

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

FOR

COURTYARDS AT LUPTON VILLAGE
(a Common Interest Community)

Association: Courtyards at Lupton Village Homeowners Association
Declarant: Eastman Properties LLC, a Colorado limited liability company

When recorded, return to:

Timothy L. Goddard
Goddard Law Office, PLLC
210 East 29th Street
Loveland, CO 80538

TABLE OF CONTENTS

RECITALS 1

ARTICLE 1. SUBMISSION OF REAL ESTATE..... 1

ARTICLE 2. DEFINITIONS 1

 Section 2.1 Defined Terms..... 1

 Section 2.1.1 Allocated Interests..... 2

 Section 2.1.2 Association 2

 Section 2.1.3 Bylaws..... 2

 Section 2.1.4 Common Area 2

 Section 2.1.5 Common Expense Liability 2

 Section 2.1.6 Common Expenses 2

 Section 2.1.7 Common Interest Community 2

 Section 2.1.8 Courtyard 2

 Section 2.1.9 Courtyard Easement 2

 Section 2.1.10 Declarant 3

 Section 2.1.11 Declaration 3

 Section 2.1.12 Design Guidelines 3

 Section 2.1.13 Design Review Committee or DRC..... 3

 Section 2.1.14 Documents or Governing Documents 3

 Section 2.1.15 Executive Board 3

 Section 2.1.16 Improvements..... 3

 Section 2.1.17 Insurer..... 4

 Section 2.1.18 Landscaping..... 4

 Section 2.1.19 Lot..... 4

 Section 2.1.20 Lot Owner or Owner..... 4

 Section 2.1.21 Member..... 4

 Section 2.1.22 Mortgagee..... 4

 Section 2.1.23 Person..... 4

 Section 2.1.24 Plat..... 4

 Section 2.1.25 Purchaser..... 5

 Section 2.1.26 Real Estate..... 5

 Section 2.1.27 Related User..... 5

 Section 2.1.28 Rules and Regulations 5

 Section 2.1.29 Security Interest 5

 Section 2.1.30 Special Declarant Rights Period..... 5

 Section 2.2 Other Terms Defined in Act 6

 Section 2.3 Other Terms in Declaration 6

ARTICLE 3. COMMON INTEREST COMMUNITY 6

 Section 3.1 Name 6

 Section 3.2 Association 6

 Section 3.3 Planned Community 6

Section 3.4	County	6
Section 3.5	Legal Description	6
Section 3.6	Maximum Number of Lots	6
Section 3.7	Boundaries of Lots	6
Section 3.8	Membership	6
Section 3.9	Voting Rights and Assignment of Votes	6
Section 3.10	Allocated Interests	7
Section 3.11	Recording Data	7
Section 3.12	Owners' Easements of Enjoyment	7
Section 3.13	Notice	7
 ARTICLE 4. ASSOCIATION		8
Section 4.1	Authority and Power	8
Section 4.2	Declarant Control	8
Section 4.3	Executive Board Powers and Duties	8
Section 4.4	Professional Management and Contract Termination Provisions...	10
Section 4.5	Cooperation with Other Associations	10
Section 4.6	Executive Board Limitations	10
 ARTICLE 5. SPECIAL DECLARANT RIGHTS, DEVELOPMENT RIGHTS AND ADDITIONAL RESERVED RIGHTS		11
Section 5.1	General Provisions	11
Section 5.1.1	Completion of Improvements	11
Section 5.1.2	Development Rights	11
Section 5.1.3	Merger	11
Section 5.1.4	Colorado Common Interest Ownership Act.....	11
Section 5.1.5	FHA/VA Requirements	11
Section 5.1.6	Sales Activities	11
Section 5.1.7	Association Directors and Officers	11
Section 5.2	Order of Exercise of Declarant's Rights	12
Section 5.3	Supplemental Provisions Regarding Declarant's Rights	12
Section 5.4	Utility Easements	12
Section 5.5	Drainage Easements	12
Section 5.6	General Provision	12
Section 5.7	Reservation for Construction	13
Section 5.8	Maintenance Easement	13
Section 5.9	Recorded Easements	13
Section 5.10	Emergency Easement	13
Section 5.11	Easements Deemed Appurtenant	13
Section 5.12	Rights Transferable	14
 ARTICLE 6. DEVELOPMENT AND WITHDRAWAL RIGHTS.....		14
Section 6.1	Development and Withdrawal Rights	14
Section 6.2	Interpretation	14
Section 6.3	Rights Incidental to the Construction Easement.....	14
Section 6.4	Reciprocal Easements	14



Section 6.5 Termination of Development Rights 15

ARTICLE 7. COVENANT FOR MAINTENANCE ASSESSMENTS 15

Section 7.1 Creation of Lien and Personal Obligation for Assessments 15

Section 7.2 Purpose of Assessments 16

Section 7.3 Initial Annual Assessment 16

Section 7.4 Apportionment of Annual and Special Assessments 16

Section 7.5 Date of Commencement of Annual Assessments 16

Section 7.6 Capitalization of the Association 16

Section 7.7 Amount of Assessments 16

Section 7.8 Meeting to Approve Annual Budget 17

Section 7.9 Special Assessments 17

Section 7.10 Notice and Quorum for Special Assessments 17

Section 7.11 Lien for Assessments 17

Section 7.12 Priority of Association Lien 18

Section 7.13 Receiver 19

Section 7.14 Certificate of Status of Assessments 19

Section 7.15 Effect of Non-Payment of Assessments; Remedies
of Association 19

Section 7.16 Surplus Funds 19

Section 7.17 Assessments for Misconduct 19

ARTICLE 8. RESTRICTIVE COVENANTS AND OBLIGATIONS 20

Section 8.1 Residential Use 20

Section 8.2 Temporary Structures 20

Section 8.3 Construction Facilities 20

Section 8.4 General Restrictions 20

Section 8.5 Household Pets 20

Section 8.6 Use of Common Area 20

Section 8.7 Exterior Changes 21

Section 8.8 Antennas 21

Section 8.9 Signs and Advertising 21

Section 8.10 Trash 21

Section 8.11 Parking 22

Section 8.12 Abandoned or Inoperable Vehicles 22

Section 8.13 Vehicle Maintenance 22

Section 8.14 Towing or Booting 22

Section 8.15 Sound, Light, Etc. 23

Section 8.16 Evaporative Coolers 23

Section 8.17 Subdivision 23

Section 8.18 Leases 23

Section 8.19 Nuisances 24

Section 8.20 No Hazardous Activities 24

Section 8.21 No Violation of Laws 24

Section 8.22 Home Business Activities 24

Section 8.23 Damage to Common Improvements 25



Section 8.24 Rules and Regulations 25
 Section 8.25 Exemption for Declarant 25
 Section 8.26 Notice of Restricted Community 25

ARTICLE 9. ARCHITECTURAL CONTROL 25
 Section 9.1 Design Review Committee 25
 Section 9.1.1 Appointment of Members 25
 Section 9.1.2 Term 26
 Section 9.1.3 Decisions 26
 Section 9.1.4 Compensation 26
 Section 9.1.5 Delegation 26
 Section 9.1.6 Non-liability 26
 Section 9.2 Control 26
 Section 9.3 Purpose 26
 Section 9.4 Rules and Guidelines 27
 Section 9.5 Review of Plans and Specifications 27
 Section 9.6 Prosecution of Work After Approval 27
 Section 9.7 Notice of Completion 27
 Section 9.8 Inspection of Work 27
 Section 9.9 Notice of Noncompliance..... 28
 Section 9.10 Correction of Noncompliance..... 28
 Section 9.11 No Waiver of Future Approval..... 28
 Section 9.12 Variances..... 28
 Section 9.13 Declarant Exemption 28

ARTICLE 10. INSURANCE/CONDEMNATION 29
 Section 10.1 Insurance Coverage 29
 Section 10.2 Condemnation 31

ARTICLE 11. MAINTENANCE 32
 Section 11.1 Association’s Maintenance Responsibilities32
 Section 11.2 Owners’ Maintenance Responsibilities32
 Section 11.3 Association’s Right to Repair, Maintain, Restore
 and Demolish 32
 Section 11.4 Maintenance of Drainage 32
 Section 11.5 Easement for Maintenance Access and Entry 33
 Section 11.6 Owner’s Negligence..... 33
 Section 11.7 Construction Defects 33
 Section 11.8 Arbitration 33
 Section 11.9 Award 33
 Section 11.10 Waiver of Tort and Related Damages34

ARTICLE 12. EASEMENTS AND RESERVATIONS 34
 Section 12.1 Courtyard Easement 34
 Section 12.2 Easements of Encroachment 35
 Section 12.3 Easements for Utilities, Etc. 35
 Section 12.4 Right of Entry 35

ARTICLE 13. MORTGAGEE PROTECTION 35

- Section 13.1 Introduction 35
- Section 13.2 Percentage of Eligible First Mortgages 36
- Section 13.3 Notice of Actions 36
- Section 13.4 Consent by Sixty-Seven Percent (67%) Required 37
- Section 13.5 Approval 37
- Section 13.6 Inspection of Books 37
- Section 13.7 Financial Statements 37
- Section 13.8 Enforcement 38
- Section 13.9 Attendance at Meetings 38

ARTICLE 14. AMENDMENT AND TERMINATION 38

- Section 14.1 Technical, Clerical, Typographical or Clarification
 Amendment 38
- Section 14.2 Necessary to Exercise Authority of Association Documents..... 38
- Section 14.3 Attorney in Fact 38
- Section 14.4 Amendment of Declaration by Owners..... 38
- Section 14.5 Amendment Required by Mortgage Agencies 39
- Section 14.6 Recording of Amendments 39
- Section 14.7 Association Certification 39
- Section 14.8 Expenses 39
- Section 14.9 Termination 40

ARTICLE 15. GENERAL PROVISIONS 40

- Section 15.1 Enforcement 40
- Section 15.2 Construction 41
- Section 15.3 Duration 41
- Section 15.4 Headings 41

LENDER CONSENT 43

EXHIBITS

- Exhibit A Legal Description of Real Estate..... 44
- Exhibit B Legal Description of Common Area..... 45
- Exhibit C Description of Easements..... 46

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
COURTYARDS AT LUPTON VILLAGE
(a Common Interest Community)**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Declaration") is made and entered into this 15th day of April, 2022, by EASTMAN PROPERTIES LLC, a Colorado limited liability company, hereinafter referred to as "Declarant."

RECITALS

- A. Declarant is the owner of that certain real property located in the County of Weld, State of Colorado, legally described on Exhibit "A" attached hereto and incorporated herein by reference (the "Real Estate").
- B. Declarant desires to create a Common Interest Community on the Real Estate pursuant to the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, et seq., as it may be amended from time to time (the "Act").
- C. Declarant has caused or will cause to be incorporated under the laws of the State of Colorado COURTYARDS AT LUPTON VILLAGE HOMEOWNERS ASSOCIATION, a Colorado nonprofit corporation, for the purpose of exercising the functions herein set forth.
- D. The Common Interest Community may be subject to any covenants recorded in the Weld County, Colorado records by any Metropolitan District in which the Real Estate is located.

ARTICLE 1. SUBMISSION OF REAL ESTATE

Declarant hereby publishes and declares that the Real Estate shall be held, sold, conveyed, transferred, leased, subleased and occupied subject to the following easements, covenants, conditions and restrictions, which shall run with the Real Estate and shall be binding upon and inure to the benefit of all parties having any right, title or interest in the Real Estate or any portion thereof, their heirs, personal representatives, successors and assigns. Additionally, Declarant hereby submits the Real Estate to the provisions of the Act. In the event the Act is repealed, the Act on the effective date of this Declaration shall remain applicable.

ARTICLE 2. DEFINITIONS

Section 2.1 Defined Terms. When used in this Declaration, unless the context clearly indicates otherwise, capitalized terms not otherwise defined in the Act or in the Plat of the Real Estate shall have the meanings provided in the following sections of this Article:

2.1.1 “Allocated Interests” shall mean and refer to the Common Expense Liability and votes in the Association.

2.1.2 “Association” shall mean and refer to COURTYARDS AT LUPTON VILLAGE HOMEOWNERS ASSOCIATION, a Colorado nonprofit corporation, its successors and assigns.

2.1.3 “Bylaws” shall mean and refer to any instruments, however denominated, which are adopted by the Association for the regulation and management of the Association, including amendments to those instruments.

2.1.4 “Common Area” shall mean and refer to Tract A and Tract B shown on the Plat and any real estate, easements and other property rights, together with the Improvements thereon, if any, within the Common Interest Community owned or leased by the Association, other than a Lot. The initial Common Area within the Common Interest Community will include the real property legally described on Exhibit “B” and by this reference incorporated herein, upon Declarant’s conveyance of the real property to the Association.

2.1.5 “Common Expense Liability” shall mean and refer to the liability for Common Expenses allocated to each Lot pursuant to this Declaration.

2.1.6 “Common Expenses” shall mean and refer to expenditures made or liabilities incurred by or on behalf of the Association, together with any allocations to reserves. These expenses for the operation of the Common Interest Community include, but are not limited to:

- (a) expenses declared to be Common Expenses by the Declaration;
- (b) expenses agreed upon in writing as Common Expenses by the Association; and
- (c) such reasonable reserves as may be established by the Association, whether held in trust or by the Association, for the maintenance and repair obligations of the Association under this Declaration.

2.1.7 “Common Interest Community” shall mean and refer to the Real Estate and all Improvements constructed thereon.

2.1.8. “Courtyard” shall mean and refer to the enclosed area lying generally between the side of the building Improvement on a Lot and the side of the building Improvement on the adjoining Lot as described in Section 12.1. The dimensions of the Courtyard for a Lot will be determined by Declarant, initially, prior to the conveyance of a Lot to an Owner.

2.1.9 “Courtyard Easement” shall have the meaning provided in Section 12.1 of this Declaration.

2.1.10 “Declarant” shall mean and refer to Eastman Properties LLC, a Colorado limited liability company, and any Person or group of Persons which succeed to all or any portion of the rights and/or duties of Eastman Properties LLC, or of any successor to Eastman Properties LLC duly designated in accordance with this definition. Any such successor must be so identified by means of an express written assignment executed and acknowledged by Eastman Properties LLC, or a duly designated successor Declarant, and recorded in the real property records of Weld County, Colorado.

