

**AMENDED AND RESTATED  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
CALLICOTTE RANCH SUBDIVISION**

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CALLICOTTE RANCH SUBDIVISION is made this 12<sup>th</sup> day of December, 2007, by Callicotte Ranch, LLC ("Declarant"), and supersedes and replaces in its entirety the Declaration of Covenants, Conditions and Restrictions for Callicotte Ranch Subdivision filed on May 16, 2007 as Reception No. 723322 in Garfield County, Colorado.

**1. DECLARATION - PURPOSES AND EFFECT.**

1.1 General Purposes. Declarant is the owner of real property in Garfield County, Colorado described on Exhibit A attached hereto (the "Property") and subject to those matters set forth on Exhibit B attached hereto. Declarant desires to submit the Property to this Declaration as a Common Interest Community known as Callicotte Ranch Subdivision ("CIC"), composed of a single family residence community, to provide for the reservation of rights of Declarant pursuant to the Colorado Common Interest Ownership Act (the "Act"), and to presently establish within the Property certain rights and obligations with respect to the Property for Declarant and all present and future owners of the Property, including without limitation, the creation of the Callicotte Ranch Owners Association.

1.2 Declaration. Declarant hereby submits the Property to this Declaration and the provisions of the Act, and declares that the Property shall at all times be owned, used or occupied subject to the provisions of this Declaration and the Act as a planned community consisting of 28 single family lots and a number of common areas, and the provisions of the Plat which are incorporated herein by reference, which provisions shall constitute covenants running with the land and shall be binding upon and inure to the benefit of Declarant and any person or legal entity acquiring any interest in the Property. This Declaration shall be read, wherever possible, in conjunction with rather than in opposition to all mandatory provisions in the Act. Where a conflict between this Declaration and the Act is unavoidable, the provisions of the Act shall control.

**2. DEFINITIONS.**

The terms listed below, as used in this Declaration, shall have the meanings set forth as follows:

2.1 "Act" means the Colorado Common Interest Ownership Act, as in effect from time to time including any amendments to or replacements thereof. Any reference to a particular section of the Act shall include any amendments to or replacements of such section. When this Declaration makes reference to defined terms appearing in the Act such terms shall, unless otherwise provided, have the same meaning as provided in the Act.

2.2 "ARC" means the Architectural Review Committee, as further detailed in Article 7.

2.3 "Articles" means the Articles of Incorporation of the Callicotte Ranch Owners Association, Inc. as amended from time to time.

2.4 "Association" means the Callicotte Ranch Owners Association, Inc., a Colorado non-profit corporation, and its successors and assigns, agents and employees.

2.5 "Association Property" means any real property or personal property which may

hereafter be owned, leased or maintained by the Association for the use, enjoyment and benefit of the Owners pursuant to the provisions of this Declaration, including but not limited to the Common Property (as defined below) and the irrigation water rights.

2.6 "Board" or "Board of Directors" means the Executive Board of the Association.

2.7 "Bylaws" means the Bylaws of the Association adopted and amended by the Board from time to time.

2.8 "Common Expenses" means the estimated and actual expenditures made or liabilities incurred by or on behalf of the Association, together with any allocations to reserves, as may be established through the Board of the Association as hereinafter provided.

2.9 "Common Property" means parcels A – I as identified on the Plat, and all related irrigation water rights. The Common Property shall be conveyed by the Declarant to the Association at the time of recording the Plat.

2.10 "Declarant" means Callicotte Ranch, LLC, and its successors and assigns specifically designated as such by an instrument executed by Declarant and recorded in the office of the Clerk and Recorder of Garfield County, Colorado.

2.11 "Declaration" means this Declaration of Covenants, Conditions and Restrictions for Callicotte Ranch Subdivision or as the same be hereafter amended.

2.12 "Lot" or "Lots" means the single-family residential lots described as Lots 1 through 28 inclusive, on the Plat.

2.13 "Maintenance" means such operation, management, maintenance, repair, renovation, restoration, or replacement of any Association Property as may be necessary to maintain such property in substantially the same condition as originally or subsequently constructed, altered or improved only if such property is acquired or obligation assumed as provided in this Declaration. "Maintenance" also means any and all obligations imposed on the Association in this Declaration or by the Resolution, including but not limited to maintaining the "cap" on the reclaimed landfill, and well monitoring obligations.

2.14 "Mortgage" means any mortgage, deed of trust or other security instrument creating a real property security interest in the Association Property, or any part thereof, or in any Lot, excluding any statutory, tax or judicial liens. "Mortgagee" shall include any grantee, beneficiary or assignee of a Mortgage, and "Mortgagor" shall include any grantor, trustor or a Mortgage. First Mortgagee means a Mortgagee having priority as a Mortgage against the property thereby but only if the Mortgagee of such Mortgage claims in a written notice delivered to the Association.

2.15 "Owner" or "Owners" means the person or legal entity holding fee simple title to a Lot or Lots as herein described.

2.16 "Plat" means the Final Plat of the Callicotte Ranch Subdivision recorded in the office of the Clerk and Recorder of Garfield County, Colorado, on May 16, 2007 as Reception Number 723321 Garfield County records, or as the same may be hereafter amended.

2.17 "Property" means the real property described in Exhibit A attached hereto.

2.18 "Residence" means the single-family residence constructed on any Lot.

2.19 "Resolution" means the Garfield County Resolution 2004-67 approving this Subdivision, and recorded on August 20, 2004 as Reception No. 658360 in Garfield County, Colorado.

2.20 "Visible From Neighboring Property" means, with respect to any given object, activity or condition, that such object, activity or condition is or would be visible to Owners within or upon the Property, and such object, activity or condition is not aesthetically pleasing, or in harmony with the surrounding improvements and the Project as determined by a majority of the ARC.

**3. PROVISIONS APPLICABLE TO THE DESCRIPTION AND USE OF THE PROPERTY.**

3.1 Use. The use of the Property shall comply with the Plat, this Declaration, the Resolution, the Articles of Incorporation, the Bylaws and the Act, all as incorporated by reference herein.

3.2 Method of Description of Lots. Every contract for the sale or conveyance of a Lot and every other instrument affecting title to a Lot may describe that Lot by the designation shown on the Plat appearing in the records of the County Clerk and Recorder of Garfield County Colorado, in the following manner:

Lot \_\_\_, Callicotte Ranch Subdivision, according to the Plat recorded on May 16, 2007 as Reception No. 723321, COUNTY OF GARFIELD, STATE OF COLORADO.

**4. RESERVATION OF RIGHTS TO DECLARANT.**

4.1 In order that Declarant's work may be completed and the Property may be established as a fully developed community, Declarant reserves the rights set forth in this Declaration with respect to the Property and Lots, which rights shall be reserved to and remain vested in Declarant for ten (10) years from the recording date of this Declaration.

4.2 The right of Declarant, and its agents, employees and contractors, to enter upon the Property and to do whatever Declarant deems necessary or advisable in connection with the performance of the work to be performed by Declarant for the development of the Property, including, without limitation, the construction and installation of drainage and irrigation facilities, the installation of all utilities including trash storage and removal, the construction of all roads and bridges within the road easement noted on the Plat, the grading and landscaping of the Property, the construction of all other improvements to be constructed by Declarant as may be shown on the Plat or otherwise needed, the erection or placement of temporary structures and the temporary storage of materials and fill dirt as may be reasonably necessary to facilitate the development of the Property, and the placement of such sign or signs on the Property by Declarant as Declarant may deem advisable in connection with the sale of, development of or construction on the Property or Lots which may be conducted pursuant to this Declaration.

4.3 The right of Declarant to grant additional nonexclusive easements or licenses, and to relocate existing easements as shown on the Plat, including without limitation utilities, trash storage and removal, irrigation, drainage, grading, driveway access and similar purposes as may be reasonably required for the performance and completion of Declarant's development work; provided that no such easements shall be granted or relocated so as to encroach upon the Building Envelopes of any Lot as shown on the Plat, and provided that no such additional or relocated easement shall be place on any Lot sold to a third party without that parties written consent.



**5. PROVISIONS APPLICABLE TO PROPERTY.**

5.1 Term of Declaration. The term of this Declaration shall be perpetual.

5.2 Benefit of Owners. The Association Property shall be maintained and managed by the Association for the use of the Owners consistent with this Declaration. Appurtenant to each Lot shall be a nonexclusive easement to use any Association Property, subject to the right of the Association to reasonably limit and regulate the use of the Association Property by the Owners.

5.3 Easements. The Property shall be subject to the easements shown and described on the Plat and to such further easements as are provided for and/or authorized in this Declaration. The Association, upon acquiring ownership of any Association Property, shall have the right to grant easements with respect thereto, either public or private, in furtherance of the intents and purposes of this Declaration, except that the Association may not grant easements on Tract A that impact the reclaimed landfill.

5.4 Emergency Access Easements. A nonexclusive easement for ingress and egress is hereby granted to all police, sheriff, fire protection, ambulance, and other similar emergency agencies or persons, now or hereafter servicing the CIC and its residents, to enter upon all private roads, driveway access easements and common driveways located on a Lot or Common Property, in the lawful performance of their duties.

5.5 Compliance with Law. No Owner, or any lessee, family member, guest, agent or employee of an owner, shall do anything, or keep anything, in or on the Property, which would be in violation of this Declaration, or any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental or quasi-governmental body. Further, not withstanding any other provision contained herein and subject to the right of reasonable contest, Owners shall comply with applicable federal, state and local laws, rules and regulations with respect to the Association and the Property. Such law includes, without limitation, federal environmental laws, Colorado Department of Public Health and Environment Regulations, and Garfield County zoning, subdivision, building code, individual sewage disposal system, and road and right-of-way use regulations. In the event of conflict between applicable laws, rules and regulations and this Declaration, the more restrictive shall apply and, in any event, the provision of this Declaration shall not contravene conditions of subdivision approval by Garfield County or violate the Garfield County land use and building codes and other applicable resolutions, ordinances and regulations.

5.6 Obligations for Maintenance and Management. The Association, upon acquiring ownership, maintenance or insurance obligations of any Association Property, shall assume and perform all obligations for the Maintenance of the Association Property as provided for in this Declaration, and Declarant shall automatically be released from said obligations, subject to the limitations set forth in the Act. Such maintenance responsibility may be delegated by the Association to third parties subject to the terms of the Bylaws of the Association.

5.7 Revocation of Declaration. This Declaration may be revoked if all of the Owners of Lots in the Property agree to such revocation by an executed, acknowledged instrument recorded in the office of the Clerk and Recorder of Garfield County, Colorado. The prior written approval of each first Mortgagee of each Lot will be required for any such revocation, except in the case of obsolescence, substantial destruction by fire or other casualty, taking by condemnation or eminent domain, or abandonment or termination provided by law. In the event of a revocation, the obligations for maintenance of the "cap" on the reclaimed landfill, well monitoring, and irrigation of the open space

parcels, shall be binding on all owners, jointly and severally, which obligations may be enforced by Garfield County. This obligation shall survive the revocation of the Declaration.

