the building must be scheduled and approved in advance by the Association.
13. Owner and Contractor agree there will be no openings, vents or modifications to any exterior walls or surfaces, including the roof of the building without prior written approval of the Association. Where venting is required for fireplaces, clothes dryers or appliances every effort will be made to use existing flues and venting.
14. Structural Integrity. It is recognized that the remodel may increase the weight placed on the structure of the building. Any removal or alteration of present structural members is forbidden. Before commencement of any work which may impact the structural integrity of the building, Owner may be required to provide a report and recommendation by a registered professional engineer for maintaining the structural integrity of the building in connection with the remodel. The recommendations of such engineer shall first be approved by the Board of Managers of the Association and shall be implemented by Owner after approval. No structural changes to the building may be made without the express prior written approval of the Board of Managers of the Association.
15. Owner and Contractor agree that they have only one parking space available for their contractors use. Contractor must pick up a valid parking pass from the management office and display on the dashboard at all times. All additional parking must be procured off site. Owner will be assessed a \$250 fee per occurrence for contractor vehicles parked at the property without a valid parking pass displayed. Owner and Contractor may request permission to park additional vehicles on site when occupancy may allow for it. Any approvals will be in the Board of Manager's sole discretion.
16. Use of elevator is restricted. All contractor use must be approved in advance by management or Board of Managers.
17. Owner and Contractor agree to maintain the cleanliness of the adjacent common areas on a daily basis. The maintenance and cleanliness of the common areas will be monitored by management. If Associations maintenance and/or cleaning staff is required to perform any repairs or cleaning associated with Owner's remodel Owner will be charged and agrees to pay the going rates for these services.
18. Owner and Contractor agree not to stage or store any tools or materials on the unit deck or the building common areas without advance approval of management or Board of Managers.
19. Owner agrees to not introduce or cause any "new" or increased noise to the surrounding units as a result of their completed remodel. Some specific areas of requirement are to install a sound attenuation "Schluter" type product under all new

hard surface (wood, tile stone etc.) flooring. Owner agrees not to install any Jacuzzi tubs with vibration noises or electronic sound systems that impact the use and enjoyment of surrounding units. Additional requirements may become necessary as situations arise to mitigate noise.

20. Owner and Contractor agree that the Association dumpster is not available for removal of remodel trash or debris. Owner and Contractor must make arrangements with management's approval for proper disposal of construction debris.
21. Owner agrees to reimburse Association for any costs incurred to update the buildings master architectural/engineering as-built drawings and/or governing documents as a result of owners remodel. Owner agrees to provide the Association at the end of the remodel electronic Auto-Cad as-built drawings depicting any/all changes to the unit's layout and building common elements including: fire sprinkler, fire alarm, electrical, plumbing and venting.
22. Owner agrees to pay the Association a security deposit of 5% of the projected cost of the remodel, not to exceed \$5,000. This security deposit will be held in an Association account and may be used for repair of any damage or clean up of any common areas or other units or property of the Association or other owners caused by or resulting from the remodel. This security deposit may also be used for the payment of any fines incurred by the Owner and/or Contractor for parking violations or fines for working during restricted times and/or periods. This deposit may also be used for any fees, costs and expenses incurred by the Association as a result of the owner's renovation, including without limitation for any technical assistance (architectural, engineering or other consultants) required for review of plans or of actual construction. Owner's liability to the Association and affected units owners is not limited to the amount of the security deposit. The Association reserves the right to, and Owner and Contractor agree that the Association may from time to time reasonably increase the amount of the fees, fines, security deposit and other charges provided for under this Agreement including with out limitation pursuant to Sections 8, 16 and 24.
23. Owner agrees to pay and reimburse the Association within 20 days of request any and all amounts incurred by the Association under or as a result of this Agreement or of the remodel, including without limitation for legal fees, consultant and expert fees, damages, and increased management fees and expenses. Any and all such amount, if not timely paid, shall also constitute assessments against the Unit which the Association may enforce and collect like any other assessment, including without limitation through an assessment lien recorded against the Unit and foreclosure of such assessment lien.
24. This Agreement shall be construed and enforced in accordance with the laws of the State of Colorado. Any action to enforce or interpret the terms hereof shall be brought in the state courts in and for the County of Eagle, State of Colorado. The prevailing party in any such action shall be entitled to receive and shall be awarded their reasonable attorneys' fees and costs of suit incurred in connection with such enforcement action.
25. Time is of the essence in the performance of the obligations hereunder. This Agreement may be executed in counterparts and by facsimile signature.

Made by the parties hereto as of the date set forth above.

THE ASSOCIATION:
Lodge at Lionshead III Condominium Association,
A Colorado non-profit corporation

By: _____

Dated: _____

Name: _____

Title: _____

OWNER:

By: _____
(signature)

Dated: _____

Name: _____

Title: _____

CONTRACTOR:

By: _____
(signature)

Dated: _____

Name: _____

Title: _____

EXHIBIT A INSURANCE REQUIREMENTS

Workers' Compensation endorsed to Waive Rights of Subrogation against the Owner.

Commercial General Liability Coverage including all major coverages, including:

1. Premises/Operations including Explosion, Collapse, and Underground Hazards.
2. Products/Completed Operations.
3. Broad Form Property Damage.
4. Contractual Liability, including all insurance required by the Contract Documents.
5. Contractor's Protective Liability.
6. Personal/Advertising Injury.
7. Owner endorsed as an Additional Insured by CG 2010 03/97 or comparable form.
8. If available, policy endorsed to be Primary – treating Owners coverage as Excess and Noncontributory.
9. Policy endorsed with a Per Project Aggregate, or a Specific Job Aggregate for this project, if available.
10. Products/Completed Operations to be maintained for duration of Colorado statute of limitations/repose (eight years after substantial completion).

Business Auto Liability Coverage, including owned, non-owned, and hired auto Liability.

Umbrella Liability, including Employer's Liability, Commercial General Liability, and Automobile Liability Coverage.

The insurance shall be written for not less than the following limits, or greater if required by law.

<u>Coverage</u>	<u>Limits</u>
Workers' Compensation	Statutory
Employers Liability	\$100,000 per Accident \$100,000 Disease Each Employee \$500,000 Disease Policy Limit
Commercial General Liability	\$1,000,000 Each Occurrence \$1,000,000 Personal & Adv. Injury \$2,000,000 General Aggregate \$2,000,000 Products/Completed Operations
Aggregate	\$ 50,000 Fire Damage Legal

	\$ 5,000 Medical Payments
Commercial Auto Liability	\$1,000,000 Per Occurrence
Umbrella Liability	\$1,000,000 Each Occurrence and Aggregate Limit