2.1.11 “Declaration” shall mean and refer to this Declaration, and any and all duly executed amendments, supplements or additions to this Declaration recorded from time to time in the real property records of Weld County, Colorado, including any plats and maps, relating to the Real Estate.

2.1.12 “Design Guidelines” shall mean and refer to, collectively, all written design and development guidelines, policies, application and review procedures, fee schedules and all architectural controls, which shall apply to all construction and other improvement activities that are enacted by the Design Review Committee in accordance with this Declaration.

2.1.13 “Design Review Committee” or “DRC” shall mean and refer to the committee created by Declarant under this Declaration for the purpose of establishing and administering architectural control over the Real Estate to insure the proper, appropriate and harmonious development and improvement of the Real Estate, including enforcing Design Guidelines, Owner’s maintenance responsibilities and other provisions of this Declaration, as provided in the Design Guidelines and related documents.

2.1.14 “Documents” or “Governing Documents” shall mean and refer to this Declaration, the Plat as recorded and filed, the Articles of Incorporation, the Bylaws, and the Rules and Regulations, as they may be amended from time to time, together with any exhibit, schedule or certificate accompanying such Documents.

2.1.15 “Executive Board” shall mean and refer to the Executive Board of the Association as defined in the Bylaws.

2.1.16 “Improvements” shall mean and refer to any building, structure, fence, landscaping or other improvements located within the Common Interest Community, including, but not limited to, the following: (a) the construction, installation, alteration, demolition, in whole or in part, or expansion of any building, structure or other improvements, including utilities; (b) the staking, clearing, grading, excavation, filling or similar disturbance to the surface of the land, including, without limitation, any change of grade, change of ground level, or change of drainage pattern; (c) all initial planting of and subsequent material modifications to Landscaping and all planting, clearing or removing of trees, shrubs, grass or perennial plants, but in each instance excluding removal of dead or diseased plants and trees and excluding any replacement that is substantially similar to the item being replaced; (d) any change or alteration to the exterior appearance of Improvements previously approved by the Design Review Committee, including any change in finish material, color or texture; (e) the repainting and resurfacing of exterior surfaces of structures, including roofing materials, gutters, downspouts,



drainspouts, exterior siding or stucco finish, entry doors, windows, trim around doors and windows, surfaces of garage doors, external vents and flues and glass surfaces, exclusive of any replacement that is substantially identical to the item being repainted or resurfaced; and (f) reconstruction of any structures.

2.1.17 “Insurer” shall mean and refer to any governmental agency or authority that insures or guarantees a Security Interest and who has provided actual written notice of such interest to the Association. An Insurer must notify the Association in writing of its name and address and inform the Association that it has insured or guaranteed a First Security Interest in a Lot. It must provide the Association with the Lot number and address of the Lot on which it is the insurer or guarantor of a Security Interest. Such notice shall be deemed to include a request that the Insurer be given the notices and other rights described in this Declaration. The recording of a mortgage, deed of trust or other Security Interest in the office of the Clerk and Recorder of Weld County, Colorado, shall not be considered actual written notice to the Association of a Security Interest.

2.1.18 “Landscaping” shall mean and refer to trees, shrubs, grasses, flowers and other plants and plant materials.

2.1.19 “Lot” shall mean and refer to a physical portion of the Common Interest Community, which is designated for separate ownership or occupancy, the boundaries of which are described in or determined from the Declaration and the Plat.

2.1.20 “Lot Owner” or “Owner” shall mean and refer to Declarant or any other Person who owns a Lot but does not include a Person having an interest in a Lot solely as security for an obligation. Declarant is the owner of any Lot created in the Declaration until that Lot is first conveyed to another Person.

2.1.21 “Member” shall mean and refer to each Owner of a Lot in the Common Interest Community. Membership shall be appurtenant to, and may not be separated from, ownership of a Lot.

2.1.22 “Mortgagee” shall mean and refer to any Person who has a Security Interest in a Lot and who has provided actual written notice of such interest to the Association. The notice must include the Lot number and address of the Lot on which the Mortgagee has a Security Interest. Such notice shall be deemed to include a request that the Mortgagee be given the notices and other rights described in this Declaration. The recording of a mortgage, deed of trust or other Security Interest in the office of the Clerk and Recorder of Weld County, Colorado, shall not be considered actual written notice to the Association of a Security Interest. “First Mortgagee” shall mean and refer to the holder of record of a First Security Interest.

2.1.23 “Person” shall mean and refer to a natural person, a corporation, a partnership, an association, a trust, or any other entity or combination thereof.

2.1.24 “Plat” shall mean and refer to (i) the Final Plat of the Courtyards at Lupton Village PUD recorded June 29, 2020, at Reception No. 4603635 of the Weld County, Colorado records, together with all supplements and amendments thereto recorded in the office of the Clerk

and Recorder of Weld County, Colorado; including that certain Surveyor's Affidavit of Correction in connection therewith recorded October 20, 2021, at Reception No. 4767639.

2.1.25 "Purchaser" shall mean and refer to a Person, other than Declarant, who, by means of a transfer, acquires a legal or equitable interest in a Lot, other than:

(a) A leasehold interest in a Lot of less than forty (40) years, including renewal options, with the period of the leasehold interest, including renewal options, being measured from the date the initial term commences; or

(b) A Security Interest.

2.1.26 "Real Estate" shall mean and refer to the real property described on Exhibit "A" attached hereto and incorporated herein by reference, including structures, fixtures, and other Improvements and interests that, by custom, usage or law, pass with a conveyance of land, though not described in the contract of sale or instrument of conveyance.

2.1.27 "Related User" shall mean and refer to any Person who: (a) resides with an Owner within a Lot; (b) is a guest or invitee of an Owner; (c) is an occupant or tenant of a Lot; or (d) is a family member, guest, invitee or cohabitant of the foregoing.

2.1.28 "Rules and Regulations" shall mean and refer to any instruments, however denominated, which are adopted by the Association for the regulation and management of the Common Interest Community, including any amendment to those instruments.

2.1.29 "Security Interest" shall mean and refer to an interest in real estate or personal property created by contract or conveyance which secures payment or performance of an obligation if the Association is given actual written notice of such interest. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of lease or rents intended as security, pledge of an ownership interest in an association, and any other consensual lien or title retention contract intended as security for an obligation, of which the Association has been given actual written notice. "First Security Interest" shall mean and refer to a Security Interest in a Lot of which the Association has been given actual written notice prior to all other Security Interests except the Security Interest for real property taxes and assessments made by Weld County, Colorado, or other governmental authority having jurisdiction over the Common Interest Community. The recording of any document or instrument in the office of the Clerk and Recorder of Weld County, Colorado, shall not be considered actual written notice to the Association of any Security Interest created by the recording of such document or instrument.

2.1.30 "Special Declarant Rights Period" means the period beginning the date this Declaration is recorded in the office of the Clerk and Recorder of Weld County, Colorado, and ending the earlier of (i) ten (10) years from the date this Declaration is recorded in the office of the Clerk and Recorder of Weld County, Colorado, or (ii) the date on which Declarant shall have conveyed to parties (other than a successor Declarant) all Lots, as defined in the Act, owned by Declarant in the Common Interest Community.

Section 2.2 Other Terms Defined in Act. Unless the context clearly indicates otherwise, other terms defined in the Act shall have the meanings attributable to such terms in the Act.

Section 2.3 Other Terms in Declaration. Other terms in this Declaration may be defined in specific provisions contained herein and shall have the meaning assigned by such definition.

ARTICLE 3. COMMON INTEREST COMMUNITY

Section 3.1 Name. The name of the Common Interest Community is COURTYARDS AT LUPTON VILLAGE.

Section 3.2 Association. The name of the Association is COURTYARDS AT LUPTON VILLAGE HOMEOWNERS ASSOCIATION.

Section 3.3 Planned Community. The Common Interest Community is a Planned Community.

Section 3.4 County. The name of every county in which any part of the Common Interest Community is situated is Weld County, Colorado.

Section 3.5 Legal Description. A legal description of the Real Estate included in the Common Interest Community is set forth on Exhibit "A" attached hereto and incorporated herein by reference.

Section 3.6 Maximum Number of Lots. The maximum number of Lots Declarant reserves the right to create within the Common Interest Community is twenty-seven (27).

Section 3.7 Boundaries of Lots. The boundaries and identifying number of each Lot created by the Declaration are set forth on the Plat.

Section 3.8 Membership. Every Owner of a Lot which is subject to Common Expense assessments shall be a Member of the Association. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessments by the Association. When more than one (1) Person holds an ownership interest in any Lot, all such Persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Section 3.9 Voting Rights and Assignment of Votes. The effective date for assigning votes to Lots created pursuant to this Declaration shall be the date on which this Declaration is recorded in the records of the Clerk and Recorder of Weld County, Colorado.

Section 3.10 Allocated Interests. The Common Expense Liability and votes in the Association shall be allocated to each Lot as follows:

3.10.1 For each Lot, the Owner's share of the Common Expenses shall be equal to a fraction, the numerator of which shall be one (1) and the denominator of which shall be the total number of Lots within the Common Interest Community.

3.10.2 Each Owner shall be entitled to one (1) vote for each Lot owned.

Section 3.11 Recording Data. All easements and licenses to which the Common Interest Community is presently subject are described on the Plat and/or Exhibit "C" attached hereto and incorporated herein by reference. In addition, the Common Interest Community may be subject to other easements or licenses granted by Declarant pursuant to the terms of this Declaration.

Section 3.12 Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to any Common Area, subject to the following provisions:

3.12.1 Any restriction or limitation contained in the Governing Documents;

3.12.2 Any restriction or limitation contained in any deed conveying a Common Area or any easement granting a right of use of the Common Area, if any, to the Association;

3.12.3 The right of the Executive Board to adopt and amend, from time to time, Rules and Regulations concerning all or any portion of the Real Estate and the Common Area and any Improvements located thereon, as the Association may determine is necessary and prudent;

3.12.4 The right of the Association to enter into and execute contracts with any party for the purpose of providing management, maintenance or other services for the Common Area, or otherwise governing their use and operation;

3.12.5 The right of the Association to grant permits, licenses and easements over the Common Area for purposes deemed appropriate by the Executive Board;

3.12.6 The right of the Association to dedicate or transfer all or any part of the Common Area;

3.12.7 The right of the Association to mortgage or otherwise encumber any or all of the real or personal property owned by it as security for money borrowed or debts incurred; and

3.12.8 The right of the Association to close or limit the use of the Common Area while maintaining, repairing and making replacements to the same, or for such other purpose or purposes as the Association may deem appropriate.

Section 3.13 Notice. Notice of matters affecting the Common Interest Community may be given to Lot Owners by the Association or by other Lot Owners in the following manner:

notice shall be (i) hand delivered, or (ii) sent prepaid by United States mail to the mailing address of each Lot or to any other mailing address designated in writing by the Lot Owner, or (iii) provided via email to any Owner who has requested that the Association provide notice via email and has provided the Association with a valid email address. Such notice shall be deemed given when hand delivered, or when deposited in the United States mail, or when sent electronically to a valid email address.

ARTICLE 4. ASSOCIATION

Section 4.1 Authority and Power. The business and affairs of the Common Interest Community shall be managed by the Association. The administration of the Common Interest Community shall be governed by this Declaration, the Act, the Articles of Incorporation, the Bylaws and published Rules and Regulations of the Association. The Association shall have all of the powers, authority and duties permitted pursuant to the Governing Documents and the Act, which are necessary and proper to manage the business and affairs of the Common Interest Community.

Section 4.2 Declarant Control. Declarant, or persons designated by it, may appoint and remove the officers and members of the Executive Board of the Association for a period that is the lesser of ten (10) years after this Declaration is recorded in the office of the Clerk and Recorder of Weld County, Colorado, or the period of Declarant control set forth in C.R.S. § 38-33.3-303(5) of the Act.

Section 4.3 Executive Board Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in this Declaration or the Bylaws. The Executive Board shall have, subject to the limitations contained in this Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association, which shall include, but not be limited to, the following:

- 4.3.1 Adopt and amend Bylaws.
- 4.3.2 Adopt and amend Rules and Regulations.
- 4.3.3 Adopt and amend budgets for revenues, expenditures and reserves.
- 4.3.4 Collect assessments from Lot Owners.
- 4.3.5 Hire and discharge managing agents.
- 4.3.6 Hire and discharge independent contractors, employees and agents, other than managing agents.
- 4.3.7 Institute, defend or intervene in litigation or administration proceedings or seek injunctive relief for violation of the Governing Documents in the Association's name, on behalf of the Association, or two (2) or more Lot Owners on any matters affecting the Common Interest Community.

4.3.8 Make contracts and incur liabilities.

4.3.9 Acquire, hold, encumber and convey in the Association's name, any right, title or interest to real estate or personal property.

4.3.10 Operate, manage, lease, encumber, maintain, repair, reconstruct, replace, improve, and otherwise deal with the Common Area, including the right to acquire additional Common Area and to construct Improvements thereon, and the right to promulgate reasonable Rules and Regulations which do not conflict with any of the provisions of this Declaration or the other Governing Documents.

4.3.11 Have access to the Common Area and, to the extent necessary, to any adjacent Lots for the maintenance, repair or replacement of, or to prevent damage, to the Common Area.

4.3.12 To pay with Association funds all expenses incurred by the Association for alteration, improvement, construction, reconstruction, repair, maintenance or replacement of the Common Area, and all Improvements located thereon, including fixtures and related personal property.

4.3.13 Impose and receive a fee or charge for services provided to Lot Owners.

4.3.14 Impose a reasonable charge for late payment of assessments and levy a fine for violation of this Declaration, the Bylaws and the Rules and Regulations of the Association.

4.3.15 Suspend the voting interests allocated to a Lot, and the right of an Owner to cast such votes, or by proxy the votes of another, during any period in which such Owner is in default in the payment of any assessment, or, after notice and a hearing, during any time in which an Owner is in violation of any other provision of the Governing Documents. The suspension of voting rights allowed herein for a violation of the Association's Rules and Regulations shall not exceed sixty (60) days for any one (1) occurrence.

4.3.16 Impose a reasonable charge for the preparation and recordation of supplements or amendments to this Declaration and for statements of unpaid assessments.

4.3.17 Provide for the indemnification of the Association's officers and the Executive Board and maintain directors' and officers' liability insurance.