5.8 Amendment of Declaration. This Declaration may be amended, if sixty-seven percent (67%) the Owners of Lots in the Property agree by an executed, acknowledged instrument recorded in the office of the Clerk and Recorder of Garfield County, Colorado. So long as Declarant owns any Lot, no amendment to this Declaration may be made without Declarant's prior written consent. Nothing herein shall be construed to give rise to a right to amend or limit Declarant's reservation of rights and powers stated herein.

5.9 Right-to-Farm. Colorado is a "Right-to-Farm" State pursuant to C.R.S. 35-3-101, et seq. Owners, residents and visitors must be prepared to accept the activities, sights, sounds and smells of Garfield County's agricultural operations as a normal and necessary aspect of living in a county with a strong rural character and a healthy ranching sector. All must be prepared to encounter noises, odor, lights, mud, dust, smoke, chemicals, machinery on public roads, livestock on public roads, storage and disposal of manure, and the application by spraying or otherwise of chemical fertilizers, soil amendments, herbicides, and pesticides, any one or more of which may naturally occur as a part of a legal and non-negligent agricultural operations.

5.10 General Obligations. All owners of land, whether ranch or residence, have obligations under State law and County regulations with regard to the maintenance of fences and irrigation ditches, controlling weeds, keeping livestock and pets under control, using property in accordance with zoning, and other aspects of using and maintaining property. Residents and landowners are encouraged to learn about these rights and responsibilities and act as good neighbors and citizens of the County. A good introductory source for such information is "A Guide to Rural Living & Small Scale Agriculture" put out by the Colorado State University Extension Office in Garfield County.

5.11 Geologic Condition Disclosure. All Owners are advised that certain geological conditions may exist on the Property. All Lots within the Property are at low risk of both regional and localized sinkhole subsidence pursuant to the opinion of the Colorado Geologic Survey.

5.12 Site Specific Geotechnical Study Required. All recommendations made by HP Geotech in the "Preliminary Geotechnical Study" prepared on April 19, 2002 shall be followed. Site specific studies for individual lot development shall be conducted by a registered professional engineer within the State of Colorado. These studies shall address drainage and grading, Individual Sewage Treatment System design, foundation design, and an underdrain system design if necessary. These studies and or/ plans shall be submitted with individual building permit application for each lot. The cost of these studies shall be borne by the individual property owner.

5.13 No Further Subdivision. No further division of land within the Property will be allowed.

5.14 Binding Effect. Each Owner, his lessees, their families and guests and any other persons using or occupying any Lot shall be bound by and shall strictly comply with the obligations and restrictions of this Declaration and the Articles of Incorporation and Bylaws which may be in effect or created hereafter by Declarant pursuant to this Declaration, and all rules, regulations and agreements lawfully made by the Association.

## **6. USE AND BUILDING RESTRICTIONS**

Use of the Property and each Lot and Residence and other improvements constructed on any Lot are subject to the following:

6.1 Building within Building Envelopes. All development activities undertaken or executed on the Lots, including, but not limited to, construction of all Residences and accessory buildings, if any, shall be constructed only in accordance with state and county law and the provisions of this Declaration, and only within the Building Envelope for such Lot shown on the Plat, except for any Declarant development activities.

6.2 Architectural Design Guidelines. The Board shall adopt, and may amend, Architectural Design Guidelines, which shall govern all construction, alteration and improvements on all Lots within the Property. All Owners should review the Architectural Design Guidelines and direct their architect and/or contractor(s) to review as well.

6.3 Construction, Alterations, Additions and Improvements. Subject to the terms of this Declaration, any Owner may make internal non-structural additions, alterations, improvements and decorations within his Residence without the prior written approval of the ARC or the Board. No construction, addition, alteration, or improvement of a Lot shall be made without the prior written approval of the ARC. Prior to granting such approval, the ARC must affirmatively find that the proposed construction, addition, alteration or improvement complies with the Architectural Design Guidelines for Callicotte Ranch Subdivision, as may be adopted by the Board from time to time. All outside landscaping, including, without limitation, trees, plants, plantings and the like, planted on or placed on or about a Lot or Residence which is Visible From Neighboring Property, is subject to ARC approval.

Within one year after any construction activity, including any alteration, addition or improvement, all disturbed slopes and any other part of a Lot shall have effectively been revegetated with plants and other vegetation indigenous or plant material adapted to the area.

6.3 No Mining, Drilling or Quarrying. No mining, quarrying, tunneling, excavating, or drilling for any other substance within the earth, including oil, gas, minerals, gravel, sand, rock and earth, shall be permitted anywhere within the Property; except for the right of a proprietor of a vein or load to extract or remove ore there from, should the same be found to penetrate or intersect the Property, as reserved in United States Patent recorded May 3, 1921 in Book 73 at Page 126.

6.4 Resolutions of Board of Commissioners - Subdivision Improvements Agreement. All Owners shall adhere to the requirements set forth by the County of Garfield in granting subdivision approval to the Property as set forth in its (1) Resolution 2004-67, recorded August 20, 2004, as Reception No.658360 and (2) Subdivision Improvements Agreement between Declarant and the County of Garfield, recorded May 16, 2007, as Reception No. 723323 all in the County Records.

6.5 No Removal of Native Vegetation; Irrigation; Weed Control. Except as provided herein and as required below in Section 6.6, Guidelines for Protecting Structures from Wildfire, there shall be no removal of natural vegetation on any portion of the Property, except that within the building envelope an Owner may remove vegetation. Vegetation may be removed as necessary to facilitate and accomplish construction of required subdivision improvements, utilities, Residences, driveways, Common Property and other improvements to any Lot that has been approved by the ARC.

Landscape irrigation from the domestic (potable) water system is limited to 2,500 square feet per lot. This provision shall be strictly enforced by the Association as a component of its water augmentation plan.

The Association shall implement and follow a program of noxious weed control which may address the control and elimination of Canadian Thistle and other plant species included on the Garfield

County Noxious Weed List. It is the individual Lot owner's responsibility, according to Colorado Noxious Weed Act and Garfield County's Weed Management Plan, to manage any noxious weeds on his or her property. In the event an Owner fails to effectively control noxious weeds on their Lot, the Association shall have the right to enter upon any Lot and conduct a weed control program within the area of such Lot and charge the cost of the weed control to the Owner as an assessment.

6.6 Guidelines for Protecting Structures from Wildfires. Wildfire is a fact of nature and nothing can guarantee that persons or property within the Property will be free from injury or damage due to wildfire. All structures shall be designed and constructed consistent with all provisions of the Fire Mitigation Plan attached hereto as Exhibit C, and incorporated herein, and in a manner to minimize the possibility of ignition from wildfire. The following design criteria shall be required for construction in the Callicotte Ranch Subdivision.

(a) Construction Specifications.

(1) Roofs: Roof construction and materials shall meet a fire resistance classification of "Class C" (as defined in the Uniform Building Code) or its equivalent. No wood shingles or shakes are permitted within the subdivision.

(2) Vents: Under eave vents shall be located near the roofline rather than near the wall to prevent flames from entering the house through these openings. The vents shall be screened with corrosion resistant, noncombustible wire mesh with the mesh not to exceed, on a nominal basis, ¼ inch in size.

(3) Overhangs: Eaves, the undersides of cantilevered balconies and similar undersides of overhangs including stilt supported decks shall be enclosed with materials that equal or exceed ½ inch nominal sheathing.

(4) Exterior Walls: Exterior walls shall be constructed of at least ½ inch nominal sheathing or equivalent material with a fire resistance rating of one or two hours and shall extend from ground to roofline. Stucco, brick and rock are recommended on sides of structures where the wildfire hazard may be higher.

(5) Glazed Openings: Dual pane or triple pane glazing or its equivalent is recommended on all glazed openings. Fire-resistive shutters, which can be closed in the event of a fire, are recommended on sides of the structures exposed to a wildfire threat.

(6) Chimney and Flues: Chimneys and flues which serve solid fuel appliances shall be equipped with an approved spark arrester.

(7) All liquid propane gas tanks shall be buried.

(8) Any residence over 3,600 square feet (exclusive of garage) in size shall have automatic fire sprinklers installed. Installation of the sprinkler systems shall be in accordance with NFPA 13D, Standards for the Installation of Sprinkler Systems in One- and Two-Family Dwellings and Manufactured Homes. Water services to the Lots should be designed to provide adequate sprinklers flows with a minimum of three sprinkler heads operating.

(b) Defensible Space. All residential construction and site development shall meet the wildfire mitigation criteria defined in the Colorado State Forest Service (CSFS) document 6.302

Creating Wildfire-Defensible Zones.

(c) Private Drives. All private drives constructed for any Residence shall:

- (1) be a minimum of 16 feet in width with a minimum clearance of 13.5 feet;
- (2) not be greater than 12% grade;
- (3) intersect with the subdivision road(s) as near as possible to 90 degrees (perpendicular) with no driveway intersection allowed that is more than 7 degrees from the desired 90 degrees (in a driveway with two entry points, both entry points shall comply with this provision);
- (4) provide 10 foot wide and 30 foot long turn-outs in driveways in excess of 400 feet in length; and
- (5) provide a 50 foot radius turnaround or a hammerhead turnaround with a minimum of 60 feet across the top at the end of any driveway in excess of 150 feet in length.

6.7 Water Metering. All Residences shall be connected to the domestic water system and shall be metered. The Board shall set rates for water usage, which may be changed from time to time. The Board shall adopt procedures to bill for water usage, collect on unpaid charges, and for notice to owners on proposed water rate changes. Charges for water usage may be charged as an assessment, and collected in the same manner.

6.8 Drainage Control. Each Owner shall be responsible to maintain any and all perimeter drains and culverts on such Owner's Lot and shall be responsible for any damage caused by failure to properly maintain these drains or culverts in a timely manner.

6.9 No Material Slope Modification. Each Owner, by acceptance of a deed to his Lot acknowledges and accepts certain slope limitations within such Lot and within the Common Property. Except as may be approved by the Board and also except in compliance with applicable County rules and regulations, there shall be no grading, re-grading, mass grading, cutting, filling or other material modifications of slope, whether done for drainage or for any other purpose, outside of the building envelope.

6.10 No Temporary Dwelling/Facility. No tent, shack, trailer, basement, garage, outbuilding or structure of a temporary character shall be used on any Lot at any time as a residence or for commercial/construction purposes, either temporarily or permanently, provided, however, that a construction trailer may be temporarily permitted upon a Lot during construction with the prior written consent of the Board. In no event shall any garage, parking area, driveway or other building or structure, ancillary or appurtenant to a Residence be used as or converted to a living unit or occupied on either a permanent or temporary basis by any person or persons for living quarters or overnight occupancy of any kind, whether there is a fee paid or charged for the occupancy or not.

6.11 Storage. Nothing shall be stored in or upon the Common Property or any Lot without the prior consent of the Board. The Association shall have the right and power to prohibit storage or other activities deemed by the Board to be unsafe, unsightly, unreasonably noisy or otherwise offensive to the senses on a Lot or the Common Property and perceptible from another Lot or the Common Property or otherwise Visible From Neighboring Property.



6.12 Animals. Except as expressly provided herein, no animals, birds, fowl or livestock of any kind shall be raised, bred, or kept on any Lot, in any Residence or in the Common Property. Each Lot shall be allowed to keep one (1) dog, and the dog shall be confined within the Lot boundaries. The Board shall establish fines for Owners whose dogs run at large. Horses are not permitted on any Lots.