4.3.18 Assign the Association's right to future income, including the right to receive Common Expense assessments, only upon the affirmative vote of the Lot Owners of Lots to which at least sixty-seven percent (67%) of the votes in the Association are allocated, at a meeting called for that purpose.

4.3.19 Exercise any other powers conferred by the Governing Documents.

4.3.20 Exercise any other powers that may be exercised in the State of Colorado by a legal entity of the same type as the Association.



4.3.21 Exercise any other powers necessary and proper for the governance and operation of the Association.

4.3.22 By resolution, establish permanent and standing committees of directors to perform any of the above functions under specifically delegated administrative standards as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Lot Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Lot Owner within forty-five (45) days of publication of a notice. If an appeal is made, the committee's action must be ratified, modified or rejected by the Executive Board at its next regular meeting.

Section 4.4 Professional Management and Contract Termination Provisions. The Association may utilize professional management in performing its duties hereunder. Any agreement for professional management of the Association's business shall have a maximum term of three (3) years and shall provide for termination by either party thereto, with or without cause and without payment of a termination penalty, upon sixty (60) days' prior written notice, except that such agreement may provide for a reasonable document retention charge, payable prior to or upon termination of the services of the management company. Any contracts, licenses or leases entered into by the Association while there is Declarant control of the Association shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, at any time after termination of Declarant control of the Association, upon thirty (30) days' prior written notice.

Section 4.5 Cooperation with Other Associations. The Association has the right and authority at any time, from time to time, to enter into agreements and otherwise cooperate with other community association(s) and/or any district(s), to share facilities, to share the costs and/or responsibility for any maintenance, repair, replacement or other matters, to perform maintenance, repair or replacement for any Person(s) in consideration of payment or reimbursement therefor, to utilize the same contractors, subcontractors, managers or others who may perform services for the Association, any other community association(s) and/or any district(s), or to otherwise cooperate with any other community association(s) and/or any district(s) in order to increase consistency or coordination, reduce costs, or as may otherwise be deemed appropriate or beneficial by the Executive Board in its discretion from time to time. The costs and expenses for all such matters, if any, shall be shared or apportioned between the Association and/or any other community association(s) and/or any district(s), as the Executive Board may determine in its discretion from time to time. Additionally, the Association shall have the right and authority at any time, from time to time, to enter into agreements and otherwise cooperate with any other community association(s), and/or any district(s) to collect assessments, other charges or other amounts which may be due to such entity and to permit any such entity to collect assessments, other charges or other amounts which may be due to the Association; in any such instance, the Association shall provide for remittance to such entity of any amounts collected by the Association or to the Association of any amounts collected by such entity.

Section 4.6 Executive Board Limitations. The Executive Board may not act on behalf of the Association to amend this Declaration; to terminate the Common Interest Community; or to elect members of the Executive Board, determine their qualifications, powers and duties, or



the terms of office of Executive Board members; but the Executive Board may fill vacancies in its membership for the unexpired portion of any term pursuant to the Bylaws.

**ARTICLE 5. SPECIAL DECLARANT RIGHTS, DEVELOPMENT RIGHTS
AND ADDITIONAL RESERVED RIGHTS**

Section 5.1 General Provisions. Until the expiration of the Special Declarant Rights Period, Declarant will have the following “Special Declarant Rights” with respect to all of the Real Estate:

5.1.1 Completion of Improvements. The right to complete or make Improvements as indicated on any Plat filed with respect to the Real Estate.

5.1.2 Development Rights. The right to exercise all “development rights,” as defined from time to time in the Act (and so referred to herein as “Development Rights”), including, without limitation, the right or combination of rights hereby reserved by Declarant, as follows:

(a) The right to create Lots on the Real Estate, subject to the limitations of Section 3.6.

(b) The right to subdivide Lots on any part of the Real Estate, subject to the limitations of Section 3.6.

(c) The right to withdraw real estate from the Common Interest Community, as permitted by Article 6 below.

5.1.3 Merger. The right to merge or consolidate the Common Interest Community with another common interest community of the same form of ownership.

5.1.4 Colorado Common Interest Ownership Act. The right to amend this Declaration to comply with the requirements of the Act in the event any provision contained herein does not so comply with the Act.

5.1.5 FHA/VA Requirements. The right to amend this Declaration in connection with the exercise of any Special Declarant Rights or Development Rights or in connection with the qualification or continued qualification for FHA or VA loan guarantees, and for compliance with FNMA, GNMA, FHLMC requirements or other available financing programs.

5.1.6 Sales Activities. The right to maintain approved signs advertising the Common Interest Community and model residences on Lots owned by Declarant contained within the Common Interest Community, subject to the requirements of this Declaration.

5.1.7 Association Directors and Officers. The right to appoint any officer or director of the Association, as provided in this Declaration or the Bylaws, but subject to the limitations of the Act.

Section 5.2 Order of Exercise of Declarant's Rights. The fact that Declarant may exercise one (1) or more of Declarant's Development Rights or other Special Declarant Rights on one (1) portion of the Real Estate will not operate to require Declarant to exercise a Development Right or other Special Declarant Right with respect to any other portion of the Real Estate. Declarant may exercise its Development Rights on all or any portion of the Real Estate in whatever order of development Declarant, in its sole discretion, determines.

Section 5.3 Supplemental Provisions Regarding Declarant's Rights. Without limiting the generality of the foregoing, certain of these Special Declarant Rights are explained more fully in this Article below. Further, Declarant reserves the right to amend this Declaration and any Plat in connection with the exercise of any Development Rights or any other Special Declarant Rights to the extent permitted by the Act, and Declarant also reserves the additional rights retained for the benefit of Declarant in this Article and in other provisions of this Declaration.

Section 5.4 Utility Easements. Declarant hereby reserves for itself and its successors and assigns, a general easement upon, across, over, in and under the Real Estate for ingress and egress and for installation, replacement, repair and maintenance of all utilities, including, but not limited to, water, sewer, gas, telephone, electrical, cable and other communications systems. By virtue of this easement, it shall be expressly permissible and proper for the companies providing such services to install and maintain necessary equipment, wires, circuits and conduits under and over the Real Estate. No water, sewer, gas, telephone, electrical, communications or other utility or service lines, systems or facilities may be installed or relocated on the surface of the Real Estate, unless approved by (i) the DRC and (ii) Declarant, prior to the expiration of the Special Declarant Rights Period, or by the Association after such expiration. These items may be temporarily installed above ground during construction, if approved by (i) the DRC and (ii) Declarant, or after the Special Declarant Rights Period, if approved by the Association, subject to the requirements, if any, of the Town of Fort Lupton, Colorado, or any other authority having jurisdiction over the Real Estate.

Section 5.5 Drainage Easements. Declarant reserves, for itself and its successors and assigns, an easement to enter on any portion of the Real Estate for the purpose of modifying the grade of any drainage channels on the Real Estate to improve the drainage of water. Every Lot shall be burdened with easements for natural drainage of storm water runoff from the other portions of the Real Estate; provided that no person shall alter the natural drainage on any Lot so as to materially increase the drainage of water onto adjacent portions of the Real Estate without the consent of the DRC and the Owner of the affected property.

Section 5.6 General Provision. Any entity using these general easements provided under Sections 5.4 and 5.5 above shall use its best efforts to install and maintain the easements for utilities or drainage without disturbing the uses of the Owners, the Association and Declarant; shall prosecute its installation and maintenance activities as promptly and as reasonably as possible; shall, in the case of utility work, restore the surface to its original condition as soon as possible after completion of its work; and shall comply with all requirements of the Design Guidelines and the DRC. Should any entity furnishing a service covered by these general easements request a specific easement by separate recordable document, either Declarant or the

Association shall have, and is hereby given the right and authority, with the prior approval of the DRC, to grant such easement upon, across, over or under any part or all of the Real Estate without conflicting with the terms of this Declaration. This general easement shall in no way affect, void, extinguish or modify any other recorded easement affecting the Real Estate.

Section 5.7 Reservation for Construction. Declarant hereby reserves, for itself and its successors and assigns, a perpetual easement and right of way over, upon and across the Real Estate for construction, utilities, drainage, ingress and egress. The location of these easements and rights of way may be made certain by Declarant, or by the Association with the prior approval of the DRC, by instruments recorded in Weld County, Colorado. Declarant further reserves the right to establish, from time to time, by dedication or otherwise, utility and other easements, reservations, exceptions and exclusions necessary or convenient for the development, use and operation of any other property of Declarant, as long as such action does not unreasonably impair the enjoyment of the Common Interest Community by the Owners.

Section 5.8 Maintenance Easement. An easement is hereby reserved to Declarant, and granted to the Association and any member of the Executive Board or the managing agent and their respective officers, agents, employees, contractors and assigns, upon, across, over, in and under the Real Estate and a right to make such use of the Real Estate, including the Lots, as may be necessary or appropriate to make repairs or to perform the duties, obligations, functions and maintenance which the Association is obligated or permitted to perform pursuant to the Governing Documents, including the right to enter upon any Lot for the purpose of performing maintenance and repair thereon, as required by this Declaration, together with the right of access, ingress and egress necessary for such installation, maintenance, operation, repair, replacement and upkeep.

Section 5.9 Recorded Easements. In addition to all easements and rights of way of record at or before the recording of this Declaration, the Real Estate and all portions thereof, shall be subject to the easements as shown on any recorded Plat of the Real Estate or any portion thereof. Further, the Real Estate, or portions thereof, is now or may hereafter be subject to the easements, licenses and other recorded documents, or any of them, set forth on Exhibit "C" attached hereto and incorporated herein by this reference.

Section 5.10 Emergency Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance and all other similar emergency agencies or Persons to enter upon all streets and upon the Real Estate in the proper performance of their duties.

Section 5.11 Easements Deemed Appurtenant. Any and all conveyances made by Declarant to the Association or any Owner shall be conclusively deemed to incorporate these reservations of rights and easements, whether or not set forth in such grants. The easements and rights created herein for an Owner shall be deemed appurtenant to the Lot owned by such Owner. All conveyances and instruments affecting title to a Lot shall be deemed to grant and reserve the easements and rights of way as provided herein, as though set forth in said document in full, even though no specific reference to such easements or rights of way appear.

Section 5.12 Rights Transferable. Any Special Declarant Rights or Development Rights created or reserved under this Article for the benefit of Declarant may be transferred to any Person by an instrument describing the rights transferred and recorded in Weld County, Colorado. Such instrument shall be executed by the transferor Declarant and the transferee.

ARTICLE 6. DEVELOPMENT AND WITHDRAWAL RIGHTS

Section 6.1 Development and Withdrawal Rights. Declarant expressly reserves the right, at any time after the effective date of this Declaration until the expiration of the Special Declarant Rights Period, to create additional Lots and Common Areas, if any, and to subdivide Lots, relocate boundaries between Lots, convert Lots into Common Areas, if any, or to convert the Common Area, if any, into Lots, on all or any portion of the Real Estate. Declarant may exercise its rights, in accordance with this Section 6.1, on all or any portion of such property in whatever order or sequence that Declarant, in its sole discretion, determines. Declarant expressly reserves the right to withdraw any Lot or all or any portion of the property from the Real Estate by recording a document evidencing such withdrawal in the real property records of Weld County, Colorado. The property withdrawn from the Real Estate shall be subject to whatever easements, if any, are reasonably necessary for access to or operation of the Real Estate remaining, subject to this Declaration. Declarant shall prepare and record in the real property records of Weld County, Colorado, whatever documents are necessary to evidence such easements.

Section 6.2 Interpretation. Recording of amendments to this Declaration in the real property records of Weld County, Colorado, shall automatically vest in each existing Owner the reallocated Allocated Interests appurtenant to his or her Lot.

Section 6.3 Rights Incidental to the Construction Easement. Declarant expressly reserves the right to perform construction work and to store materials in secure areas on Lots or property owned by it and on the Common Area, if any, and the future right to control such work and repairs, and the right of access thereto, until its completion. All work may be performed by Declarant without the consent or approval of any Owner or Mortgagee. Declarant reserves an easement through the Common Area as may be reasonably necessary for the purpose of discharging Declarant's obligations and exercising Declarant's reserved rights in this Declaration. Such easement includes the right to construct underground utility lines, pipes, wires, ducts, conduits, and other facilities across the land not designated as reserved for future development in the Declaration or on any Plat, for the purpose of furnishing utility and other services to the property so reserved for future development. Declarant's reserved construction easement includes the right to grant easements to public utility companies and to convey Improvements within those easements anywhere in the Common Area.

Section 6.4 Reciprocal Easements. If property is withdrawn from the Real Estate ("Withdrawn Property"):

6.4.1 The owner(s) of the Withdrawn Property shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the Common Area, if any, within the Real Estate; and



6.4.2 The Owner(s) shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the Common Area, if any, within the Withdrawn Property.

6.4.3 Declarant shall prepare and record in the real property records of Weld County, Colorado, whatever documents are necessary to evidence such easements. Such recorded easement(s) shall specify that the owners of the Withdrawn Property and the Owners shall be obligated to pay a proportionate share of the cost of the operation and maintenance of any easements utilized by either one of them on the other's property, upon such reasonable basis as Declarant shall establish in the easement(s). Preparation and recordation by Declarant of an easement pursuant to this Section shall conclusively determine the existence, location and extent of the reciprocal easements that are necessary or desirable as contemplated by this Section.

Section 6.5 Termination of Development Rights. The Development Rights reserved to Declarant, for itself, its successors and assigns, shall expire upon the expiration of the Special Declarant Rights Period, unless the Development Rights are sooner relinquished, in whole or in part, by Declarant pursuant to an instrument confirming such relinquishment, and the terms and conditions applicable to the same, executed, acknowledged and recorded by Declarant in the real property records of Weld County, Colorado.

ARTICLE 7. COVENANT FOR MAINTENANCE ASSESSMENTS

Section 7.1 Creation of Lien and Personal Obligation for Assessments. Each Owner, including Declarant, by acceptance of a deed to a Lot subject to this Declaration, whether or not it shall be so expressed in such deed, covenants and agrees and shall be personally obligated to pay to the Association: annual assessments or charges, special assessments and other charges, fines, fees, interest, late charges and other amounts, all as provided in this Declaration; with such assessments and other amounts to be established and collected as hereinafter provided. The annual and special assessments and other charges, fees and fines, together with interest, late charges, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. The obligation for such payments by each Owner to the Association is an independent covenant with all amounts due, from time to time, payable in full when due without notice or demand (except as otherwise expressly provided in this Declaration) and without setoff or deduction. All Owners of each Lot shall be jointly and severally liable to the Association for the payment of all assessments, fees, charges and other amounts attributable to their Lot. Each assessment, charge, fee and all other amounts under this Declaration, together with interest, late charges, costs and reasonable attorneys' fees, shall also be the personal obligation of the Person or Persons who were the Owners of such Lot at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to such Owner's successors in title unless expressly assumed by them. The Association's lien on a Lot for assessments and other amounts shall be superior to any homestead exemption now or hereafter provided by the laws of the State of Colorado or any exemption now or hereafter provided by the laws of the United States. The acceptance of a deed to a Lot subject to this Declaration shall constitute a waiver of the homestead and any other exemption as against said lien.



Section 7.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Lots, and for all of those purposes and activities which may be required of the Association or which the Association may be empowered to pursue pursuant to this Declaration, the Governing Documents or by law; provided, however, that such assessments levied during the period of Declarant control may not be used for the purpose of constructing capital improvements.

Section 7.3 Initial Annual Assessment. Until the Association makes a Common Expense assessment, Declarant shall pay all Common Expenses.

Section 7.4 Apportionment of Annual and Special Assessments. Annual and special assessments shall be fixed at a uniform rate for all Lots sufficient to meet the expected needs of the Association. Generally, each Owner shall be responsible for that Owner's share of the Common Expenses which shall, except as provided below, be divided equally among the Lots included in the Common Interest Community under this Declaration, from time to time. Accordingly, at any given time, an Owner's share of the Common Expenses shall be determined as a fraction, the numerator of which is the number of Lots owned by the Owner, and the denominator of which is the number of Lots within the Common Interest Community. The foregoing is subject to the following:

7.4.1 Any Common Expenses which benefit fewer than all of the Owners shall be assessed exclusively against the Lots benefited. By way of example, and not in limitation of the foregoing, a residence and/or Lot requiring greater or special maintenance needs and expenses may be assessed accordingly by the Association. Such expense may include transfer fees to the extent such fees are permitted by the Act or otherwise authorized under Colorado law; and

7.4.2 The costs of insurance may be assessed in proportion to risk.

Section 7.5 Date of Commencement of Annual Assessments. The annual assessments shall commence as to all Lots within the Common Interest Community no later than sixty (60) days after the date of the first conveyance by Declarant of a Lot to an Owner. The first annual assessment shall be prorated according to the number of months remaining in the calendar year.

Section 7.6. Capitalization of the Association. Upon the first conveyance of record title to a Lot from Declarant, the Owner shall contribute to the working capital and reserves of the Association an amount equal to two months' installments of the annual assessment at the rate in effect at the time of the sale. The Association shall maintain the working capital funds in segregated accounts to meet unforeseen expenditures or to acquire additional equipment or services for the benefit of the Members. Such payments to this fund shall not be considered advance payments of annual assessments and shall not be refundable. Declarant may not use any working capital funds to defray any of its expenses, reserve contributions, or construction costs or to make up any budget deficits.

Section 7.7 Amount of Assessments. The assessment shall be in an amount based on a budget adopted by the Association, as provided below or, if a budget has not yet been adopted, in the estimated amount of the projected revenues, expenditures and reserves through the end of the calendar year in which the initial assessment is made, as determined by the Executive Board.

Thereafter, a budget shall be adopted by the Association no less frequently than annually in accordance with the Bylaws. The annual assessments shall be due and payable in advance on such dates, and with such frequency (which may be other than monthly, but not less frequently than annually), as the Executive Board may determine in its discretion from time to time; provided that the first annual assessment shall be adjusted to reflect the time remaining in the first Association fiscal year. Any Owner purchasing a Lot between installment due dates shall pay a pro rata share of the last payment due.

Section 7.8 Meeting to Approve Annual Budget. At the annual meeting of the Association or at a special meeting of the Association called for such purpose, the Owners shall be afforded the opportunity to ratify a budget of the projected revenues, expenditures and reserves for the Association's next fiscal year as proposed by the Executive Board. A summary of the proposed budget approved by the Executive Board shall be mailed to the Owners within ninety (90) days after its adoption along with a notice of a meeting of the Association to be held not less than fourteen (14) nor more than fifty (50) days after mailing of the summary to the Owners (or, in the alternative, together with a ballot and information sufficient to satisfy the provisions of C.R.S. § 7-127-109). Unless a majority of the total votes in the Association reject the proposed budget, the budget is ratified. In the event the proposed budget is rejected, the budget last ratified by the Owners continues until such time as the Owners ratify a subsequent budget proposed by the Executive Board, as provided above.

Section 7.9 Special Assessments. In addition to the annual assessments authorized in this Article, the Executive Board may levy, in any fiscal year, with the approval of the votes of sixty-seven percent (67%) of the Owners voting in person or by proxy at a meeting duly called for this purpose, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any property for which the Association has repair and/or reconstruction obligations, including fixtures and personal property related thereto, or for repair or reconstruction of any damaged or destroyed improvement, or for the funding of any operating deficit incurred by the Association. Any such special assessment shall be set against each Lot in accordance with the Allocated Interests thereof. A meeting of the Owners called for the purpose of considering the establishment of a special assessment shall be held in conformance with Section 7.8 of this Article.

Section 7.10 Notice and Quorum for Special Assessments. Written notice of any meeting called for the purpose of taking any action authorized under Section 7.9 of this Article shall be sent to all Owners not less than fourteen (14) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of Owners or of proxies entitled to cast sixty percent (60%) of all the membership votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7.11 Lien for Assessments.

7.11.1 The Association has a statutory lien on a Lot for any assessment levied against that Lot or for fines imposed against its Owner. Fees, charges, late charges, attorneys' fees, fines and interest charged pursuant to this Declaration are enforceable as assessments under this Article. The amount of the lien shall include all those items set forth in this Section from the time such items become due. If an assessment is payable in installments, each installment is a lien from the time it becomes due, including the due date set by any valid Association acceleration of installment obligations.

7.11.2 Recording of the Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessments is required. However, the Executive Board or managing agent of the Association may prepare, and record with the Clerk and Recorder of Weld County, Colorado, a written notice setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot and a description of the Lot. If a lien is filed, the costs and expenses thereof shall be added to the assessment for the Lot against which it is filed and collected as part and parcel thereof. The Association's lien may be foreclosed in like manner as a mortgage on real estate.

7.11.3 A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within six (6) years after the full amount of each unpaid assessment becomes due.

7.11.4 Unless the Declaration otherwise provides, if two (2) or more associations have liens for assessments created at any time on the same property, those liens have equal priority.

Section 7.12 Priority of Association Lien.

7.12.1 A lien under this Article 7 is prior to all other liens and encumbrances on a Lot except:

- (a) Liens and encumbrances recorded before the recordation of the Declaration;
- (b) A First Security Interest on the Lot, which was recorded or perfected before the date on which the assessment sought to be enforced became delinquent subject to Section 7.12.2 below; and
- (c) Liens for real estate taxes and other governmental assessments or charges against the Lot.

7.12.2 A lien under this Section is also prior to the First Security Interest described in the preceding subsection 7.12.1(b) to the extent of an amount equal to the annual assessment based on a periodic budget adopted by the Association as provided above which would have become due, in the absence of any acceleration, during the six (6) months immediately preceding institution by either the Association or any party holding a lien senior to any part of the Association lien created under this Section of an action or a nonjudicial foreclosure either to enforce or to extinguish the lien.



7.12.3 This Section does not affect the priority of mechanics' or materialmen's liens or the priority of liens for other assessments made by the Association. A lien under this Article is not subject to the provisions of Part 2 of Article 41 of Title 38, C.R.S., as amended, or to the provisions of C.R.S. § 15-11-201, et seq., as amended.

Section 7.13 Receiver. In any action by the Association to collect assessments or to foreclose a lien for unpaid assessments, the court may appoint a receiver of the Owner to collect all sums alleged to be due from the Owner prior to or during the pendency of the action. The court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the action, to the extent of the Association's assessments.

Section 7.14 Certificate of Status of Assessments. The Association shall furnish to an Owner or such Owner's designee or to a First Mortgagee or its designee, upon written request delivered personally or by certified mail, first class postage prepaid, return receipt requested, to the Association's registered agent, a written statement setting forth the amount of unpaid assessments currently levied against such Owner's Lot. The statement shall be furnished within fourteen (14) calendar days after receipt of the request and is binding on the Association, the Executive Board and every Owner. If no statement is furnished to the Owner or First Mortgagee or their designee, delivered personally or by certified mail, first class postage prepaid, return receipt requested, to the inquiring party, then the Association shall have no right to assert a lien upon the Lot for unpaid assessments which were due as of the date of the request. The Association shall have the right to charge a reasonable fee for the issuance of such certificates.

Section 7.15 Effect of Non-Payment of Assessments; Remedies of Association. Any assessment not paid within ten (10) days after the due date thereof may bear interest at the rate of twenty-one percent (21%) per annum, or at such lesser rate as may be set from time to time by the Executive Board; and the Executive Board may, in addition, assess thereon a late charge not in excess of Fifty Dollars (\$50.00) per month. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against such Owner's Lot. If a judgment or decree is obtained, including, without limitation, in a foreclosure action, such judgment or decree shall include a reasonable attorneys' fee to be fixed by the court, together with the costs of the action, and may include interest and late charges as above provided. No Owner may be exempt from liability for payment of the assessments by abandonment of the Lot against which the assessments are made. This Article does not prohibit actions or suits to recover sums for which this Declaration creates a lien or to prohibit the Association from taking a deed in lieu of foreclosure.

Section 7.16 Surplus Funds. Any surplus funds of the Association remaining after payment of or provision for Common Expenses and any prepayment of or provision for reserves shall be retained by the Association as reserves and need not be paid to the Owners in proportion to their Common Expense Liability or credited to them to reduce their future assessments.

Section 7.17 Assessments for Misconduct. If any Common Expense is caused by the misconduct of any Owner, the Association may assess that Common Expense exclusively against such Owner and his or her Lot.



ARTICLE 8. RESTRICTIVE COVENANTS AND OBLIGATIONS

Section 8.1 Residential Use. Subject to the Special Declarant Rights as provided in this Declaration, and subject to non-obtrusive, in-home business operations as permitted below, Lots shall be used for residential purposes only, including uses related to the convenience and enjoyment of such residential use.

Section 8.2 Temporary Structures. No temporary building or other temporary structures, trailers, basements, tents, shacks, barns or outbuildings shall be erected, used or permitted to be kept or stored on any portion of the Real Estate for any period of time, except as specifically allowed in this Declaration or except as utilized by Declarant or the assigns or lessees of Declarant.

Section 8.3 Construction Facilities. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant, its agents, employees and contractors to maintain during the period of construction and sale of any Lots, upon such portion of the Real Estate as Declarant may choose, such facilities as, in its sole opinion, may be reasonably required, convenient or incidental to the construction and sale or rental of Lots, including, without limitation, a business office, storage area, construction yard, signs, model homes, sales office, construction office, parking areas and lighting.

Section 8.4 General Restrictions. None of the Real Estate shall be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Lot or any resident thereof, and no billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on the Real Estate.

Section 8.5 Household Pets. No animals, livestock, poultry or insects, of any kind, shall be raised, bred, kept or boarded within the Common Interest Community provided, however, that not more than a total of three dogs, cats or other household pets may be kept in any Lot, so long as they are not kept for any commercial purpose and are not kept in such number or in such manner as to create a nuisance to other Owners. The Association shall have, and is hereby given, the right and authority to determine, in its sole discretion, whether dogs, cats or other household pets are being kept for commercial purposes or are being kept in such number or in such manner as to be unreasonable or to create a nuisance to other Owners, or that an Owner is otherwise in violation of this Section 8.5 and to take such action or actions as it deems reasonably necessary to correct the same. An Owner's right to keep household pets shall be coupled with the responsibility to pay for any damage caused by such Owner's pets, as well as any costs incurred by the Association as a result of such pets. Dogs and other household pets shall not be allowed to run at large within the Common Interest Community.

Section 8.6 Use of Common Area. Subject to the Special Declarant Rights as provided in this Declaration, there shall be no obstruction of the Common Area, nor shall anything be kept or stored on any part of the Common Area without the prior written approval of the Executive Board of the Association. Except for those Improvements erected or installed by Declarant in its construction and completion of the Common Interest Community, nothing shall be altered on,



constructed in or removed from the Common Area, without the prior written approval of the Executive Board of the Association and the DRC.

Section 8.7 Exterior Changes. Except for those Improvements erected or installed by Declarant in its construction and completion of the Common Interest Community, no exterior additions to, alterations or decoration of any residence or building, nor any changes in fences, hedges, walls or other structures, nor installation of window-mounted air conditioning units or any exterior television, radio or other communication antennas of any type, shall be commenced, erected, placed or maintained, without the prior written approval of the DRC.

Section 8.8 Antennas. Satellite dishes that are 39.37 inches or less in diameter that receive direct broadcast satellite service, fixed wireless signals via satellite, or wireless cable that receives broadband radio service or fixed wireless signals, which are professionally installed in a safe manner and located on the side or rear of the dwelling are permitted. Ground mounting is encouraged in rear lots, and the location should be selected in a manner that will not cause a nuisance to other lots. Provided that if such location would impair the signal strength, the satellite dish may be installed at such location as is necessary to avoid impairment of the signal strength. No other antenna or other device for the transmission or reception of television or radio signals, or any other form of electromagnetic radiation, may be installed or maintained on the exterior of any lot, unless approved by the DRC. To the extent the application of this provision would violate any provision of the Over-the-Air Reception Devices (“OTARD”) rules adopted by the Federal Communication Commission to protect the rights of property owners to install, maintain or use an antenna to receive video programming from direct broadcast satellites, this provision shall be deemed amended, as necessary, to meet the minimum requirements of such rules.