No Owner shall allow his or her pet to enter the Common Property except on a leash. After making a reasonable attempt to notify the Owner, the Association or any Owner may cause any unleashed pet found within the Common Property to be removed by the Association (or any Owner) to a pound or animal shelter. Owners shall prevent their pets from soiling the Common Property and shall promptly clean up any such soiling caused by their pets. Owners shall be fully responsible for any damage caused by their pets. When such conditions are created, the Owner may be assessed an amount for each separate incident (such amount to be determined by the Board from time to time) for cleanup expenses by the Board and the Board or any Owner may seek enforcement or other relief as permitted by law and by this Declaration. Any decision rendered by the Board shall be enforceable in the same manner as any other restrictions contained in this Declaration. The Board shall have the right to prohibit maintenance of any specific pet that constitutes, in the sole and absolute discretion of the Board, a nuisance.

- a) Dogs should not be allowed to roam and homeowners should also be advised that dogs chasing wildlife is illegal and can lead to legal action. The Colorado Division of Wildlife will issue fines for dogs harassing or chasing wildlife. If a dog is observed chasing or harassing wildlife it may be shot. Dogs that are not kenneled must be leashed at all times. Proof of kennel construction should be required before a Certificate of Occupancy is issued. No dogs allowed by construction workers during the development process.
- b) Bear/human conflicts have the potential to be a reoccurring problem in this area and it is paramount that certain measures be taken to minimize these conflicts:
  - All homeowner have and use an approved bear-proof container for storing all trash/garbage. Trash compactors inside the house can help eliminate bulk and odors, which will further reduce potential problems.
  - Bird feeders (including hummingbird feeders) can be used but do not mount humming bird feeders on windows or the siding of the house. Seed feeders should be strung up at least 10' from the ground with a seed catchment to discourage other wildlife foraging.
  - Pets should be fed indoors, and pet food or food containers should not be left outside.
  - BBQs should also be securely housed in the garage or cleaned with a bleach solution when not in use due to the fact that leftover food and grease are an overwhelming bear attractant.
  - Round door knobs on the outside of doors rather than lever-type can limit bear access into houses as well as installing a cooling system rather than leaving windows open, as this is the main way bears access homes in the summer. Storm shutters that can be closed and locked when the house is not being used can also discourage bears from entering vacant houses.
  - Under current state laws, the Division of Wildlife is not liable for damage to real or personal property by bears.
  - Eliminating plantings of any berry, fruit, or nut producing plants or shrubs will also discourage bears and other wildlife from feeding on expensive landscaping. Homeowners also need to be aware that the Division of Wildlife is not liable for any damage to landscaping by deer, elk, or bear.
  - Maintaining as much of the native mountain shrub communities inside the building envelopes is encouraged to continue to provide the highest value to existing wildlife.

- c) Due to the fact that wildlife does travel through the area, all fencing should be kept to a minimum. If absolutely necessary, homeowners need to adhere to wildlife friendly fencing consistent with the Colorado Division of Wildlife approved fences. Rail fencing should be held to a maximum height of 42" with at least 18" between two of the rails. Wire fencing is prohibited. Mesh fencing is prohibited except when used for a dog run approved by the ARC.

6.13 Vehicle Restriction; Parking; Prohibition of Recreational Vehicles.

6.13.1 No motor vehicle of any kind, type or description shall be constructed, reconstructed or repaired on any Lot or any portion the Property, and no inoperable vehicle may be stored or parked on any Lot or any portion of the Property (including streets dedicated to the public). No automobile, motorcycle, motorbike, Recreational Vehicle or other motor vehicle or any kind, type or description shall be parked in the streets. No trailer, camper, boat, motor home, Recreational Vehicle or similar equipment shall be permitted upon a Lot unless adequately screened so it is not Visible From Neighboring Property and the streets.

6.13.2 All vehicles belonging to or used by an Owner or other lawful occupant of any Residence shall be parked only in designated garages and parking areas. Vehicles not owned or being used by an Owner shall be parked only in such areas designated by the Board. Any vehicle which is parked in violation of this Declaration or of fire and safety or traffic and parking regulations of Garfield County, may be towed at the direction of Declarant, the Board or their agents.

Whenever possible, a notice of intent to tow shall be placed on the vehicle for eight hours prior to towing, or for such period of time as is consistent with safe practices. The recording of this Declaration shall constitute legal notice of intent to tow, as though the Property were posted in accordance with state and local law.

6.13.3 Doors to garages must be kept closed at all times and approaches to them kept free of obstructions or other objects unless actual use of the garage doorway or approach is then being made.

6.13.4 "Recreational Vehicle" shall mean any vehicle, whether used for recreational purposes or not, classified by manufacturer as exceeding 3/4-ton, including without limitation, a mobile home, travel trailer, tent trailer, trailer, camper shell, detached camper, boat, boat trailer or other similar equipment or vehicle; provided, however, that the following shall not constitute "Recreational Vehicles" within the meaning of this Declaration if such vehicle is used on a regular and recurring basis for basic transportation of an Owner or of a lawful occupant of a Residence and is a Pick-up trucks of less than 3/4-ton capacity with camper shells, only if the same are of such a size and nature that they may be, and are, parked in a garage or designated parking space for a Residence.

6.14 Unauthorized Vehicles. No person shall operate a motorcycle, snowmobile or other similar motorized vehicle upon any part of the Common Property, provided, however, that such restriction shall not prohibit the use of properly licensed vehicles on the private streets of the Project.

6.15 Commercial Activity. No occupation, trade or other commercial use shall be conducted on or in any Residence or Lot or about the Property except as specifically permitted hereby or by the Garfield County Code which permits limited home occupation uses.

6.16 Nuisance. No nuisance shall be permitted to exist upon any portion of the Property. Without limiting the generality of the foregoing, the following shall be presumed to be a nuisance:

- (a) Rubbish, debris, or building material which is permitted to accumulate upon or adjacent to any Lot.
- (b) Any unpleasant odors or unsanitary or offensive conditions;
- (c) Any loud exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, the use of which devices must be approved, in writing, by the Board;
- (d) Any mineral collection, old bottles, fountains, stationary or permanent outdoor furniture or statuary, license plates or other memorabilia displayed so as to be Visible From Neighboring Property. This provision shall be interpreted to preserve the aesthetic appearance of the Project and not to control the interior decoration of any Property; and
- (e) Any use of a Lot, Residence or the Common Property that will increase the rate of insurance upon any other Lot, or the Common Property.

The Board in its sole discretion shall have the right to determine the existence of any nuisance, shall give notice to the Owner, and if the nuisance is not removed within the reasonable time stated in the notice, shall have the nuisance removed and the costs for such removal shall be enforceable as an Assessment against such Owner's Lot.

Nothing contained in this Declaration shall prevent Declarant from storing building materials or from accumulating debris during the construction of improvements within or upon the Common Property.

6.17 Diseases and Insects. No Owner shall permit any thing or condition to exist upon, in or about any Lot or Residence which shall induce, breed or harbor infectious plant or other diseases or attract noxious insects or wildlife.

6.18 Signs. No signs whatsoever including, but not limited to, commercial or similar signs shall be erected or maintained on any Lot or in any Residence which is Visible From Neighboring Property, whether in a window or otherwise, except:

6.18.1 Such signs as may be required by legal proceedings;

6.18.2 "For Sale" signs shall be allowed, provided they do not exceed five square feet in size. Only one such sign shall be permitted on any lot.

6.18.3 Any sign or display allowed by C.R.S. 38-33.3-106.5.

6.18.4 During a time of reconstruction or repair of any Residence or other improvement, no more than two job identification signs, each having a face area not larger than four square feet, or as required by statute;

6.18.5 Appropriate house number identification which shall be placed, affixed and displayed in accordance with the Rules promulgated by the Board; and

6.18.6 Such signs the nature, number and location of which have been approved in

writing by the Board.

Nothing contained in this Declaration shall be constructed to prevent the erection or maintenance by Declarant or its duly authorized agents of structures, Residences or other improvements or signs necessary or convenient to the development, sale, operation or other disposition of the Project or Lots. In all cases, signs must comply with applicable laws and regulations.

6.19 Exterior Lighting. All exterior lighting shall be the minimum amount necessary, shall conform to the Garfield County lighting code, if any, and all exterior lighting shall be directed inward, towards the interior of the Property, except for safety lights which may go beyond the Property boundaries. No safety light shall be permitted to remain on past midnight. No "floodlight" illumination shall be permitted anywhere on the Property.

6.20 Garbage and Refuse Disposal. All rubbish, trash, garbage and materials intended for recycle shall be regularly removed from the Lots, and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be stored except in containers made for their storage, and such storage containers shall be bear proof. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition, and shall be screened from view of neighboring Lots, Common Property and streets. Each Owner shall arrange the placement of any refuse bin or container for pick-up and near any street so as to be placed as reasonably close to the actual times of pick-up as is practicable, it being the intent that refuse containers shall be set or left on the streets or shall be Visible From Neighboring Property only for the minimum amount of time necessary to effect completion of the refuse, garbage, trash or recycling services described above. The Association may arrange for trash, refuse and recycling services for the Property and the cost thereof shall be a Common Expense.

6.21 Liability of Owners for Damage to Common Property. The Owner of each Lot shall be liable to the Association for all damage to the Common Property (including landscaping) caused by such Owner or the Owner's Agents or pets, except for that portion of damage covered by insurance carried by the Association. The responsible Owner shall be charged with the cost (including interest thereon) of repairing such damage.

6.22 Fireplaces. No open hearth, solid-fuel fireplaces shall be permitted on any Lot, or on any Common Element. One (1) new solid-fuel burning stove, as defined by C.R.S. 25-7-401, et. seq., and regulations promulgated thereunder, shall be allowed in any Residence. No open fires or burning shall be permitted on the Property at any time and no incinerators or like equipment shall be placed, allowed or maintained upon the property. All Residences shall be allowed an unrestricted number of natural gas burning stoves and appliances.

6.23 Site Soils Study. Site-specific studies for each individual lot development shall be conducted by a registered professional engineer within the State of Colorado. These studies shall address drainage and grading, Individual Sewage Treatment System design, foundation design, and an underdrain system design, if necessary. The cost of these studies shall be borne by the Lot Owner. Each Lot shall follow the recommendation of the ISDS Operation and Management Report prepared by High Country Engineering, Inc., attached hereto as Exhibit D.

6.24 Machinery and Equipment. No machinery or equipment of any type, including, without limitation, heating, air conditioning or refrigeration equipment, shall be placed, allowed or maintained upon any Lot or Residence except: (i) such machinery or equipment as is usual and customary in connection with the use, maintenance or construction (during the period of construction) of a Lot or Residence, appurtenant structures or of any other improvement; or (ii) that which may be required to

perform the Association's operation and maintenance obligations without prior written approval and authorization of the Board.

6.25 No Accessory Dwelling Units (ADU). Accessory Dwelling Units (ADU) are prohibited in the Callicotte Ranch Subdivision.