Section 8.9 Signs and Advertising. Except as hereinafter provided, no signs, advertising, billboards, unsightly objects or nuisances of any kind shall be placed, erected, maintained or permitted to remain in or on any Lot, nor shall any sign(s) be permitted in or on the Common Area, without the prior written approval of the DRC. Notwithstanding the foregoing, the following are permitted: (i) a name plate of the occupant or street number; (ii) one (1) “For Sale,” “Open House,” or “For Rent,” sign for the length of time reasonably necessary to advertise for sale or rent, not more than five (5) square feet in the aggregate; (iii) a security sign, not more than five (5) square feet in the aggregate; (iv) signs expressly permitted by applicable law, including the display of the American flag, service flags, and political signs in conformance with C.R.S. § 38-33.3-106.5; and (v) signs, advertising, or billboards used by Declarant (or by any builder with the express written consent of Declarant) in connection with the sale or rental of Lots, or otherwise in connection with the development or construction of a Lot or any Improvement on a Lot. No permitted sign shall interfere with the Owners’ use and enjoyment of their Lots, or their ingress and egress from a public way to their Lots.

Section 8.10 Trash. All garbage cans, trash receptacles or similar items shall be kept in an enclosed garage so as to conceal them from view of neighboring Lots and streets. Garbage cans and trash receptacles shall be placed outside for trash removal no sooner than the evening before the regularly scheduled pickup and shall be returned to the enclosed garage no later than noon the day following the pickup. All rubbish, trash or garbage shall be kept in garbage cans or



trash receptacles and shall be regularly removed from the premises in accordance with the foregoing.

Section 8.11 Parking. Except as allowed by C.R.S. § 38-33.3-106.5, the following may not be parked or stored within the Common Interest Community unless such parking or storage is within a garage, or unless authorized in writing by the Association: oversized vehicles, trailers, tractors, mobile homes, golf carts, junk cars, buses, camping trailers, boat trailers, hauling trailers, boats or other motorcraft and accessories thereto, self-contained motorized recreational vehicles, trucks over three-fourths (3/4) ton, commercial vehicles, vehicles with commercial writing on their exteriors or other oversized types of vehicles or equipment as prohibited by Rule or Regulation. The foregoing may be parked as a temporary expedience for loading, unloading, delivery of goods or services or emergency. This restriction shall not apply to trucks or other commercial vehicles temporarily located within the Common Interest Community, which are necessary for construction or for the maintenance of the Real Estate, Lots, Common Area or any Improvements located thereon. Parking in fire lanes (as designated by the Association or as designed by local government or a local fire protection authority) shall not be permitted. The fact that a vehicle of the above description may be licensed by the State of Colorado or any other state as a passenger vehicle shall not exempt the vehicle from this provision or the intent of this provision. This provision is intended to be broadly interpreted.

Section 8.12 Abandoned or Inoperable Vehicles. No abandoned, unlicensed or inoperable automobiles or vehicles of any kind shall be stored or parked within the Common Interest Community unless parked or stored within a garage. An “abandoned or inoperable vehicle” shall be defined as any automobile, truck, motorcycle, boat, trailer, camper, house trailer, self-contained motorized recreational vehicle, or other similar vehicle, which has not been driven under its own propulsion for a period of one (1) week or longer, or any vehicle which does not have an operable propulsion system installed therein; provided, however, that the foregoing restrictions shall not include otherwise permitted vehicles parked by Owners while on vacation or during a period of illness, or vehicle(s) parked within an enclosed garage. In the event that the Association shall determine that a vehicle is an abandoned, unlicensed or inoperable vehicle, then a written notice describing said vehicle shall be personally delivered to the Owner thereof or shall be conspicuously placed upon the vehicle. If the abandoned, unlicensed or inoperable vehicle is not removed within seventy-two (72) hours after providing such notice, the Association shall have the right to remove the vehicle, and the owner thereof shall be solely responsible for all towing and storage charges.

Section 8.13 Vehicle Maintenance. No activity such as, but not limited to, maintenance, repair, rebuilding, dismantling, repainting or servicing of any kind of vehicle, trailer or boat, may be performed or conducted outside of the garages, except as permitted by the Association’s Rules and Regulations or by approval of the DRC. The foregoing restriction shall not be deemed to prevent washing and polishing of any motor vehicle, boat, trailer, motor-driven cycle or other vehicle on a Lot, together with those activities normally incidental and necessary to such washing and polishing.

Section 8.14 Towing or Booting. If any vehicle is parked on any portion of the Common Interest Community in violation of the foregoing Sections or in violation of the



Association's Rules and Regulations, the Executive Board may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed or booted. The notice shall include the name and telephone number of a person to contact regarding the alleged violation. If twenty-four (24) hours after such notice is placed on the vehicle the violation continues, or thereafter occurs again within six (6) months of such notice, the vehicle may be towed or booted in accordance with the notice, without further notice to the vehicle owner or user.

8.14.1 If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's or occupant's Lot or dwelling, is obstructing the flow of traffic, is parked on any grassy area, or otherwise creates a hazardous condition, no notice shall be required, and the vehicle may be towed or booted immediately.

8.14.2 If a vehicle is towed or booted in accordance with this Section 8.14, neither the Association nor any officer or agent of the Association shall be liable to any person for towing and storage costs or for any claim of damage as a result of the towing or booting activity. The Association's right to tow or boot is in addition to, and not in limitation of, all other rights of the Association, including the right to assess fines. Notwithstanding anything to the contrary in this Section, the Executive Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow or boot.

Section 8.15 Sound, Light, Etc. There shall be no activities which materially disturb or destroy the vegetation, wildlife or air quality within the Common Interest Community, or which use excessive amounts of water, or which result in unreasonable levels of sound, water or light pollution. Exterior illumination of houses, yards, garages, driveways and streets shall be limited to that reasonably necessary for security and safety. Lighting shall be oriented so as not to shine on any other residence.

Section 8.16 Evaporative Coolers. No evaporative cooler may be installed in or on any Lot without DRC approval.

Section 8.17 Subdivision. There shall be no subdivision of a Lot into two (2) or more Lots after a subdivision plat including such Lot has been approved and filed with the appropriate governmental authority, or changing the boundary lines of any Lot, except that Declarant shall be permitted to subdivide or change boundary lines of Lots which it owns.

Section 8.18 Leases. A Lot Owner may lease his or her Lot in compliance with all of the provisions of the Governing Documents of the Association. Any Lot Owner who leases his or her Lot shall be required to provide copies of the Governing Documents to all tenants of the Lot. Leases of Lots must be in writing. Leases shall be subject in all respects to the provisions of the Governing Documents and must specifically provide that any failure by any Related User to comply with the terms of such documents shall be a default under the lease. Failure of a Lot Owner to comply with the terms of this Section 8.18 and with applicable Rules and Regulations may, at the discretion of the Executive Board, result in that person's forfeiture of the right to lease the Lot. Notwithstanding the foregoing, Eligible First Mortgagees and Eligible Insurers shall be exempt from any leasing restrictions placed on the Lots.



Section 8.19 Nuisances. No nuisance shall be allowed within the Common Interest Community, nor any use or practice which is the source of annoyance to residents, or which interferes with the peaceful enjoyment or possession and proper use of the Common Interest Community by its residents. As used herein, the term “nuisance” shall not include any activities of Declarant in regard to the development and construction of the Common Interest Community. All parts of the Common Interest Community shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate, nor any fire hazard to exist. Further, no immoral, improper, offensive or unlawful use shall be permitted or made of the Common Interest Community or any part thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Common Interest Community, or any portion thereof, shall be observed.

Section 8.20 No Hazardous Activities. Nothing shall be done or kept which endangers the common welfare or which is deemed a hazardous material under any law, ordinance or rule of any jurisdiction or regulatory body in any Lot or in or on the Common Area, or any part thereof, which would result in the cancellation of insurance on any building and/or Lot, or any part thereof, or an increase on the rate of insurance on any building and/or Lot, or any part thereof, over what the Association, but for such activity, would pay, without the prior written approval of the Association. In the event the Association, in its sole and absolute discretion, elects to consent to any such activity resulting in an increase of the rate of insurance on any other Lot, the Association may require that the responsible Lot Owner agree in writing to the prompt payment of such increase in the insurance premium.

Section 8.21 No Violation of Laws. Nothing shall be done or kept in any Lot or in or on the Common Area, or any part thereof, which would be in violation of any protective covenants, restrictions or limitations affecting any Lot or in violation of any statute, rule, ordinance, regulation, zoning resolution, permit or otherwise imposed requirement of any governmental authority.

Section 8.22 Home Business Activities. No business or commercial enterprise whatsoever shall be allowed to operate within the Common Interest Community, except that Owners may conduct business activities within their Lot, provided all of the following conditions are satisfied:

8.22.1 The business conducted is clearly secondary to the residential use of the Lot and is conducted entirely within the residence situated on the Lot;

8.22.2 The existence or operation of the business is not detectable from outside of the Lot by sight, sound, smell or otherwise, or by the existence of signs indicating that a business is being conducted;

8.22.3 The business is conducted by the Owner or members of the Owner’s family and no more than one (1) employee;

8.22.4 The business does not result in an undue volume of traffic or parking within the Common Interest Community, which determination shall be made by the Executive Board, in its sole discretion;



8.22.5 The business conforms to all zoning requirements and is lawful in nature;
and

8.22.6 The business conforms to any reasonable Rules and Regulations that may be imposed by the Executive Board, from time to time, on a uniform basis to protect the peace, tranquility and quality of the Common Interest Community.

Section 8.23 Damage to Common Improvements. No damage to or waste of the Common Area, or any part thereof, shall be committed by an Owner or by any Related User or contract Purchaser of an Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from such damage or waste caused by him, her, or his or her Related Users or contract Purchasers.

Section 8.24 Rules and Regulations. The Association, through the Executive Board, may adopt reasonable Rules and Regulations not inconsistent with this Declaration governing the use of the Common Area.

Section 8.25 Exemption for Declarant. Provisions of this Declaration regarding Development Rights, Special Declarant Rights and additional reserved rights shall supersede the provisions in this Article 8. Declarant and transferee Declarants shall be exempt from provisions of this Article 8 which impede or preclude the exercise of any Development Right, Special Declarant Rights or additional reserved rights reserved to Declarant and transferee Declarants pursuant to this Declaration.

Section 8.26 Notice of Restricted Community. The Common Interest Community is an active adult community and is subject to the requirements of the Housing for Older Persons Act of 1995. The Common Interest Community is intended to be operated for occupancy by Persons 55 years of age or older. All Persons occupying any residence on a Lot agree upon request to provide proof of age through driver's licenses, birth certificates, military IDs or state-issued ID cards, to confirm that at least 80% of the residences on Lots in the Common Interest Community are occupied by at least one person who is 55 years or older. The sale or resale of any Lot in the Common Interest Community is made subject to the restriction to the same extent as if the restriction were stated in the conveyance deed. All Lots shall be sold, conveyed, transferred, leased, subleased, and occupied subject to this restriction, including the obligation to cooperate with the Association in providing proof of age showing that at least one person occupying the residence on a Lot is 55 years or older.

ARTICLE 9. ARCHITECTURAL CONTROL

Section 9.1 Design Review Committee

9.1.1 Appointment of Members. During the Special Declarant Rights Period, Declarant shall appoint the members of the DRC. Upon the expiration of the Special Declarant Rights Period, the members of the DRC shall be appointed by the Executive Board from among the members of the Association. There shall initially be three (3) members of the DRC. Members of the DRC may be, but are not required to be, Lot Owners.



9.1.2 Term. Each member of the DRC shall serve at the pleasure of the persons or entity appointing such member. In the event of the death or resignation of any member of the DRC, the persons or entity that appointed such member shall appoint a successor.

9.1.3 Decisions. All decisions of the DRC shall be by a majority vote of those members of the DRC present at a meeting at which a quorum is present. A majority of the members of the DRC shall constitute a quorum.

9.1.4 Compensation. The members of the DRC shall not be entitled to any compensation for services performed pursuant to this Declaration, except as provided in Section 9.1.5 below.

9.1.5 Delegation. The DRC shall have the power to delegate the responsibility for reviewing any application submitted to the DRC to a professional architect, landscape architect, engineer, property manager or other professional person who is qualified to review the issues raised in the application, including a member or manager of Declarant. The DRC shall also have the power to require that the applicant pay the fees reasonably incurred by the DRC in retaining any such professional to review the application submitted.

9.1.6 Non-liability. No member of the DRC, nor any Person to whom the DRC has delegated review of an application, shall be liable to the Association or to any Owner or Member, in equity or damages, or to any Person submitting requests for approval or to any Person by reason of any action, failure to act, approval, disapproval or failure to approve or disapprove, or for any loss, damage or injury arising out of or in connection with the performance of the duties of the DRC under this Declaration, unless such action constitutes willful misconduct or bad faith on the part of the DRC. Review and consideration of any application submitted to the DRC shall be pursuant to this Declaration, and any approval granted shall not be considered approval of the structural safety or integrity of the Improvements to be constructed or conformance of such Improvements with building codes, zoning resolutions, subdivision regulations or other governmental rules and regulations applicable to the Common Interest Community.

Section 9.2 Control. No building, fence, roof, wall, exterior lighting, flag pole, hot tub, swimming pool, air conditioner, basketball backboard, doghouse or dog run, or other structure or Improvement shall be erected, placed or altered on any Lot, no alteration or repainting to the exterior of a structure or Improvement shall be made within the Common Interest Community, and no Landscaping, including the installation of trees, shrubs, grass or other landscaping, shall be installed within the Common Interest Community until the plans and specifications thereof shall have been approved in writing by the DRC.

Section 9.3 Purpose. The DRC is established for the purpose of maintaining within the Common Interest Community a consistent and harmonious general character of development and a style and nature of building and design intended to enhance the aesthetics and property values within the Common Interest Community.



Section 9.4 Rules and Guidelines. The DRC or Declarant, during the Special Declarant Rights Period, may issue rules setting forth procedures for the submission of plans for approval and may also issue guidelines setting forth the criteria that the DRC will use in considering plans submitted to it for approval, which shall be in addition to the provisions of this Declaration.

Section 9.5 Review of Plans and Specifications. The DRC shall consider and act upon any and all requests submitted for its approval. The DRC shall approve plans and specifications submitted to it only if it determines that the construction, alteration and additions contemplated thereby, and in the location as indicated, will comply with this Declaration; will serve to preserve and enhance the value of the Lots within the Common Interest Community; will be consistent with the spirit and intent of this Declaration; and will maintain a harmonious relationship among structures, Improvements and topography within the Common Interest Community. The DRC shall consider the quality of workmanship, type of materials and harmony of exterior design with other Lots located within the Common Interest Community. Should the DRC fail to approve or disapprove the plans and specifications submitted to it by an Owner of a Lot within thirty (30) days after complete submission of all required documents, the plans shall be resubmitted to the DRC by certified mail, return receipt requested, with a copy to Declarant, by certified mail, return receipt requested; and, in the event that the DRC fails to approve or disapprove any plans and specifications as herein provided within thirty (30) days after such resubmission to the DRC and Declarant by certified mail, the same shall be deemed to have been approved, as submitted, and no further action shall be required; provided, however, that no building, structure or other Improvement shall be erected or allowed to remain on any Lot which violates or is inconsistent with any of the covenants or restrictions contained in the Declaration. The issuance of a building permit or license for the construction of Improvements inconsistent with this Declaration shall not prevent the Association or any Owner from enforcing the provisions of this Declaration.