7. THE ASSOCIATION.

7.1 Business and Membership. Except during the period of Declarant control, the number of Directors of the Association shall be as set forth in the Bylaws. All Owners shall automatically be members of the Association, such membership shall not be separately conveyed, encumbered or abandoned, and shall automatically cease upon termination of the Owner's interest in his/her Lot.

During the period of Declarant control as set forth in Paragraph 7.2, the Board of Directors of the Association shall consist of five (5) persons who shall be appointed by Declarant. The Board of Directors need not be owners of the Lots. The Association through its Board of Directors shall govern and manage the Association Property and shall enforce the provisions of this Declaration. During the period of Declarant control, Declarant shall be entitled to approve any and all actions of the Association.

7.2 Period of Declarant Control.

(a) Subject to the limitations of (b) below, Declarant shall have the right to appoint and remove members of the Board until the occurrence of either of: (i) sixty (60) days after conveyance of seventy-five percent (75%) of the Lots to Owners other than Declarant; or (ii) two (2) years after the last conveyance of a Lot by Declarant in the ordinary course of business. Declarant may voluntarily surrender the right to appoint and remove Officers and Directors of the Board before termination of the foregoing period of Declarant control, but in that event, Declarant may require for the duration of the period of Declarant control that any action specified in the document by which Declarant voluntarily surrenders such rights be approved by Declarant prior to any such action becoming effective.

(b) In addition to the limitation on Declarant's right to appoint and remove members of the Board set forth in (a) above, sixty (60) days after conveyance of twenty-five percent (25%) of the Lots to Owners other than Declarant, twenty-five percent (25%) of the Board shall be elected by Owners other than Declarant and sixty (60) days after conveyance of fifty percent (50%) of the Lots to Owners other than Declarant, thirty-three and one-third percent (33 1/3%) of the Board shall be elected by Owners other than Declarant.

7.3 Binding Effect. Each Owner, and his agents, lessees, invitees, guests, customers and any other persons using or occupying a Lot shall be bound by and shall strictly comply with the provisions of this Declaration, the Bylaws, the Articles, any deed restrictions and covenants and all rules, regulations and agreements lawfully made by the Association. The Association shall have the right and power to bring suit in its own name for either legal, equitable or injunctive relief for any lack of compliance with any such provisions. The failure of the Association to insist upon the strict performance of any such provisions or to exercise any right or option available to it, or to serve any notice or to institute any action, shall not be a waiver or a relinquishment for the future, of any such provision. An Owner aggrieved by lack of compliance may also bring suit for legal and equitable remedies. If any court proceedings are instituted in connection with the rights of enforcement and remedies provided in this Declaration, the prevailing party shall be entitled to reimbursement of its costs and expenses, including reasonable attorneys' fees, in connection therewith.

7.4 Power of the Association. Each Owner agrees that the Association has all the powers granted it by the Colorado Non-Profit Corporation Act, and the Act, and any amendments thereto or replacements thereof. Such powers shall include, without limitation, levying assessments against Owners with respect to Association Property and common expenses, imposing a lien on Lots for any such assessments and foreclosing any such liens, enforcing any deed restrictions and covenants, and acquiring, insuring, holding, leasing, mortgaging or conveying Association Property, and the adoption of rules and regulations.

7.5 Maintenance of Association Property. The Association shall be responsible for Maintenance, insurance premiums, and operation of all Association Property as a Common Expense or as may be otherwise provided herein. Specifically, the Association shall be responsible for maintaining and repairing the following:

(a) All roadways with the subdivision, except for private driveways. All roadways within the development shall be dedicated to the public and constructed to standards consistent with Section 9:00 of the Subdivision regulations of 1984, as amended;

(b) All Common Property, as shown on the Plat, including managing and implementing the weed management program. The maintenance of the dirt "cap" on Tract A shall be a specific obligation of the Association, and binding on all Owners in the event the Association is dissolved, and the related monitoring wells.

(c) All irrigation water rights and ditches. The Association shall be responsible for applying the irrigation water to the Common Property, and elsewhere within the Property as the Association may determine.

(d) All holding and recharging ponds on the Common Property.

(e) The domestic water and fire protection system, including the wells, the storage tank, all water lines up to the individual lot lines, the fire hydrants, and any pressure or booster pumps.

(f) All exterior fences for the Property, and any interior fences constructed by the Association.

7.6 Architectural Review Committee ("ARC"). The ARC shall mean the Board of Directors of the Association, or a subcommittee appointed by the Board to act as the ARC, which subcommittee shall consist of at least three (3) members (said members may, but need not be, members of the Board). Said ARC shall have and exercise all of the powers, duties and responsibilities set out in this instrument or in the Architectural Design Guidelines.

7.7 Additional Association Functions. The Association may undertake, to the extent the Board, in its sole discretion so elects, to provide any other function for the benefit of or to further the interests of all, some or any Owners on a self-supporting, special assessment, or general assessment basis. The Board shall determine, in its sole discretion, whether the expenses in connection with any such function shall be designated as Common Expenses or as charges allocated solely to Owners utilizing such services.

7.8 Fines. In addition to the enforcement actions provided herein, the Board shall have the right, after affording notice and an opportunity to be heard to an Owner, to fine the Owner, in a reasonable amount, for any violation of these Covenants. Any such amounts that an Owner is fined shall

be deemed a personal obligation and/or lien against such Owner or that Owner's Lot may be collected and foreclosed on in the same manner as is provided herein for the collection of common expense assessments, including reasonable attorney fees and costs.

7.9 Other Rights of the Association. The Association may exercise any other right, power or privilege given to it expressly by this declaration, the Articles and Bylaws, or by law, and every other right, power or privilege reasonably to be implied from the existence of any right, power or privilege given to it herein or reasonably necessary to effectuate any such right, power or privilege.

7.10 Certain Provisions Regarding Association Property. The Association may not convey or subject to a security interest any real property hereafter owned or leased by the Association without the prior written consent of eighty percent (80%) of members of the Board and with regard to any such conveyance of security interest shall otherwise comply with the provisions of the Act.

7.11 Notice to Maintain. An Owner shall immediately report to the Association the need for any Maintenance, which is the Association's responsibility to provide. In the event of any disagreement as to the need for or the responsibility of the Association to provide the Maintenance, the decision of the Board shall be final.

7.12 Monitoring Well for Landfill. The Association shall conduct a water quality test from the monitoring well once a year for ten years that determines the there is no further down gradient leaching of contaminants in the groundwater emanating from the former landfill. The results of this test shall be reported to all Owners each year as well as sent to the Colorado Department of Public Health and Environment. If the results of the annual test indicate no activity at the end of the ten-year testing period, no further testing shall be required.

7.13 Water Well Level Monitoring. The Association shall cause the water level of each well which is a component of the community water system to be measured not less than quarterly. The Association shall retain the records of such water level measuring for at least three (3) years.

7.14 Mechanic's Liens. Declarant shall be responsible for the release of all mechanics' liens filed with respect to any Association Property, or any part thereof, if any such liens arise or are alleged to arise from labor performed or materials furnished at the instance of Declarant, its agents, contractors or subcontractors. Except as the result of labor performed or materials furnished at the instance of the Board, no labor performed or materials furnished with respect to Association Property or Lots shall be the basis for filing a lien against the Association Property. No labor performed or materials furnished at the instance of the Board shall be the basis for filing a lien against any Lot.

## 8. ASSESSMENTS.

8.1 Obligation to Pay Assessments. Each Lot shall be subject to such general or special assessments as the Association may levy from time to time only with respect to Association Property or obligations which may hereafter be acquired or incurred. The assessments collected shall be used exclusively to promote the operation, administration, maintenance and management of the Association Property. Each owner shall be obligated to pay and agrees to pay all such assessments levied against his Lot and may not exempt himself from liability by waiver of the use and enjoyment of the Association Property, or by an abandonment of his Lot.

8.2 General Assessments. General assessments shall be based upon a budget for a fiscal year to be designated by the Board and ratified by the members, as set forth in the Bylaws and shall include funds for the Common Expenses with respect to Association Property, and shall also include funds as a

reserve for Maintenance which cannot be expected to occur on a regular annual basis. A brief summary of the annual budget shall accompany each general assessment notice as provided in the Bylaws. The failure of the Board to establish a budget for the next fiscal year before the expiration of any fiscal year shall not release the Owners from their obligation to pay any assessments or installments thereof for that or any subsequent year. The budget and assessment installments established for a preceding year shall continue until a new budget is fixed.

8.3 Special Assessments. The Board may levy special assessments from time to time if the estimated cash requirements hereafter set forth in the budget prove to be inadequate for any reason, including non-payment of any Owner's assessment, or there are inadequate funds in the reserve. This Section shall not be construed as an independent source of authority for the Board to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections.

8.4 Apportionment of Assessments. The amounts assessed pursuant to this Declaration as a common expense, shall be equally allocated and assessed among the Owners. Assessments that are attributable to only particular Lots may be allocated, in the sole judgment of the Board, on an appropriate equitable basis to Owners utilizing such services.

8.5 Refunds. If in any fiscal year the assessments collected by the Board exceed Common Expenses incurred, the Board shall have the right, but not the obligation, to make refunds or give credits against future assessments. Refunds or credits shall be apportioned in the same manner as the general and special assessments, which created such surplus. Owners whose Lots were subject to this Declaration for less than the full fiscal year shall receive only a proportionate refund or credit based upon the number of days the Lot was subjected to this Declaration. Any credit received by Declarant as an Owner under this Subsection shall be applied to another Lot owned by Declarant or, if there is no such Lot, shall be converted into a cash refund.

8.6 Assessments Adjustments. With respect to any assessment, credit or refund, the Board shall have the power to round off and make other minor adjustments of less than \$10.00 in each Owner's allocation for the following purposes: (i) to create whole round numbers for the convenience of the payor; or (ii) to correct any discrepancy between the total of each Lot's allocation of any such assessment, credit, or refund, and the total amount of either the expenses actually subject to assessment or the surplus actually available for a refund or credit.

8.7 Collection and Enforcement Remedies.

(a) All assessments or installments thereof, and fines which shall be deemed to be a part of the assessments shall be due and payable at the time or times designated by the Board by written notice delivered to the Owners. Overdue assessments shall bear interest at 18% per annum, or such other lawful rate or charge as the Board may determine from time to time. The payment of any assessment payable in installments may be accelerated by the Board for failure to pay any installment when due.

(b) An assessment shall be the personal obligation of the Owner at the time the assessment is levied against the Lot. A suit to recover a money judgment for unpaid assessments may be maintained against any Owner without waiving or otherwise prejudicing the Association's right to pursue any other remedy provided herein or established by law. The Association shall be entitled to recover the costs, expenses and reasonable attorneys' fees as additional sums due under any lien which may be filed or otherwise which are incurred in enforcing any action for payment of assessments or to enforce compliance with any provision contained herein including those set forth in the Rules and Regulations adopted by the



Association.

(c) The Association shall have a lien against a Lot for any assessments against the Lot that are due and unpaid from the date of the assessment. Costs of collection, including without limitation, reasonable attorneys' fees and other court costs, shall be added to the assessment lien amount. All amounts unpaid may be evidenced by a statement executed by the Association and recorded in the office of the Clerk and Recorder of Garfield County, Colorado. The assessment lien shall be a continuing lien upon the Lot against which any assessment is made. The assessment lien is prior to all other liens and encumbrances on a Lot except: (1) liens and encumbrances recorded before the recordation of the Declaration; (2) a first lien Mortgage on the Lot recorded before the date on which the Assessment sought to be enforced became delinquent; and (3) liens for real estate taxes and other governmental assessments or charges against the Lot. The assessment lien shall also be prior to the Mortgage described in (2) above to the extent of an amount equal to the assessment based on the periodic budget adopted by the Association which would have become due, in the absence of any acceleration, during the six months immediately preceding institution by either the Association or any party holding a lien senior to the assessment lien of an action or a non-judicial foreclosure either to enforce or to extinguish the lien. This Section does not prohibit an action to recover sums for which this Section creates a lien or prohibit the Association from taking a deed in lieu of foreclosure. Sale or transfer of any Lot shall not affect the Association's lien except that sale or transfer of any Lot pursuant to foreclosure of any first lien security interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture shall only extinguish the Association's lien to the extent required by the Act. No such sale, transfer, foreclosure, or any proceeding in lieu thereof, including deed in lieu of foreclosure, nor cancellation or forfeiture shall relieve any Lot from continuing liability for any Assessments thereafter becoming due, nor from the lien thereof

(d) For the purposes of this Section, the term "assessments" includes any amounts due in accordance with the terms of this Declaration.

The Association shall have the right to foreclose such lien in the manner provided by Colorado law for mortgages upon real property, to the appointment of a receiver and to the rental value of the Lot and its improvement during the period of delinquency through the period of foreclosure until expiration of the period of redemption. The Association shall have the power to bid on the Lot at a foreclosure sale and to acquire, hold, lease, mortgage and convey the same.

8.8 Grantee and Mortgagee Assessment Obligations. No Owner shall convey or mortgage his Lot unless and until all sums due the Association, whether or not evidenced by a recorded statement, are currently paid, but no Mortgage transaction shall be voidable by the Association nor shall the superior position of a First Mortgagee be adversely affected by a lien of the Association. At least five (5) business days prior to any conveyance or Mortgage, the Owner shall deliver written notice to the Association advising it of the proposed transaction and the names and addresses of all transferees and Mortgagees involved. If any assessment is due and owing by the Owner, his grantee or Mortgagee shall apply the proceeds of any such transaction to the payment of delinquent amounts due the Association before paying or disbursing any amount to the Owner. The grantee of a Lot shall be jointly and severally liable with his grantor for all unpaid assessments against the latter up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor any amounts paid by the grantee therefor. Upon written request and payment of such reasonable fee as may be set by the Association, the Association shall issue a written statement to such grantee or mortgagee verifying the status of all assessments or charges affecting the Lot. Any statement as to the existence or amount of any delinquencies shall conclusively bind the Association. A First Mortgagee, who takes title to a Lot

pursuant to the remedies in the deed of trust encumbering that Lot shall take such Lot free and clear of all unpaid assessments and the lien therefor.

8.9 Assessments for Tort Liability. Subject to the limitations set forth in the Act with respect to Declarant, in the event of any tort liability against the Association which is not covered completely by insurance, each Owner shall contribute for the payment of such liability as a special assessment in the proportion described in this Declaration. The Association may, however, require a larger contribution from fewer than all Owners under any legal or equitable principle regarding liability for negligent or willful acts or omissions.

8.10 Limited Liability.

(a) Except as otherwise provided in the Act or this Declaration for Board members and officers appointed by Declarant, neither the Association nor its past, present or future officers, directors, nor any other employee, agent or committee member of the Association shall be liable to any Owner or to any other person for actions taken or omissions made except for wanton and willful acts or omissions. Without limit to the foregoing, the Association and the Board shall not be liable to any party for any action or for any failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice. Acts taken upon the advice of legal counsel, certified public accountants, registered or licensed engineers, architects or surveyors shall conclusively be deemed to be in good faith and without malice. To the extent insurance carried by the Association for such purposes shall not be adequate, the Owners severally agree to indemnify the Association or Board against loss resulting from such action or failure to act, provided that the Association and the Board acted or failed to act in good faith and without malice.

(b) Any Board member or officer of the Association appointed by Declarant as provided for herein shall exercise in the performance of their duties the standard of care required of fiduciaries of the Owners.

9. INSURANCE.

9.1 Types of Insurance. The Association shall obtain and keep in full force and effect to the extent reasonably available, if appropriate, the following insurance coverage, individually naming Declarant, as an additional insured:

(a) Property and fire insurance with extended coverage and standard all-risk endorsements, including vandalism and malicious mischief, of the Association Property. The total amount of insurance, after application of deductibles shall be 100% of the replacement value of the insured property exclusive of land, excavations, foundations and other items normally excluded from property policies.

(b) Public liability and property damage insurance, including medical payments insurance, in an amount to be determined by the Board from time to time, covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the ownership, operation or Maintenance, or other use of Association Property or maintenance obligations. This policy shall also cover operation of automobiles on behalf of the Association.

(c) Workmen's compensation and employee's liability insurance in the amounts and in the forms required by law.

(d) Fidelity coverage against the dishonesty of employees, destruction or disappearance of money or securities, and forgery. This policy shall also cover persons who serve the Association without compensation.

(e) Coverage of members of the Board and officers of the Association against libel, slander, false arrest, invasion of privacy and errors and omissions and other forms of liability generally covered in officers and directors liability policies. Declarant and Declarant's designees shall be included as an additional insured in such Declarant's capacity as a Board Member.

(f) Coverage against such other risk of a similar or dissimilar nature as the Board deems appropriate.

9.2 Conditions of Insurance. Such insurance shall be at standard premium rates as established by the Colorado Insurance Commissioner and written with companies licensed to do business in Colorado having a Best insurance report rating of Class 6 or better. No policy shall be obtained where:

(a) contributions or assessments may be made against the Mortgagor (or Mortgagor's designee) under the terms of the insurance company's charter, bylaws or policy;

(b) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the company's board of directors, policyholders or members; or

(c) the policy includes any limiting clauses (other than insurance conditions) which could prevent Mortgagees from collecting insurance proceeds.

9.3 Named Insured and Interests. Policies of property insurance shall name the Association as the insured, provided, however, the Association shall be the entity to which payment is to be made. The certificate or memoranda of insurance, duplicate originals of all policies and renewals, and proof of payment of premiums shall be issued to the Association, and upon request, to any Owner or Mortgagee.

9.4 Invalidation or Reduction of Coverage. Insurance policies carried must provide the following:

(a) that the insurer waives its right to subrogation under the policy against any Owner, any lessee and their families;

(b) that no act or omission by any occupant will void the policy or be a condition to recovery under the policy, unless that person is acting within the scope of his authority as an officer of the Association or as a member of the Board; and

(c) that if, at the time of a loss under the policy, there is other insurance in the name of an Owner or any lessee covering the same property covered by the policy, the policy is primary insurance not contributing to the owners individual insurance.

## 10. DAMAGE, DESTRUCTION AND OBSOLESCENCE.

10.1 Insurance Proceeds. The Association shall receive the proceeds of any insurance described above purchased by the Association as the owner of the Association Property, if any. Any proceeds shall be used for the purpose of Maintenance, unless the Owners decide to terminate this Declaration in accordance with the provisions set forth herein.

10.2 Mandatory Maintenance In the event of damage or destruction due to fire or other disaster, if the insurance proceeds are sufficient to reconstruct the improvements, the Association shall promptly cause such Maintenance to occur. If the insurance proceeds are not sufficient for such purpose, the Association may levy special assessments against the owners for such deficiency pursuant to this Declaration.

10.3 Plan for Maintenance. Members holding two-thirds or more of the votes outstanding and entitled to be cast under the Bylaws may agree that the Association Property, or any part thereof, is obsolete and may adopt a written plan for Maintenance. The Association shall duly record such plan in the office of the Clerk and Recorder of Garfield County, Colorado.

10.4 Payment for Maintenance. The expense of Maintenance shall be payable by all of the Owners as Common Expenses. Assessments for the estimated cost of Maintenance shall be levied, allocated and collected as set forth in this Declaration. Further levies may be made in like manner if the amounts collected prove insufficient to complete the Maintenance. Dissenting Owners shall not be relieved of their obligation to pay their proportionate share of any Common Expenses. If the Association collects more money pursuant to this Section than is ultimately required for Maintenance, the Association shall return such excess to the Owners by a credit against the next installments of the annual assessment, or by a cash distribution to each Owner, in an amount proportionate to the respective amount collected from each Owner. The Association shall have full authority, right, and power to maintain, repair or replace the improvements on the Association Property notwithstanding the failure of an Owner to pay the assessment.

## 11. TAKING OF ASSOCIATION PROPERTY BY EMINENT DOMAIN.

11.1 Takings. If any portion of all of the Association Property is taken or condemned by any authority having the power of eminent domain, all compensation and damages on account of the taking of the Association Property, exclusive of compensation for consequential damages to affected Lots shall be payable to the Association as Owner of the Association Property. Such proceeds shall be used promptly by the Association to the extent necessary for repair and reconstruction of such remaining Association Property in as substantial compliance to the original plan of development as possible. If there is an award in excess of the amount necessary to so substantially repair or reconstruct such remaining Association Property, it shall, at the Board's discretion, be either refunded or retained by the Association for such uses as it deems appropriate.

## 12. MISCELLANEOUS.

12.1 Declarant's Rights Transferable. Any right or interest of Declarant established or reserved in this Declaration may be transferred by Declarant either separately or with one or more of such rights or interests pursuant to the provisions of the Act.

12.2 Provisions Incorporated in Deeds. Each provision contained in this Declaration shall be deemed incorporated in each deed or other instrument by which any right, the or interest in the Property is granted, devised or conveyed, whether or not set forth or referred to in such deed or other instrument.

12.3 Number and Gender. Unless the context shall otherwise provide, a singular number shall include the plural, a plural number shall include the singular, and the use of any gender shall include all genders.

12.4 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate

its purpose of creating a uniform plan for the development of the Property. If any court proceedings are instituted in connection with the rights of enforcement and remedies provided in this Declaration, the prevailing party shall be entitled to reimbursement of its costs and expenses, including reasonable attorneys' fees, in connection therewith.

12.5 No Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Property to the public or for any public use except as expressly noted.

12.6 Notices. Any notice permitted or required to be delivered as provided in this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered 48 hours after a copy of the same has been deposited in the United States mail, postage prepaid for first class mail and addressed to the receiving party at the address appearing in the tax records of Garfield County, Colorado or if not, so designated to its last known address.

12.7 Mortgage Notice Rights. Any first Mortgagee will, upon request, be entitled to:

- (a) inspect the books and records of the Association during normal business hours; and
- (b) receive financial statements of the Association certified by the Association within 90 days following the end of any fiscal year.