Section 9.6 Prosecution of Work after Approval. After approval of any proposed Improvement, the proposed Improvement shall be accomplished as promptly and diligently as possible and in complete conformity with all conditions and requirements of the approval. Failure to complete the proposed Improvement within one (1) year after the date of approval of the application, or to complete the Improvement in complete conformance with the conditions and requirements of the approval, shall constitute noncompliance with the requirement that approval for Improvements be obtained from the DRC; provided, however, the DRC, in its discretion, may grant extensions of time for completion of any proposed Improvements.

Section 9.7 Notice of Completion. Upon the completion of any Improvement, the applicant for approval of the same shall give a written "Notice of Completion" to the DRC. Until the date of receipt of such Notice of Completion, the DRC shall not be deemed to have notice of completion of any Improvement on which approval has been sought and granted, as provided in this Article.

Section 9.8 Inspection of Work. The DRC, or its duly authorized representative, shall have the right to inspect any Improvement prior to or after completion in order to determine whether the proposed Improvement is being completed, or has been completed, in compliance with the approval granted pursuant to this Article; provided, however, that the right of inspection

shall terminate sixty (60) days after the DRC shall have received a Notice of Completion from the applicant.

Section 9.9 Notice of Noncompliance. If, as a result of inspections or otherwise, the DRC finds that any Improvement has been done without obtaining the approval of the DRC, or was not done in substantial compliance with the approval that was granted, or was not completed within one (1) year after the date of approval, subject to any extensions of time granted pursuant to Section 9.6 hereof, the DRC shall notify the applicant in writing of the noncompliance; which Notice of Noncompliance shall be given, in any event, within sixty (60) days after the DRC receives a Notice of Completion from the applicant. The Notice of Noncompliance shall specify the particulars of the noncompliance.

Section 9.10 Correction of Noncompliance. If the DRC determines that a noncompliance exists, the Person responsible for such noncompliance shall remedy or remove the same (and return the subject real estate and/or Improvement or structure to its original condition) within a period of not more than forty-five (45) days from the date of receipt of the Notice of Noncompliance. If such Person does not comply with the ruling within such period, the DRC may, at its option, record the Notice of Noncompliance against the Lot on which the noncompliance exists, may remove the noncomplying Improvement or may otherwise remedy the noncompliance; and the Person responsible for such noncompliance shall reimburse the DRC, upon demand, for all costs and expenses incurred with respect thereto.

Section 9.11 No Waiver of Future Approval. The approval by the DRC of any proposal or plans and specifications for any work to be done on a Lot shall not be deemed to constitute a waiver of any right to withhold approval or consent to any similar proposals, plans, specifications, drawings or other matters subsequently or additionally submitted for approval by the same Owner or by another Owner.

Section 9.12 Variances. The DRC, in its sole discretion, may authorize variances from compliance with any provisions of this Declaration when circumstances such as natural obstructions, hardships, aesthetics or environmental considerations may require. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the DRC. If any such variance is granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted; provided, however, that the granting of the variance shall not operate to waive any provisions of this Declaration for any purpose except as to the particular property and the particular provision hereof covered by the variance; nor shall the granting of a variance affect in any way the Owner's obligations to comply with all governmental laws and regulations affecting the property concerned, including, but not limited to, zoning ordinances and setback lines or requirements imposed by any governmental authority having jurisdiction.

Section 9.13 Declarant Exemption. Notwithstanding anything herein to the contrary, Declarant is exempt from this Article 9 and all provisions of the Governing Documents that require DRC review and/or approval, except for the requirement to obtain approval from all governmental entities for which approval is required.

ARTICLE 10. INSURANCE / CONDEMNATION

Section 10.1 Insurance Coverage. The Association shall obtain and maintain in full force and effect to the extent reasonably available, and at all times, the insurance coverage set forth in this Article 10.

10.1.1 The Association shall obtain and maintain, to the extent reasonably available and to the extent applicable, the following insurance coverages:

(a) Property insurance on the Common Area for broad form covered causes of loss; except that the total amount of insurance must be not less than the full insurable replacement cost of the insured property, less applicable deductibles at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies; and

(b) Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Common Area in an amount deemed sufficient in the judgment of the Executive Board but not less than any amount specified in the Governing Documents, insuring the Executive Board, the Association, the management agent and their respective employees, agents and all persons acting as agents. Declarant shall be included as an additional insured in such Declarant's capacity as an Owner and Executive Board member. The Owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use or management of the Common Area. The insurance shall cover claims of one (1) or more insured parties against other insured parties.

10.1.2 If the insurance described in subsection 10.1.1 of this Section is not reasonably available, or if any policy of such insurance is cancelled or not renewed without a replacement policy therefor having been obtained, the Association promptly shall cause notice of that fact to be hand delivered or sent prepaid by United States mail to all Owners. The Association may carry any other insurance it considers appropriate, including insurance on Lots it is not obligated to insure, to protect the Association or the Owners.

10.1.3 Insurance policies carried pursuant to this Section 10.1 and its subsections must provide that:

(a) Each Owner is an insured person under the policy with respect to liability arising out of such Owner's interest in the Common Area or membership in the Association;

(b) The insurer waives its rights to subrogation under the policy against any Owner, any member of his or her household, Declarant and any other construction professionals;

(c) No act or omission by any Owner, unless acting within the scope of such Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

(d) If, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

10.1.4 The Rules and Regulations may include nondiscriminatory policies and procedures relating to the submittal of claims, responsibility for deductibles and any other matters of claims adjustment. To the extent the Association settles claims for damages to real property, it shall have the authority to assess negligent Owners causing such loss, or benefiting from such repair or restoration, all deductibles paid by the Association. If more than one (1) Lot is damaged by a loss, the Association, in its reasonable discretion, may assess each Owner a pro rata share of any deductible paid by the Association.

10.1.5 Any portion of the Common Area for which insurance is required under this Declaration which is damaged or destroyed must be promptly repaired or replaced substantially in accordance with the plans and specifications for the improvement in question. To the extent the insurance proceeds are insufficient to pay for the restoration, the deficiency shall be assessed as a Common Expense.

10.1.6 An insurance policy issued to the Association does not obviate the need for Owners to obtain insurance for their own benefit, including, but not limited to, property and liability insurance on the Owner's Lot and the Improvements thereon.

10.1.7 An insurer that has issued an insurance policy for the insurance described in subsection 10.1.1 of this Section shall issue certificates or memoranda of insurance to the Association and, upon request, to any Owner or holder of a Security Interest. Unless otherwise provided by statute, the insurer issuing the policy may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or nonrenewal has been mailed to the Association and each Owner and holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their respective last-known addresses.

10.1.8 If any Owner or employee of the Association controls or disburses funds of the Common Interest Community, and if required by the Act, the Association and the manager or managing agent, if any, shall obtain and maintain, to the extent reasonably available, policies of fidelity insurance. Coverage shall not be less in the aggregate than two (2) months' current assessments for all Lots plus reserves, as calculated from the current budget of the Association.

10.1.9 Any person employed as an independent contractor by the Association for the purposes of managing the Common Interest Community must obtain and maintain fidelity insurance in an amount not less than the amount specified in subsection 10.1.8 unless the Association names such person as an insured employee in a contract of fidelity insurance pursuant to subsection 10.1.8.

10.1.10 The Association may carry fidelity insurance in amounts greater than required in subsection 10.1.8 and may require any independent contractor employed for the purposes of managing the Common Interest Community to carry more fidelity insurance coverage than required in subsection 10.1.8.

10.1.11 Premiums for insurance that the Association acquires, and other expenses connected with acquiring such insurance, are Common Expenses.

10.1.12 All insurance coverage shall be provided by financially responsible and able companies duly authorized to do business in the State of Colorado.

10.1.13 All policies of insurance shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of an Owner and shall provide that such policies may not be canceled or modified without at least thirty (30) days' prior written notice to all of the Owners and the Association.

10.1.14 Any insurance obtained by the Association shall name the Association, the Executive Board, the manager or managing agent, if any, the officers of the Association, Declarant and Owners as insureds, as their interests may appear.

10.1.15 All costs and expenses borne by the Association in compliance with this Section, including, without limitation, insurance premiums, and all costs and expenses borne by the Association in connection with insured and uninsured losses to persons or property within the Common Interest Community, repairs and replacement of insured and uninsured property, and claims settlement or adjustment shall be considered Common Expenses.

Section 10.2 Condemnation. Condemnation of all or any portion of the Real Estate shall be governed as follows:

10.2.1 If a Lot is acquired by eminent domain or part of a Lot is acquired by eminent domain, leaving the Owner with a remnant which may not practically or lawfully be used for any purpose permitted by this Declaration, the award must include compensation to the Owner for that Lot and its Allocated Interests, whether or not any Common Areas are acquired. Upon acquisition, unless the decree otherwise provides, that Lot's Allocated Interests are automatically reallocated to the remaining Lots in proportion to the respective Allocated Interests of those Lots before the taking. Any remnant of a Lot remaining after part of a Lot is taken under this subsection 10.2.1 is thereafter a Common Area.

10.2.2 If part of the Common Area is acquired by eminent domain, that portion of any award attributable to the Common Area taken must be paid to the Association. Service of process on the Association shall constitute sufficient notice to all Owners, and service of process on each individual Owner shall not be necessary.

10.2.3 The court decree shall be recorded in every county in which any portion of the Real Estate is located.

10.2.4 The reallocations of Allocated Interests pursuant to this Section shall be confirmed by an amendment to the Declaration prepared, executed and recorded by the Association.



ARTICLE 11. MAINTENANCE

Section 11.1 Association's Maintenance Responsibilities. The Association shall maintain, repair, reconstruct, manage, control and operate the Common Area and all Landscaping, irrigation systems, fences, signs and other Improvements located in the Common Area. The Association further shall be the responsible to maintain all Landscaping within the Real Estate, except Landscaping within a Courtyard or that is maintained by the District; the Association shall further maintain and repair the sidewalk and driveway, but not a porch, on any Lot, unless maintained by the District. The Association's obligation to repair a sidewalk or driveway shall be subject to the reasonable discretion and prioritization of the Executive Board and the availability of funds. The Associations shall further provide snow removal for driveways, porches, walkways to porches and sidewalks, at such times and conditions as the Executive Board by resolution determines should be provided. The Association shall not need the prior approval of its Members to cause such maintenance or repairs to be accomplished, and such maintenance and repairs shall be performed at such times and in such manner as the Association shall determine. The costs of administration, maintenance, repair and replacement to be performed by the Association under this Section will be a Common Expense.

Section 11.2 Owners' Maintenance Responsibilities. The maintenance and repair of all Improvements on a Lot and within a Courtyard, except as provided in Section 11.1 above, shall be the responsibility and expense of the Owner thereof, except that the maintenance and of all Improvements and Landscaping within a Courtyard Easement shall be the responsibility and expense of the Owner of the Lot benefited by the Courtyard Easement and not that of the Owner of the Lot that is burdened by the Courtyard Easement.

Section 11.3 Association's Right to Repair, Maintain, Restore and Demolish. In the event any Owner shall fail to perform his or her maintenance, repair and replacement obligations in a manner satisfactory to the Executive Board, or as required by the DRC or any provision of the Design Guidelines, properly adopted (the "Responsible Owner"), the Association may, if said failure continues for a thirty (30) day period after written notice to said Owner by the Executive Board, enter upon the Lot of the Responsible Owner and any Courtyard Easement benefiting such Lot, subsequent to the expiration of said thirty (30) day time period, to perform any or all of such maintenance, repair or replacement. The cost of such maintenance, repair and replacement shall be the personal obligation of the Responsible Owner and shall be subject to all of the terms and provisions applicable to "assessments" as provided in Article 7 hereof, including, without limitation, interest, late charges and lien rights.

Section 11.4 Maintenance of Drainage. Maintaining proper drainage away from the Improvements on the Lots is essential to minimize potential swelling of expansive soils that may exist on the Real Estate. No Owner may install Improvements or alter grading to adversely affect drainage on any Lot. Each Owner shall maintain all gutters, downspouts and extensions within such Owner's Lot to ensure that the gutters and downspouts remain in the down position and are free and clear of all obstructions and debris and that the water flow from such gutters and downspouts is directed away from the foundation and/or slabs on any Improvement. No Owner may later obstruct or obliterate any drainage swales, pans, easements or channels located or installed on any Lot or the Real Estate.



Section 11.5 Easement for Maintenance Access and Entry. The Association, its officers, agents, employees, independent contractors, successors and assigns shall have a nonexclusive perpetual right and easement over, across and upon all Lots and the Real Estate for the purpose of performing the maintenance and repair of the Lots, Improvements and the Real Estate required of the Association under the terms of this Declaration. If damage is inflicted or a strong likelihood exists that it will be inflicted on any other property, or any Lot, the Person responsible for the damage or the expense to avoid damage, or the Association if it is responsible, is liable for the cost of prompt repair or avoidance. All Persons performing such work shall use their best efforts to minimize interference with the Lot Owner's use and enjoyment of the Lot when performing such work.

Section 11.6 Owner's Negligence. Notwithstanding anything to the contrary contained in this Declaration, in the event that the need for maintenance, repair or reconstruction of any property, a Lot, or any Improvements located thereon, is caused by the willful or negligent act or omission of any Owner, any member of such Owner's family or by a guest or invitee of such Owner, the cost of such repair, maintenance, reconstruction or the expense to avoid such damage shall be the personal obligation of such Owner, to the extent that said Owner would be liable for the acts of such persons under the laws of the State of Colorado; and any costs, expenses and fees incurred by the Association for such maintenance, repair or reconstruction shall be added to the assessment to which such Owner's Lot is subject and shall be subject to all of the terms and provisions of Article 7 of this Declaration. A determination of the negligence or willful act or omission of any Owner, or any member of an Owner's family or a guest or invitee of any Owner, and the amount of the Owner's liability therefor, shall be determined by the Association at a hearing conducted by the Executive Board after notice to the Owner, provided that any such determination which assigns liability to any Owner pursuant to the terms of this Section may be appealed by said Owner to a court of law.