12.8 Disbursement or Proceeds. Upon revocation of this Declaration, the Association Property shall be sold by the Association, in whole or in parcels, as the Board may deem appropriate. All sales proceeds and all amounts recovered under any insurance policy shall be allocated among the Owners in the same proportion as is set forth in Sections 5.2 and 7.4 hereof. The funds shall be disbursed, without contribution from one Owner to another, by the Association for the following purposes and in the following order:


- (a) payment in full of the customary expenses of sale;
- (b) payment in full of the allocable taxes and special assessment liens in favor of any governmental assessing entity;
- (c) payment in full of the balance of the lien of any First Mortgage on the Association Property;
- (d) payment in full of allocable unpaid Common Expenses and the unpaid costs, expenses, and fees incurred by the Association;
- (e) payment in full of recorded junior liens and encumbrances on the Association Property in the order of and to the extent of their priority; and
- (f) payment of any balance to the Owners.

12.9 Disclaimer. No representations or warranties of any kind, express or implied, have been given or made by Declarant or its agents or employees in connection with the Property, or any portion thereof, or any improvement thereon, its physical condition, zoning, compliance with the applicable laws, fitness for intended use, or in connection with the subdivision sale, operation, maintenance, cost of maintenance, taxes or regulations hereof, except as expressly set forth in this Declaration or Plat.

12.10 Successors and Assigns of Declarant. Any rights or responsibilities granted or retained by Declarant under these Covenants shall inure to and be binding on any successors in interest or assigns of Declarant, and any person or entity which accedes to the rights and obligations of Declarant with respect to the real property governed by this Declarant, including affiliates of Declarant as that term is defined in the Act; and such rights and obligations shall become the obligations of such successor or assign, at which time Declarant shall be relieved of any and all such obligations and liabilities except as may be otherwise provided by law.

IN WITNESS WHEREOF, Declarant has executed this Declaration the day and year first above written.

Callicotte Ranch, LLC, a Colorado limited liability company

By:   
Eric Bush, Manager

STATE OF COLORADO )  
 ) ss.  
COUNTY OF ~~GARFIELD~~ )  
 DENVER

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of ~~November~~, 2007, by Eric Bush, Manager of Callicotte Ranch, LLC. December

Witness my hand and official seal.  
My commission expires: 06/22/2010

  
Notary Public



My Commission Expires 06/22/2010

**CONSENT AND SUBORDINATION OF LIEN HOLDER**

THIS CONSENT AND SUBORDINATION OF LIEN HOLDER is attached to and made a part of that certain Declaration of Covenants, Conditions and Restrictions for CALLICOTTE RANCH SUBDIVISION (the "Declaration") dated 11 DEC., 2007.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the undersigned Alpine Bank, as Mortgagee under that certain Deed of Trust recorded May 14, 2007, in Book 1925 at Page 973, as Reception No. 723169 in the records of the Clerk and Recorder of Garfield County, Colorado (the "Mortgage"), hereby consents to the grant of the Declaration, subordinates the lien of the Mortgage to the Declaration, agrees that any foreclosure of the Mortgage shall not adversely affect the existence or continuing validity of the Declaration, which Declaration shall run with the land and remain in full force and effect as if such Declaration were delivered and recorded prior to the delivery and recording of the Mortgage. Notwithstanding such consent and subordination, such property shall remain encumbered by such Mortgage unless released in accordance with applicable laws.

IN WITNESS WHEREOF, the undersigned has executed this Consent and Subordination of Lienholder.

OMNI FINANCIAL SERVICES, INC.



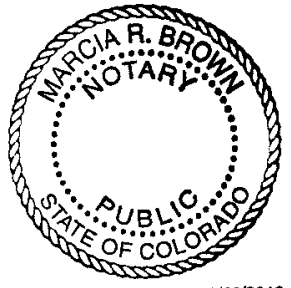
By: \_\_\_\_\_  
Don Oberfeld, President

STATE OF COLORADO    )  
  ) ss.  
COUNTY OF Denver    )

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of ~~November~~, 2007, by Don Oberfeld, President of Omni Financial Services, Inc. December

Witness my hand and official seal.  
My commission expires: 06/22/2010

  
\_\_\_\_\_  
Notary Public



My Commission Expires 06/22/2010

Reception#: 739174  
12/13/2007 09:18:50 AM Jean Alberico  
24 of 36 Rec Fee:\$181.00 Doc Fee:0.00 GARFIELD COUNTY CO

**EXHIBIT A**  
**LEGAL DESCRIPTION**



Reception#: 723322  
05/16/2007 10:39:05 AM B:1926 P:0653 Jc:  
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12/13/2007 09:18:50 AM Jean Alberico  
25 of 36 Rec Fee:\$181.00 Doc Fee:0.00 GARFIELD COUNTY CO

EXHIBIT A

A PARCEL OF LAND SITUATED IN LOT 17 AND THE SW1/4SW1/4 OF SECTION 13 AND THE NW1/4 AND THE NW1/4SW1/4 OF SECTION 24, TOWNSHIP 7 SOUTH, RANGE 88 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 24, THE POINT OF BEGINNING; THENCE S 89 DEGREES 46' 24" E ALONG THE NORTHERLY LINE OF SAID SECTION 24, A DISTANCE OF 888.24 FEET TO A POINT IN AN EXISTING FENCE; THENCE LEAVING SAID NORTHERLY LINE S 85 DEGREES 36' 37" E ALONG SAID EXISTING FENCE A DISTANCE OF 52.47 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE S 68 DEGREES 06' 22" E A DISTANCE OF 36.36 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE S 88 DEGREES 31' 55" E A DISTANCE OF 347.45 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE N 00 DEGREES 19' 54" W A DISTANCE OF 726.53 FEET; THENCE LEAVING SAID EXISTING FENCE N 86 DEGREES 55' 51" E A DISTANCE OF 1.89 FEET TO A POINT ON THE WESTERLY LINE OF LOT 17 OF SAID SECTION 13; THENCE ALONG SAID WESTERLY LINE N 01 DEGREES 20' 50" W A DISTANCE OF 162.38 FEET TO A POINT IN AN EXISTING FENCE; THENCE LEAVING SAID WESTERLY LINE N 00 DEGREES 21' 10" E ALONG SAID EXISTING FENCE A DISTANCE OF 80.32 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE N 02 DEGREES 00' 59" W A DISTANCE OF 32.12 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE N 02 DEGREES 00' 58" W A DISTANCE OF 50.00 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE N 00 DEGREES 16' 02" W A DISTANCE OF 146.26 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE N 82 DEGREES 50' 31" E A DISTANCE OF 74.39 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE S 69 DEGREES 44' 58" E A DISTANCE OF 3.20 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE N 84 DEGREES 40' 12" E A DISTANCE OF 289.30 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE N 83 DEGREES 52' 16" E A DISTANCE OF 255.65 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE N 81 DEGREES 25' 57" E A DISTANCE OF 21.63 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE N 84 DEGREES 27' 27" E A DISTANCE OF 352.14 FEET; THENCE CONTINUING ALONG SAID EXISTING FENCE N 83 DEGREES 37' 38" E A DISTANCE OF 293.93 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY OF COUNTY ROAD NO. 103; THENCE LEAVING SAID EXISTING FENCE THE FOLLOWING FOUR (4) COURSES ALONG SAID WESTERLY RIGHT OF WAY:

- 1) S 01 DEGREES 22' 04" W 53.68 FEET;
- 2) ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 482.98 FEET AND A CENTRAL ANGLE OF 20 DEGREES 44' 32", A DISTANCE OF 174.85 FEET (CHORD BEARS S 09 DEGREES 00' 12" E 173.89 FEET)
- 3) S 19 DEGREES 22' 28" E 123.44 FEET
- 4) ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 530.49 FEET AND A CENTRAL ANGLE OF 07 DEGREES 27' 40", A DISTANCE OF 69.08 FEET (CHORD BEARS S 15 DEGREES 38' 38" E 69.03 FEET) TO A POINT ON THE EASTERLY LINE OF SAID LOT 17; THENCE LEAVING SAID RIGHT OF WAY S 00 DEGREES 40' 46" W ALONG SAID EASTERLY LINE 231.32 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY OF SAID COUNTY ROAD NO. 103; THENCE LEAVING SAID EASTERLY LINE THE FOLLOWING FOUR (4) COURSES ALONG SAID WESTERLY RIGHT OF WAY:

- 1) ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 530.49 FEET AND A CENTRAL ANGLE OF 02 DEGREES 15' 53", A DISTANCE OF 20.97 FEET (CHORD BEARS S 14 DEGREES 24' 17" W 20.97 FEET)
- 2) S 15 DEGREES 32' 13" W 79.94 FEET
- 3) ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 644.40 FEET AND A CENTRAL ANGLE OF 17 DEGREES 01' 01", A DISTANCE OF 191.39 FEET (CHORD BEARS S 07 DEGREES 01' 43" W 190.69 FEET)
- 4) S 01 DEGREES 28' 48" E 1195.00 FEET TO A POINT ON THE NORTH-SOUTH CENTERLINE OF SAID SECTION 24; THENCE LEAVING SAID RIGHT OF WAY S 00 DEGREES 47' 16" W ALONG SAID NORTH-SOUTH CENTERLINE A DISTANCE OF 329.09 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY OF SAID COUNTY ROAD NO. 103; THENCE LEAVING SAID NORTH-SOUTH CENTERLINE THE FOLLOWING FIVE (5) COURSES ALONG SAID WESTERLY RIGHT OF WAY:

- 1) ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 619.91 FEET AND A CENTRAL ANGLE OF 08 DEGREES 13' 01", A DISTANCE OF 88.90 FEET (CHORD BEARS S 14 DEGREES 23' 36" W 88.83 FEET)
- 2) S 18 DEGREES 30' 06" W 542.67 FEET

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EXHIBIT A

3) ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1559.31 FEET AND A CENTRAL ANGLE OF 09 DEGREES 46' 20" A DISTANCE OF 265.95 FEET (CHORD BEARS S 13 DEGREES 36' 56" W 265.63 FEET)  
4) S 08 DEGREES 43' 47" W 93.76 FEET ;  
5) ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 519.83 FEET AND CENTRAL ANGLE OF 31 DEGREES 59' 48" A DISTANCE OF 290.30 FEET (CHORD BEARS S 24 DEGREES 43' 41" W 286.54 FEET) TO THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN BOOK 385 AT PAGE 585 OF THE GARFIELD COUNTY CLERK AND RECORDER'S OFFICE; THENCE LEAVING SAID RIGHT OF WAY N 62 DEGREES 13' 16" W ALONG THE NORTHERLY LINE OF SAID PROPERTY A DISTANCE OF 548.17 FEET TO THE NORTHWEST CORNER OF SAID PROPERTY; THENCE S 03 DEGREES 37' 16" E ALONG THE WESTERLY LINE OF SAID PROPERTY A DISTANCE OF 231.44 FEET TO THE SOUTHWEST CORNER OF SAID PROPERTY; THENCE S 54 DEGREES 58' 16" E ALONG THE SOUTHERLY LINE OF SAID PROPERTY 363.50 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY OF SAID COUNTY ROAD NO. 103; THENCE ALONG SAID WESTERLY RIGHT OF WAY ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1952.25 FEET AND A CENTRAL ANGLE OF 03 DEGREES 43' 28" A DISTANCE OF 126.90 FEET (CHORD BEARS S 40 DEGREES 42' 12" W 126.88 FEET) TO A POINT ON THE EAST-WEST CENTERLINE OF SAID SECTION 24; THENCE LEAVING SAID RIGHT OF WAY N 89 DEGREES 35' 58" W ALONG SAID EAST-WEST CENTERLINE A DISTANCE OF 770.23 FEET TO THE WEST-CENTER SIXTEENTH CORNER OF SAID SECTION 24; THENCE LEAVING SAID CENTERLINE S 68 DEGREES 28' 56" W A DISTANCE OF 194.14 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 200.00 FEET, A CENTRAL ANGLE OF 53 DEGREES 16' 53", A DISTANCE OF 185.99 FEET (CHORD BEARS S 05 DEGREES 07' 23" W A DISTANCE OF 179.36 FEET); THENCE S 31 DEGREES 45' 49" W A DISTANCE OF 162.78 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 255.00 FEET, A CENTRAL ANGLE OF 59 DEGREES 32' 33", A DISTANCE OF 265.00 FEET (CHORD BEARS S 61 DEGREES 32' 06" W A DISTANCE OF 253.23 FEET); THENCE S 38 DEGREES 57' 43" W A DISTANCE OF 82.03 FEET; THENCE S 01 DEGREES 00' 16" W A DISTANCE OF 316.81 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY OF SAID COUNTY ROAD NO. 103; THENCE THE FOLLOWING SEVEN (7) COURSES ALONG SAID RIGHT OF WAY:

- 1) N 76 DEGREES 10' 24" W 77.23 FEET
- 2) ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 320.46 FEET AND A CENTRAL ANGLE OF 26 DEGREES 32' 26", A DISTANCE OF 148.44 FEET (CHORD BEARS N 89 DEGREES 26' 37" W 147.12 FEET)
- 3) S 77 DEGREES 17' 10" W 78.41 FEET
- 4) ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 633.84 FEET AND A CENTRAL ANGLE OF 07 DEGREES 33' 05", A DISTANCE OF 83.54 FEET (CHORD BEARS S 73 DEGREES 30' 38" W 83.48 FEET)
- 5) S 69 DEGREES 44' 05" W 156.81 FEET
- 6) ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 453.08 FEET AND A CENTRAL ANGLE OF 19 DEGREES 43' 01", A DISTANCE OF 155.92 FEET (CHORD BEARS S 59 DEGREES 52' 35" W 155.15 FEET)
- 7) S 50 DEGREES 01' 04" W 155.68 FEET TO A POINT ON THE WESTERLY LINE OF SAID SECTION 24; THENCE LEAVING SAID NORTHERLY RIGHT OF WAY N 02 DEGREES 43' 05" W A DISTANCE OF 1153.82 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 24; THENCE CONTINUING ALONG SAID WESTERLY LINE N 03 DEGREES 26' 31" E 267.78 FEET TO THE SOUTHWEST CORNER OF THE KELLY PROPERTY; THENCE LEAVING SAID WESTERLY LINE THE FOLLOWING EIGHT (8) COURSES ALONG THE BOUNDARY OF SAID PROPERTY:
  - 1) N 78 DEGREES 38' 52" E 785.21 FEET
  - 2) N 06 DEGREES 39' 16" E 353.76 FEET;
  - 3) N 20 DEGREES 43' 25" E 520.43 FEET
  - 4) N 23 DEGREES 32' 29" E 413.00 FEET
  - 5) N 33 DEGREES 21' 07" W 259.61 FEET
  - 6) N 40 DEGREES 26' 54" W 187.53 FEET
  - 7) N 44 DEGREES 47' 22" W 786.34 FEET
  - 8) N 79 DEGREES 57' 50" W 204.91 FEET TO A POINT ON THE WESTERLY LINE OF SAID SECTION 24; THENCE N 03 DEGREES 26' 31" E ALONG SAID WESTERLY LINE 35.13 FEET TO THE POINT OF BEGINNING.

COUNTY OF GARFIELD  
STATE OF COLORADO

Reception#: 723322  
05/16/2007 10:39:05 AM B:1926 P:0655 Jean  
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Reception#: 739174  
12/13/2007 09:18:50 AM Jean Alberico  
27 of 36 Rec Fee:\$181.00 Doc Fee:0.00 GARFIELD COUNTY CO

EXHIBIT B

Our Order No. 63000573-6

RIGHT OF PROPRIETOR OF A VEIN OR LODE TO EXTRACT AND REMOVE HIS ORE THEREFROM SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES AS RESERVED IN UNITED STATES PATENT RECORDED MAY 03, 1921, IN BOOK 73 AT PAGE 126.

RIGHT OF WAY FOR DITCHES OR CANALS CONSTRUCTED BY THE AUTHORITY OF THE UNITED STATES AS RESERVED IN UNITED STATES PATENT RECORDED MAY 03, 1921, IN BOOK 73 AT PAGE 126.

EASEMENTS AND RIGHTS OF WAY AS GRANTED TO HOLY CROSS ELECTRIC ASSOCIATION, INC. IN INSTRUMENT RECORDED OCTOBER 17, 1979 IN BOOK 535 AT PAGE 592.

EASEMENTS AND RIGHTS OF WAY FOR ROADWAYS, UTILITY LINES AND DITCHES AS SHOWN ON ALTA SURVEY DATED MAY 3, 2007 PREPARED BY HIGH COUNTRY ENGINEERING.

TERMS, CONDITIONS AND PROVISIONS OF AGREEMENT RECORDED MAY 27, 2003 IN BOOK 1473 AT PAGE 257.

EASEMENTS AND RIGHTS OF WAY AS GRANTED IN INSTRUMENT RECORDED JULY 9, 2003 IN BOOK 1491 AT PAGE 79

POSSESSORY RIGHTS OUTSIDE OF FENCELINE ALONG THE NORTHERLY AND EASTERLY BOUNDARY AS SHOWN ON ALTA/ACSM LAND TITLE SURVEY BY HIGH COUNTRY ENGINEERING, INC. DATED MAY 3, 2007 PROJECT NO. 2011115.60.

ENCROACHMENT OF FENCELINE ALONG THE NORTHERLY AND WESTERLY BOUNDARY AS SHOWN ON ALTA/ACSM LAND TITLE SURVEY BY HIGH COUNTRY ENGINEERING, INC. DATED MAY 3, 2007, PROJECT NO. 2011115.60.

TERMS, CONDITIONS AND PROVISIONS OF RESOLUTION NO. 2004-67 RECORDED AUGUST 20, 2004 IN BOOK 1615 AT PAGE 510.

Reception#: 723322  
05/16/2007 10:39:05 AM B:1926 P:0656 Jean I  
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12/13/2007 09:18:50 AM Jean Alberico  
28 of 36 Rec Fee:\$181.00 Doc Fee:0.00 GARFIELD COUNTY CO

**EXHIBIT C**

**WILDFIRE MITIGATION PLAN**



Reception#: 723322  
 05/16/2007 10:39:05 AM B:1926 P:0657 Jean Al  
 31 of 38 Rec Fee:\$191.00 Doc Fee:0.00 GARFIE  
 NOV. 20. 2003 5:31PM CARBONDALE FIRE

Reception#: 739174  
 12/13/2007 09:18:50 AM Jean Alberico  
 29 of 36 Rec Fee:\$181.00 Doc Fee:0.00 GARFIELD COUNTY CO

**CALLICOTTE RANCH WILDFIRE MITIGATION PLAN**  
*Garfield County, Colorado*

November 15, 2003  
 Prepared by:

Ronald B. Liston  
 Land Design Partnership  
 Project #: 0107

Reviewed and Approved by:

Date: 11/20/03  
 Bill Gavette; Carbondale and Rural Fire Protection District

**Purpose**

The purpose of this plan is to identify and describe the mitigation practices that will reduce the wildfire hazards to the residential dwellings located within the Callicotte Ranch Subdivision. The identified mitigation measures have been included in the design plans for the subdivision or have been listed as design requirements in the subdivisions protective covenants where they involve development of home sites on individual lots.

**Existing Conditions**

The proposed subdivision is located in Garfield County, Colorado approximately 2 miles north of Carbondale on County Road 103. The property is characterized by a predominance of juniper/pinon forest with three large areas of open meadows occupied by montane grasslands, sagebrush and shrub/saplings. A significant portion of these meadows have historically been maintained as irrigated pasture but over the last several years irrigation water has been sparsely applied if applied at all resulting a deterioration of pasture greases and the introduction of significant stands of noxious weeds. There is a northeast to southwest drainage way of which the lower portions are largely void of pinon/juniper trees. This area is vegetated with grasses and sage brush with a few elm and cottonwood trees.

The pinon/juniper areas are generally characterized by slopes of 15% to 40%. The meadow areas range from very gently sloping ridge tops to gradients of 15% to 20 %. Wildfire hazard in the meadows areas may be rated as Low to Moderate but the transition areas and the pinon/juniper hillsides would be rated as Moderate/Severe and higher depending on slope.

Received Time Sep. 25. 2:36PM

Sep 25

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NOV. 20. 2003 9:30AM CARBONDALE FIRE

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### Proposed Improvements

The proposed development consists of 28 single family lots ranging in size from 2 acres to 9 acres with nearly 40 acres reserved as open space. The gross density of the subdivision is .16 single family lots per acre, or 6.3 acres per lot. The Callicotte Ranch subdivision will be served by a central supply and distribution system. Two potential well locations have been identified on the northern end of the property to use as a primary and secondary source of water. A 200,000 gallon water tank will be installed at the north end of the development. Fire hydrants will be installed at least every 500' and water valves will be installed every 400'. A complete Water Supply Plan is enclosed in the Preliminary Plan. Two water augmentation storage ponds are proposed on the property.

The subdivision is served by a through road (Road A) that intersects with County Road 103 at the southerly end of the property and again at the northerly end of the property. A large looping road serves four lots in the southwestern area of the subdivision. The large loop of this road is separated from the main through road by less than 600 feet. The subdivision plan shows three cul-de-sacs and a hammerhead turn around:

- a 260 foot cul-de-sac serving two lots
- a 450 foot cul-de-sac serving four lots
- a 900 foot cul-de-sac with a 270 foot long emergency access to County Road 103 that serves six lots
- a hammerhead turn around serving two lots at the end of a 510 foot roadway.

All roads have a minimum of 20 feet of structural width.

### Mitigation Measures Assessed

The following measures, all of which help reduce the wildfire hazard, are a part of the original preliminary plan submission or have been added as a part of the supplemental submission made November 2003.

1. The subdivision's main through road provides two points of ingress and egress. The emergency access at the end of Road D provides a third point of access.
2. All proposed internal road right-of-ways will be 60 foot in width and vegetation within the full width of the right-of-ways outside of the constructed road surface will be managed in accordance with CSFS document 6.302, Creating Wildfire-Defensible Zones - Prescription Zone 2.
3. Road D which is a cul-de-sac in excess of 600 foot in length has been provided with an emergency access directly from the cul-de-sac to County Road 103 a distance of 270 feet at an eight percent grade. Break-away type control gates will be constructed at each end of the emergency access as specified by the Carbondale and Rural Fire Protection District. Road D has been provided with a cul-de-sac bulb with a 70 foot radius right-of-way and a 50 foot radius road surface including shoulder.