Section 11.7 Construction Defects. Neither the Association nor any Owner shall commence any lawsuit, arbitration or other civil action against Declarant, or any construction professional retained by Declarant, for construction defects, omissions or errors without first complying with the requirements of the Construction Defect Action Reform Act, C.R.S. § 13-20-801, et seq. ("CDARA") and C.R.S. 38-33.3-303.5. As used in this Section, the term "construction professional" shall have the same meaning as ascribed by CDARA and shall include Declarant.

Section 11.8 Arbitration. Any dispute between the Association or an Owner and Declarant, or in which Declarant is a party, shall be decided by binding arbitration. The arbitration shall be conducted in accordance with the Uniform Arbitration Act in Part 2 of Article 22 of Title 13, C.R.S. Judgment on the award of the arbitrator may be entered in any court having jurisdiction thereof. In any arbitration in which Declarant is a party, all parties shall pay their own attorney fees and costs. In no instance may punitive, multiple or other special damages be awarded.

Section 11.9 Award. In the event of an award resulting from a lawsuit, arbitration or other civil action in which Declarant is a party, claiming defects, errors or omissions, the money derived therefrom must be used to make the repairs for which it was awarded. The work shall be

performed by licensed and insured third party contractors under contract with the Association. In no event will funds be disbursed directly to Owners for repairs or for any other reason, except for reimbursement for claims which were presented and proven, or stipulated, during the litigation, arbitration or settlement. In the event the award is insufficient to fully fund the repairs to any Common Area or Improvements therein, the Executive Board shall determine the shortfall amount and shall either (a) borrow from a commercial lender sufficient funds to complete the work, which debt shall be guaranteed by all the Members individually, if required by the lender, and the repayment of which shall be included in the regular assessments or by special assessment, or (b) effect a special assessment on the Members to fund the shortfall. Repairs shall be commenced within ninety (90) days of the receipt of any award and pursued diligently to completion.

Section 11.10 Waiver of Tort and Related Damages. The Association and the Owners waive any claim or theory of recovery for tort damages against Declarant or any construction professional retained by Declarant for defects, errors or omissions that have not caused any physical damage to person or property. The duty to repair, or pay for the repair of, a defect, omission or error as outlined in Section 11.3 of this Article is the exclusive remedy which the Association shall have against Declarant, or any construction professional retained by Declarant, for said defect, omission or error. The Association shall not have, and hereby waives, the right to pursue any other remedies or damages, including, but not limited to, consequential, punitive or other special damages against Declarant or any construction professional retained by Declarant.

ARTICLE 12. EASEMENTS AND RESERVATIONS

Section 12.1 Courtyard Easement. Each Lot (the “Burdened Lot”) shall be subject to and burdened by an exclusive easement (the “Courtyard Easement”) for the exclusive use and benefit of the adjoining Lot (the “Benefited Lot”). Each Lot shall be conveyed by Declarant to an Owner together with a Courtyard Easement. The Courtyard Easement shall be perpetual and for the purpose and use to permit the Owner of the Benefited Lot the exclusive right to use, install, maintain, repair, remove and replace upon, in and over the area of the Courtyard Easement (the “Easement Area”), Landscaping and Improvements constructed therein by Declarant or that may be lawfully placed or constructed within the setbacks provided on the Plat or any zoning or other governmental restrictions to which the Real Estate is subject; provided that no Landscaping or Improvement shall be attached to any portion of the residence on the Burdened Lot or placed in any manner that would cause damage to the residence or any Improvement or Landscaping on the Burdened Lot that is located outside the Easement Area. The Easement Area will generally extend to and from the edge of the residence that is closest to the Lot boundary line on the Burdened Lot and extend from such edge approximately 5 feet to the Lot boundary line of the Benefited Lot. Notwithstanding that the Courtyard Easement is for the exclusive use of the Benefited Lot, the Owner of the Burdened Lot nevertheless shall have a right of entry and access to, over, upon and through the Courtyard Easement, for the sole purpose of enabling that Owner (or that Owner’s designees) to perform obligations, rights, and duties pursuant hereto with regard to reasonable and necessary maintenance, repair and restoration of the Improvements and Landscaping on the Burdened Lot. In the event of an emergency, the Burdened Lot Owner’s right of entry to the Courtyard Easement may be exercised without



notice; otherwise, the Burdened Lot Owner shall give the Benefited Lot Owner no less than twenty-four (24) hours' advance notice prior to entering upon the Courtyard Easement.

Section 12.2 Easements of Encroachment. Reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, are hereby granted and created between each Lot and any adjacent Common Area, if any, and between adjacent Lots due to the unintentional placement or the settling or shifting of any Improvements constructed, reconstructed or altered thereon to a distance of not more than one (1) foot, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, an Owner.

Section 12.3 Easements for Utilities, Etc. Declarant hereby reserves, for itself and the Association, and for any governmental entities or utility companies providing utility services to Lots, access and maintenance easements upon, across, over, and under all of the Common Area to the extent reasonably necessary for the purpose of replacing, repairing and maintaining any cable television systems, security and similar systems, roads, walkways, bicycle pathways, drainage systems, street lights, signage and all utilities, including, but not limited to, water and sewer lines and facilities, meter boxes, telephone, gas and electricity, and for the purpose of installing any of the foregoing within easements designated for such purposes on the Plat. This easement shall not entitle the holders to construct or install any of the foregoing systems, facilities or utilities over, under or through any structure or other Improvement constructed within any Common Area, and any damage to any such structure or other Improvement resulting from the exercise of this easement shall promptly be repaired by, and at the expense of, the person exercising the easement. The exercise of this easement shall not unreasonably interfere with the use of any Lot and, except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or occupant.

Section 12.4 Right of Entry. In addition to the enforcement rights the Association is granted in this Declaration, the Association shall have the right, but not the obligation, to enter upon any Lot for emergency, security and safety reasons, to perform maintenance pursuant to the Governing Documents and to inspect for the purpose of ensuring compliance with this Declaration and the other Governing Documents, which right may be exercised by any member of the Executive Board, the Association and its officers, agents, employees and managers, and all policemen, firemen, ambulance personnel and similar emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner, and any damage caused by entry shall be repaired by the Association as a Common Expense. This right of entry shall include the right of the Association to enter upon any Lot to cure any condition which may increase the possibility of a fire or other hazard if an Owner fails or refuses to cure the condition within a reasonable time after request by the Executive Board. In no event will the provisions of this Section authorize entry into any dwelling without the prior consent of the Owner.

ARTICLE 13. MORTGAGEE PROTECTION

Section 13.1 Introduction. This Article establishes certain standards and covenants



which are for the benefit of the holders, insurers and guarantors of certain Security Interests and others as identified in Section 13.2 hereof. This Article is supplemental to, and not in substitution for, any other provisions of the Governing Documents, but in the case of conflict, this Article shall control. As used in this Article and elsewhere in this Declaration, the terms “Eligible First Mortgagees” and “Eligible Insurers” shall mean Mortgagees and Insurers who have provided actual written notice to the Association of their name and address and have identified the Lot in which they hold a First Security Interest or have insured or guaranteed a First Security Interest. The recording of a mortgage, deed of trust or other Security Interest in the office of the Clerk and Recorder of Weld County, Colorado, shall not be considered actual written notice to the Association of a Security Interest.

Section 13.2 Percentage of Eligible First Mortgagees. Various provisions in this Declaration prohibit certain designated actions without the approval or consent of a specified percentage of Eligible First Mortgagees. The percentage of Eligible First Mortgagees who have given any such approval or consent shall be deemed to be equal to one hundred (100) multiplied by (a) the total number of votes in the Association allocated to Lots in which Eligible First Mortgagees, having given such approval or consent, hold Security Interests, divided by (b) the total number of votes in the Association allocated to all Lots that are subject, at the time, to Security Interests held by Eligible First Mortgagees. If no other percentage is specified, approval or consent by sixty-seven percent (67%) of Eligible First Mortgagees shall be deemed to be required.

Section 13.3 Notice of Actions. The Association shall give prompt written notice of the following to each Eligible First Mortgagee:

13.3.1 Any condemnation loss or any casualty loss which affects a material portion of the Common Interest Community or any Lot in which there is a First Security Interest held, insured or guaranteed by such Eligible First Mortgagee or Eligible Insurer, as applicable;

13.3.2 Any delinquency in the payment of assessments or charges owed to the Association by the Owner of a Lot subject to a First Security Interest held, insured or guaranteed by an Eligible First Mortgagee or Eligible Insurer, or any default by such Owner in any obligation under the Declaration, Articles of Incorporation or Bylaws of the Association, if and when the Executive Board has actual knowledge of such default and such delinquency or default remains uncured for a period of sixty (60) days;

13.3.3 Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;

13.3.4 Any proposed action which would require the consent of a specified percentage of Eligible First Mortgagees as specified in Section 13.4 below; and

13.3.5 Any judgment rendered against the Association that is not covered (subject to reasonable deductible or retention limits) by insurance.

Section 13.4 Consent by Sixty-Seven Percent (67%) Required. The Association may not take any of the following actions without the consent of sixty-seven percent (67%) of Eligible First Mortgagees:

13.4.1 Restoration or repair of the Common Interest Community (after hazard damage or partial condemnation) in a manner other than that specified in this Declaration;

13.4.2 Termination of this Declaration for reasons other than substantial destruction or condemnation, subject to the approval percentages required for such termination;

13.4.3 Merger of the Common Interest Community with any other common interest community;

13.4.4 Any decision not to repair or replace the Common Area, except as permitted in this Declaration; or

13.4.5 Except as provided by the Act, in the case of condemnation or loss of substantially all of the Lots within the Common Interest Community,

(a) by act or omission seek to abandon or terminate the Common Interest Community;

(b) change the pro rata interest or obligations of any Lot in order to levy assessments or charges, allocate distribution of hazard insurance proceeds or condemnation awards;

(c) partition or subdivide any Lot; or

(d) use hazard insurance proceeds for losses to any of the Common Interest Community for other than the repair, replacement or reconstruction of the Common Interest Community.

Section 13.5 Approval. The failure of an Eligible First Mortgagee or Eligible Insurer to respond within thirty (30) days to any written request of the Association delivered by certified or registered mail, return receipt requested, for approval of an addition or amendment of the Governing Documents, wherever Eligible First Mortgagee or Eligible Insurer approval is required, shall constitute an approval of the addition or amendment.

Section 13.6 Inspection of Books. The Association must maintain current copies of the Declaration, Bylaws, Rules and Regulations, books and records and financial statement. The Association shall permit any Lot Owner, Eligible First Mortgagee or Eligible Insurer or other First Mortgagee of Lots to inspect the books and records of the Association during normal business hours and shall provide copies upon payment of a reasonable fee.

Section 13.7 Financial Statements. The Association shall provide any Eligible First Mortgagee or Eligible Insurer who submits a written request a copy of an annual financial statement within ninety (90) days following the end of each fiscal year of the Association. Such



financial statement shall be audited or shall be reviewed by an independent certified public accountant if an Eligible First Mortgagee or Eligible Insurer requests it, in which case the Eligible First Mortgagee or Eligible Insurer shall bear the costs of the audit or review.

Section 13.8 Enforcement. The provisions of this Article are for the benefit of Eligible First Mortgagees and Eligible Insurers and their successors and may be enforced by any of them by any available means, at law or in equity.

Section 13.9 Attendance at Meetings. Any representative of an Eligible First Mortgagee or Eligible Insurer may attend and address any meeting which a Lot Owner may attend.

ARTICLE 14. AMENDMENT AND TERMINATION

Section 14.1 Technical, Clerical, Typographical or Clarification Amendment. If either Declarant or the Executive Board shall determine that any amendments to this Declaration or to the map or Plat shall be necessary in order to make non-material changes, such as for the correction of a technical, clerical or typographical error or clarification of a statement, then Declarant shall have the right and power to make and execute any such amendment at any time prior to the expiration of Declarant control, as provided in Section 4.2 above; and thereafter the Executive Board shall have the right and power to make and execute any such amendments, in any event, without the need for obtaining the approval of any Owners or First Mortgagees.

Section 14.2 Necessary to Exercise Authority of Association Documents. In addition to the rights granted to Declarant to execute amendments to this Declaration, the Executive Board shall have the authority to execute amendments to this Declaration, or to any map or Plat, which are reasonably necessary in order to perform their respective duties as authorized by this Declaration.

Section 14.3 Attorney in Fact. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Declarant and the Executive Board to make or consent to an amendment under this Article 14 on behalf of each Owner and holder of a First Security Interest. Each deed, First Security Interest or other evidence of obligation or other instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of Declarant and the Executive Board to make, execute and record an amendment under this Section.

Section 14.4 Amendment of Declaration by Owners. Except as otherwise provided in this Declaration, and subject to provisions elsewhere contained in this Declaration requiring the consent of others, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration may be changed or repealed, and any such provision added to this Declaration at any time, and from time to time, upon approval of the Executive Board and at least sixty-seven percent (67%) of the votes in the Association. Notwithstanding the foregoing, however, no amendment shall be adopted or shall be effective at any time prior to the expiration of the period of Declarant control unless Declarant shall have granted its written approval to the same. Further, no amendment that impairs, alters or affects any right of Declarant may be adopted or effective at any time prior to the expiration of the Special Declarant Rights Period unless

Declarant shall have granted its written approval to the same. And further, no amendment that impairs, alters or affects any right of Declarant under Section 11.7 above shall be effective, to limit or diminish any right granted by that Section to Declarant or any construction professional retained by Declarant.

Section 14.5 Amendment Required by Mortgage Agencies. At any time prior to the expiration of the period of Declarant control, Declarant shall have the right to amend this Declaration or any of the other Governing Documents to the extent necessary to comply with the requirements, standards or guidelines of recognized secondary mortgage markets, including, without limitation, the Department of Housing and Urban Development (“HUD”), the Federal Housing Administration (“FHA”), the Veterans Administration (“VA”), the Federal Home Loan Mortgage Corporation (“FHLMC”), the Government National Mortgage Association (“GNMA”), or the Federal National Mortgage Association (“FNMA”). After the expiration of the period of Declarant control, the Association shall have the right to execute any such amendments to this Declaration. Any amendment executed pursuant to this Section 14.5 shall be effective upon the recordation in the real property records of Weld County, Colorado, of a certificate setting forth the amendment or repeal in full.

Section 14.6 Recording of Amendments. To be effective, all amendments to this Declaration must be recorded in the real property records of Weld County, Colorado, and must contain evidence of approval thereof. One method of satisfying the requirement of this Section is the recordation of a certificate of the secretary of the Association certifying that Owners representing the requisite percentage of the Lots have given their written consent to the amendment in question. The secretary must further certify that originals of such written consents of the Owners, along with a copy of the amendment as executed and recorded, are in the corporate records of the Association and available for inspection. No action to challenge the validity of an amendment adopted by the Association pursuant to this Section may be brought more than one (1) year after the amendment is recorded.

Section 14.7 Association Certification. Amendments to the Declaration required by this Article to be recorded by the Association shall be prepared, executed, recorded and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association.

Section 14.8 Expenses. All expenses associated with preparing and recording an amendment to the Declaration shall be the sole responsibility of:

14.8.1 In the case of an amendment for the purpose of altering boundaries between adjoining Lots, and subdivision of Lots, the Owners desiring the amendment;

14.8.2 In the case of an amendment for the purpose of reallocating Allocated Interests, recordation of new plats and maps, and exercise of Development Rights, Declarant; and

14.8.3 In all other cases, the Association as a Common Expense.



Section 14.9 Termination. This Declaration may be terminated upon an affirmative vote of the Owners holding eighty percent (80%) of the Allocated Interests, provided such termination shall not be effective at any time prior to the expiration of the Special Declarant Rights Period without the prior written approval of Declarant.

ARTICLE 15. GENERAL PROVISIONS

Section 15.1 Enforcement.

15.1.1 Every Owner and occupant of a Lot shall comply with the Governing Documents, and each Owner shall have the right to enforce the covenants and restrictions, as set forth in this Declaration.

15.1.2 The Association may enforce all applicable provisions of this Declaration and may impose sanctions for violation of the Governing Documents. Such sanctions may include, without limitation:

(a) imposing reasonable monetary fines, after notice and opportunity for a hearing, which fine shall constitute a lien upon the violator's Lot;

(b) suspending the right to vote (save and except that such suspension for a violation of the Association's Rules and Regulations shall not exceed sixty [60] days for any one [1] occurrence);

(c) exercising self-help (including, but not limited to, performing such maintenance responsibilities which are the Owner's responsibility under this Declaration and assessing all costs incurred by the Association against the Lot and the Owner as an assessment) or taking action to abate any violation of the Governing Documents;

(d) requiring an Owner, at the Owner's expense, to remove any structure or Improvement on such Owner's Lot in violation of the Governing Documents and to restore the Lot to its previous condition and, upon failure of the Owner to do so, the Executive Board or its designee shall have the right to enter the Lot, remove the violation and restore the Lot to substantially the same condition as previously existed, at the Owner's expense, and any such action shall not be deemed a trespass, with all fees and costs in connection with such removal and restoration to be assessed to the Owner as an assessment under the terms of this Declaration;

(e) without liability to any Person, precluding any contractor, subcontractor, agent, employee or other invitee of any Owner who fails to comply with the terms and provisions of this Declaration from continuing or performing any further activities in the Common Interest Community;

(f) levying specific assessments to cover costs incurred by the Association to bring a Lot into compliance with the Governing Documents; and

(g) bringing suit at law or in equity to enjoin any violation or to recover monetary damages, or both.

15.1.3 In addition to any other enforcement rights, if an Owner fails to properly perform his or her maintenance responsibilities, or otherwise fails to comply with the Governing Documents, the Association may record a notice of violation against the Owner and the Lot.

15.1.4 All remedies set forth in the Governing Documents shall be cumulative of any remedies available at law or in equity. In any action to enforce the Governing Documents, excepting actions against Declarant for a construction defect, the prevailing party shall recover all costs, including, without limitation, attorneys' fees and court costs, reasonably incurred in such action.

15.1.5 The decision of the Association to pursue enforcement action in any particular case shall be left to the Executive Board's discretion, subject to the duty to exercise judgment and be reasonable, as provided for in this Declaration, and further restricted in that the Executive Board shall not be arbitrary or capricious in taking enforcement action. A decision of the Association not to pursue enforcement action shall not be construed as a waiver of the Association's right to enforce such provisions at a later time under other circumstances or preclude the Association from enforcing any other covenant, restriction or rule. Without limiting the generality of the foregoing, the Executive Board may determine that, under the circumstances of a particular case:

(a) the Association's legal position is not strong enough to justify taking any or further action;

(b) the covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law; or

(c) that it is not in the Association's best interest, based upon hardship, expense, limited effect on other Members, or other reasonable criteria, to pursue enforcement action.

Section 15.2 Construction. Each of the provisions of this Declaration shall be deemed independent and severable. If any provision of this Declaration or the application thereof to any Person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this Declaration, which can be given effect without the invalid provisions or applications.

Section 15.3 Duration. This Declaration shall run with the land, shall be binding upon all Persons owning Lots and any Persons hereafter acquiring said Lots, and shall be in effect in perpetuity, unless amended or terminated, as provided herein or in the Act.

Section 15.4 Headings. The headings in this Declaration are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Declaration or any provision hereof.



IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the day and year first above written.

EASTMAN PROPERTIES LLC,
a Colorado limited liability company

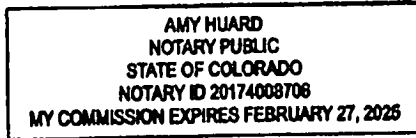
By David Krafsur
David Krafsur, Member

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

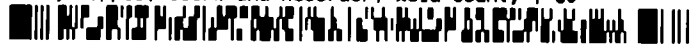
The foregoing instrument was acknowledged before me this 15 day of APRIL, 2022, by David Krafsur, as Member of EASTMAN PROPERTIES LLC, a Colorado limited liability company.

Witness my hand and official seal.

My Commission Expires: 02-27-25



Amy Huard
Notary Public




LENDER CONSENT

Consent is hereby given to the above Declaration. The undersigned agrees and acknowledges that any foreclosure or enforcement of any other remedy available to the undersigned, under the deed of trust recorded in the real property records of Weld County, Colorado, or under any other deeds of trust or other security agreements for the benefit of the undersigned with regard to the Real Estate described in the Declaration, will not render void or otherwise impair the validity of the Declaration or any Plat. Additionally, the undersigned subordinates the lien and interests of the undersigned under its deed of trust, as above referenced, and under any other deeds of trust or other security agreements for the benefit of the undersigned with regard to the Real Estate, to the terms and conditions of the above Declaration.

Dated this 15th day of April, 2022.

MORTGAGEE:

FIRSTIER BANK-NEBRASKA CORP
dba FIRSTIER BANK,
a Colorado corporation

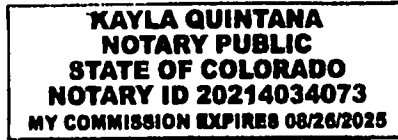
By: 
Name: Joe Johnson
Title: Market President

STATE OF COLORADO)
) ss.
COUNTY OF Weld)

The foregoing instrument was acknowledged before me this 15th day of April, 2022, by Joe Johnson as Market President of FIRSTIER BANK-NEBRASKA CORP dba FIRSTIER BANK, a Colorado corporation.

WITNESS my hand and official seal.

My commission expires: 8/26/25




Notary Public



EXHIBIT "A" ATTACHED TO AND MADE A PART OF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COURTYARDS AT LUPTON VILLAGE (A COMMON INTEREST COMMUNITY)

Legal Description of Real Estate

THE COURTYARDS AT LUPTON VILLAGE PUD, including Lots 1 through 27 thereof, according to the Final Plat of the Courtyards at Lupton Village PUD, A Replat of Lot 2, Fort Lupton Community Center Subdivision Second Amendment, lying in the Southwest Quarter of Section 5, Township 1 North, Range 66 West of the Sixth Principal Meridian, City of Fort Lupton, County of Weld, State of Colorado, recorded June 29, 2020 at Reception No. 4603635 of the Weld County, Colorado records; as amended by Surveyor's Affidavit of Correction in connection therewith recorded October 20, 2021 at Reception No. 4767639.



EXHIBIT "B" ATTACHED TO AND MADE A PART OF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COURTYARDS AT LUPTON VILLAGE (A COMMON INTEREST COMMUNITY)

Legal Description of Common Area

Tract A and Tract B as shown on the Final Plat of the Courtyards at Lupton Village PUD, A Replat of Lot 2, Fort Lupton Community Center Subdivision Second Amendment, lying in the Southwest Quarter of Section 5, Township 1 North, Range 66 West of the Sixth Principal Meridian, City of Fort Lupton, County of Weld, State of Colorado, recorded June 29, 2020 at Reception No. 4603635 of the Weld County, Colorado records.



EXHIBIT "C" ATTACHED TO AND MADE A PART OF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COURTYARDS AT LUPTON VILLAGE (A COMMON INTEREST COMMUNITY)

Easements and Licenses

1. Rights of way for County Roads 30 feet on either side of section and township lines, as established by the Resolution of the Board of County Commissioners of Weld County, recorded October 14, 1889 in Book 86 at Page 273.
2. Reservations made by the Union Pacific Railway Company in Deed recorded July 11, 1890 in Book 97 at Page 164, providing substantially as follows: Reserving unto the company and its assigns all coal that may be found underneath surface of land herein described and the exclusive right to prospect and mine for same, also such right of way and other grounds as may appear necessary for proper working of any coal mines that may be developed upon said premises, and for transportation of coal from same, and any and all assignments thereof or interest therein.
3. Right of way for ditches and canals as constructed by the authority of the United States, as reserved in United States Patent Homestead Certificate No. 4162.
4. Terms, conditions, provisions, obligations, easements and agreements as set forth in the Right of Way Public Service Company of Colorado recorded December 5, 1947 in Book 1216 at Page 226.
5. Oil and Gas Lease recorded April 21, 1970 at Reception No. 1545840, and any and all assignments thereof or interests therein, and Affidavit in connection therewith recorded January 28, 1974 at Reception No. 1629192.
6. Reservation of a one-half interest in oil, gas and other minerals as reserved in Deed recorded September 23, 1977 at Reception No. 1731274, and any and all assignments thereof or interests therein.
7. Terms, conditions, provisions, obligations, easements and agreements as set forth in the Utility Extension Policy Contract recorded February 29, 1980 at Reception No. 1818352.
8. Terms, conditions, provisions, obligations, easements and agreements as set forth in the Right-of-Way Grant recorded November 14, 1983 at Reception No. 1946800.
9. Terms, conditions, provisions, obligations, easements and agreements as set forth in the Easement, Right-of-Way and Surface Use Agreement recorded November 16, 1998 at Reception No. 2653890, and Amendment to Easement, Right-of-Way and Surface Use Agreement in connection therewith recorded July 27, 1999 at Reception No. 2709442.
10. Easements, notes, covenants, restrictions and rights-of-way as shown on the plat of Fort Lupton Community Center Subdivision, recorded May 5, 2000 at Reception No. 2766474.

11. Terms, conditions, provisions, obligations and agreements as set forth in the Notice of Right to Use Surface of Lands recorded October 30, 2000 at Reception No. 2803223.
12. Terms, conditions, provisions, obligations and agreements as set forth in the Notice of Oil and Gas Interests and Surface Use recorded January 23, 2001 at Reception No. 2820961.
13. Easements, notes, covenants, restrictions and rights-of-way as shown on the plat of Fort Lupton Community Center Subdivision - First Amendment, recorded January 14, 2002 at Reception No. 2916247.
14. Terms, conditions, provisions, obligations, easements and agreements as set forth in the Subdivision Improvement Agreement recorded December 21, 2004 at Reception No. 3246146.
15. Terms, conditions, provisions, obligations and agreements as set forth in the Agreement to Accept Real Property as Cash-in lieu of Water Dedication recorded May 11, 2007 at Reception No. 3475171.
16. Lease by and between City of Fort Lupton, as lessor, and Verizon Wireless (VAW) LLC d/b/a Verizon Wireless, as lessee, as evidenced by Memorandum of Lease Agreement recorded September 14, 2007 at Reception No. 3504081 and re-recorded April 22, 2016 at Reception No. 4197647; and First Amendment to Memorandum of Lease Agreement in connection therewith recorded June 15, 2009 at Reception No. 3630151.
17. Terms, conditions, provisions, obligations and agreements as set forth in the Agreement recorded August 1, 2014 at Reception No. 4035229.
18. Terms, conditions, provisions, obligations and agreements as set forth in the Agreement recorded August 1, 2014 at Reception No. 4035230.
19. Terms, conditions, provisions, obligations and agreements as set forth in the Agreement recorded August 1, 2014 at Reception No. 4035231.
20. Terms, conditions, provisions, obligations, easements and agreements as set forth in the Rollie Avenue & Kahil Street Right-of-Way Map recorded September 22, 2014 at Reception No. 4047524.
21. Terms, conditions, provisions, obligations and agreements as set forth in the Subsurface Easement Agreement recorded February 25, 2014 at Reception No. 4085839.
22. Lease by and between Verizon Wireless (VAW) LLC d/b/a Verizon Wireless, as lessor, and ATC Sequoia LLC, a Delaware limited liability company, as lessee, as evidenced by Memorandum of Lease recorded June 19, 2015 at Reception No. 4117500.
23. Verizon Map recorded July 28, 2017 at Reception No. 4322243.



24. Easements, notes, covenants, restrictions and rights-of-way as shown on the plat of Fort Lupton Community Center Subdivision Second Amendment, recorded March 6, 2018 at Reception No. 4380390.

25. Terms, conditions, provisions, obligations and agreements as set forth in the Subdivision Improvements Agreement for the Courtyard at Lupton Village recorded February 5, 2020 at Reception No. 4564351.

26. Terms, conditions, provisions, obligations and agreements as set forth in the Resolution No. 2019R081 recorded September 29, 2020 at Reception No. 4603634.

27. Reservation of oil, gas and other minerals as reserved in Special Warranty Deed recorded July 1, 2021 at Reception No. 4731607, and any and all assignments thereof or interests therein.