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31 of 36 Rec Fee:\$181.00 Doc Fee:0.00 GARFIELD COUNTY CO

4. A central water system with a 200,000 gallon storage tank, distribution lines sized to accommodate fire flow volumes and fire hydrants at 500 foot spacing is provided throughout the subdivision.
5. The design standards of all proposed roads are adequate to provide emergency access per the Carbondale and Rural Fire Protection District.

The following design standards apply to individual homesite development and building construction and have been incorporated into the subdivision's protective covenants. Additionally, a note has been added to the plat drawing requiring by reference to the covenants that these design standards be reflected in the site plans submitted with the building permit application for each lot.

1. All private drives shall:
  - a. be a minimum of 16 feet in width with a minimum clearance of 13.5 feet;
  - b. not be greater than 12% grade;
  - c. intersect the access road as near as possible to 90 degrees with no driveway intersection allowed that is more than 7 degrees from the desired 90 degrees;
  - d. provide 10 foot wide and 30 foot long turn-outs in driveways in excess of 400 feet in length;
  - e. provide a 50 foot radius turnaround or a hammerhead turnaround with a minimum of 60 feet across the top at the end of any drive in excess of 150 foot in length.
2. Wood shingles or shakes will not be allowed in the subdivision.
3. All residential construction and site development shall meet the wildfire mitigation criteria defined in the Colorado State Forest Service (CSFS) document 6.302 Creating Wildfire-Defensible Zones.
4. All residences over 3,600 square feet in size shall have automatic fire sprinklers installed. Installation of the sprinkler systems shall be in accordance with NFPA 13D, Standard for the Installation of Sprinkler Systems in One- and Two-Family Dwellings and Manufactured Homes

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32 of 36 Rec Fee:\$181.00 Doc Fee:0.00 GARFIELD COUNTY CO

**EXHIBIT D**

**ISDS OPERATION AND MANAGEMENT REPORT**



**INDIVIDUAL SEPTIC DISPOSAL SYSTEM PLAN  
FOR  
CALLICOTTE RANCH SUBDIVISION**

The Callicotte Ranch Subdivision is located in lot 17 and the SW1/4SW1/4 of section 13, the NW1/4 and the NW1/4SW1/4 of section 24, T.7 S., R.88 W. of the 6th P.M. County of Garfield, State of Colorado. This subdivision will be served by Individual Sewage Disposal Systems (ISDS) since the lot sizes are consistent with the Garfield County Zoning Resolution. ISDS design, installation, and maintenance will be the responsibility of the individual lot owner. Percolation tests and soil profile evaluations must be done in accordance with local regulations prior to individual designs. ISDS designs are required by a State of Colorado licensed professional engineer for percolation tests results with a value of less than 30 minutes per inch. The installation will be inspected and certified by a professional engineer registered in the State of Colorado and/or his representative. Maintenance shall be performed by a licensed contractor in the State of Colorado engaged in the business of cleaning and maintaining ISDS systems.

Callicotte Ranch Subdivision is located in Garfield County. Any ISDS questions or concerns should be directed to Garfield County representatives and Garfield County code should be referenced. Garfield County contact information is:

Garfield County Building  
108 8<sup>th</sup> Street, Suite 200  
Glenwood Springs, Colorado 81601  
(970) 945-8212

**INTRODUCTION**

An Individual Sewage Disposal System (ISDS), also referred to as a "septic system", receives waste water and solids from a building's plumbing facilities (bathrooms, kitchens, shower, laundry), treats, and then disposes of the effluent from this waste, by permitting it to absorb into the natural soils within the lot. "Treatment" is accomplished by bacterial action in the "septic" or "treatment" tank, and by bacteria within the soil surrounding the effluent absorption system, the "drain-field." This bacterial action is needed to reduce the level of pathogens in the effluent discharges from the waste system into the soil. The principal components of a private on-site waste disposal system usually include the following:

- Piping
- Septic Tank
- Effluent Filter
- Absorption Field

However, many variations on this general scheme are used and special equipment and numerous systems can be designed and utilized for problem or difficult sites.

According to the geotechnical report moderately expansive clays exist throughout the

subdivision. Expansive clays are not favorable in ISDS design due to high percolation tests. Percolation tests are determined by the amount of time moisture is able to flow through the soil. High percolation test results, more time it takes for moisture to flow through the soil, results in more area required for the ISDS design.

### **HOUSEHOLD USE**

Your septic system is designed to handle human waste, toilet paper and water from plumbing fixtures such as toilets, baths, and sinks. Household cleaners, detergents and bleach will not damage your system if used in moderation. However, biodegradable and environmentally friendly soaps, detergents and other products are recommended. If your septic field is inundated with harsh chemicals or overloaded with detergents and soaps, your septic system function may be impaired or field failure may occur. Never pour oil, cooking grease, paint, or insecticides into your plumbing system. These items can inhibit the bacteria which are so critical to the proper functioning of your system and/or plug the pores of your system.

Non-degradable paper products, such as diapers, sanitary napkins or tampons, and paper towels are harmful to your system. Also refrain from introducing any other non-biodegradable substances such as condoms, plastic baggies, plastic film-wrap, or cigarette butts. These items can cause serious clogging problems. A garbage disposal can be used if your septic system was designed around it; however, you should have your tank pumped more frequently if large particles are present within the effluent.

Your system is also designed to handle a certain volume of water. If you consistently overload your septic system, you will cause premature failure. A frequent source of overload is leaking plumbing fixtures and water treatment systems. This can amount to hundreds of extra gallons of water going into your septic system each month. Leaks should be repaired immediately.

Other home recommendations for reducing wastewater flow are; installing water-saving devices in your shower heads and faucets and lowering the amount of water hitting the system from the laundry by spreading your weekly washing over several days rather than doing it all within a short time period.

### **SEPTIC TANK**

The bacteria that thrive in a septic tank are called "anaerobic bacteria" because they do not require oxygen. These bacteria are essential to the proper functioning of a septic system as they degrade and decompose the solids. When too much solid material accumulates in the tank over a period of years, it begins to wash out of the tank and into the drain-field with the normal liquid effluent. The solids clog the drain-field absorption rates into the natural soils are reduced. As more solids flow from the tank, the drain-field will eventually not be able to absorb the liquid effluent, and the drain-field will fail. This is the most common cause of drain-field failure. Your drain field should have monitoring wells located at the far end of the field. These wells can help detect or prevent a field failure prior to its occurrence. A professional field maintenance company should be scheduled for regular maintenance and well monitoring. It is suggested that

you have your septic tank pumped every 2-3 years on a regular maintenance schedule.

**DRAINFIELD AREA**

The drain-field is ideally located in a sunny open area for maximum evaporation. Trees and shrubs should not be planted near the drain-field as root intrusion may impair the drain-field. Any plants that do not have deep roots can be planted over a drain-field. Grasses and ground cover provide the highest level of evapo-transpiration (the cycle of plants taking moisture from the soil by their root systems and giving it off to the atmosphere using the sun's energy) without the complication of root systems clogging drainpipes and gravel beds. Mulched areas of flower beds do hold moisture and decrease drain-field efficiency. Walkways, patios, parking areas, decks or other permanent structures should not be constructed over either the septic tank or the drain-field. Vehicle traffic should be kept off of the drain-field and heavy trucks/equipment should be kept a minimum of 10 horizontal feet away from the drain-field area. Heavy vehicles can cause the drain-field to collapse. Rainwater or other drainage water should be diverted from the drain-field area. The drain-field is designed to meet the capacity of waste water coming from the house. Additional water from poor drainage may cause premature field failure. Livestock should not be allowed on the ISDS due to compaction and component damage concerns.

**Table 1. Minimum Horizontal Distances In Feet**

	Spring Wells, Suction Lines	Drinking Water Supply Line	Drinking Water Supply Cistern	Dwelling Occupied Building	Property Lines, drain titles, Piped, Lined or intermittent Irrigation Ditch	Lake, Water, Course, Irrigation Ditch or Stream	Dry Gulches	Septic Tanks
Absorption Trench, Seepage Bed, Sand Filter, Sub-surface Dispersal System or Drywell	100	25	25	20	10	50	25	6
Seepage Pit	100	50	25	20	25	50	25	6
Lined Evapotranspiration Field or Lined Wastewater Pool	60	10	25	15	10	25	10	5
Unlined or Partially Lined Evapotranspiration System Wastewater Pond, or Surface Disposal System Other than Aerosol	100	25	25	15	10	25	15	10
Lined Sand Filter	60	10	25	15	10	25	10	5
Unlined Sand in Soil With a Perc Rate Slower than 60 minutes per inch	100	25	25	15	10	25	15	10
Dispersal System Using Aerosol Method	100	10	50	125	10	25	10	10
Vault Privy	50	10	25	15	10	25	10	
Septic Tanks, Treatment Plants, Dosing Tanks, Vaults	50	10	25	5	10	50	10	
Building Sewer or Effluent Lines	50	10	25	0	10	50	10	

## OPERATION AND MAINTENANCE OF ISDS

A. Responsibility: The Callicotte Ranch Owners Association, Inc. shall be responsible for collecting funds, and hiring a reputable service company to maintain the ISDS systems for all of the individual homeowners within the subdivision. This company will be required to inspect and maintain (including pumping of the septic tank, if necessary, but such pumping shall be an additional expense charged to that Lot) 1/3 of the systems each year so as to provide maintenance for each individual system every three years. The owner and the party in possession of real property upon which an individual sewage disposal system is used, shall remain jointly and severally responsible for operation and maintenance of the system, beyond the periodic inspection provided by the Homeowners Association.

B. Maintenance and Cleaning: The selected service company shall be required to inspect the systems for acceptable operation, pump the septic tanks (if required), and verify the local and state regulations are being met with the inspected systems. Routine maintenance and pumping of the septic tanks will be paid for by the homeowners association. Other required repairs to individual systems will be the requirement of the individual homeowner. The owner of an individual sewage disposal system shall notify the local health department on any proposed system modifications prior to making the changes, and shall have the system approved once the modifications are complete.

C. Disposal of Waste Materials:

Disposal of waste materials removed from a system in the process of maintenance or cleaning shall be accomplished at a site approved by local county officials in a manner which does not create a hazard to the public health, a nuisance or an undue risk of pollution and which complies with state and local rules and regulations.

D. No Discharge is Permitted Which Does not Comply With Rules and Regulations:

No sewage or effluent shall be permitted to be discharged into or upon the surface of the ground or into state waters unless the sewage system and effluent meets the minimum requirements of applicable rules and regulations.

E. Termination of Use of System:

The contents of a septic tank, vault, or seepage pit, the use of which has been terminated, shall be properly disposed of whereupon the emptied tank, vault, or pit shall be filled with soil or rock, or the health officer may require the tank or vault to be removed and disposed of properly.

## SUMMARY

ISDS systems are a good alternative to homeowners who do not have access to a community sewage disposal system. With the proper monitoring and maintenance of your ISDS system, many years of trouble free functioning can be had out of your ISDS system.