

Note to Eagle County Clerk and Recorder Please index in the Grantee' s index under Lake House at Tree Farm Homeowners Association, Inc and in the Grantor' s index under Tree Farm at Aspen LLC

After recording please return to
Tree Farm at Aspen LLC
1630 Welton St , #902
Denver, CO 80202

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF LAKE HOUSE AT TREE FARM HOMEOWNERS ASSOCIATION, INC**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF LAKE HOUSE AT TREE FARM HOMEOWNERS ASSOCIATION, INC is made and entered into by Tree Farm at Aspen LLC, a Colorado limited liability company ("**Declarant**," as hereinafter more fully defined), as of the date hereinafter set forth

RECITALS

- ADeclarant is the owner of the real property situated in the County of Eagle, State of Colorado, which is described on **Exhibit A** attached hereto and incorporated herein by this reference (collectively, the "**Community**," as hereinafter more fully defined)
- BThe Declarant desires to create a small residential planned community pursuant to Section 38-33 3-116(1)(a) of the Colorado Common Interest Ownership Act, Section 38-33 3-101 et seq , as amended ("CCIOA," as hereinafter more fully defined) and the Community includes fewer than twenty units and is not subject to development rights (as defined in CCIOA)
- CThe Declarant desires to subject and place upon the property described on the attached **Exhibits A and B** certain covenants, conditions, restrictions, easements, reservations, rights-of-way, obligations, liabilities, charges and other provisions

DECLARATION

NOW, THEREFORE, the Declarant hereby declares that the property described on the attached **Exhibit A and B**, shall be held, sold, and conveyed subject to Sections 38-33 3-105 through 38-33 3-107 of CCIOA, and subject to the following covenants, conditions, restrictions, easements, reservations, rights-of-way, obligations, liabilities, charges and other provisions set forth herein

ARTICLE 1 DEFINITIONS

Section 1 1 *Agencies*

"**Agencies**" means the Government National Mortgage Association (**GNMA**), the Federal National Mortgage Association (**FNMA**), the Federal Home Loan Mortgage Corporation (**FHLMC**), the Department of Housing and Urban Development, including the Federal Housing Administration (**HUD**), the Veterans Administration (**VA**) or any other governmental or quasi-governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to any of those currently performed by any of such entities

Section 1 2 *Allocated Interests*

"**Allocated Interests**" means the share of the Association's Common Expense Liability and the votes in the Association allocated to each Lot. The Allocated Interest for each Lot shall be a fraction, the numerator of which is one (1) and the denominator of which is the total number of Lots then within the Community.

Section 1 3 *Intentionally Omitted.*

Section 1 4 *Association*

"**Association**" means the Lake House at Tree Farm Homeowners Association, Inc., a Colorado nonprofit corporation, and its successors.

Section 1 5 *Board of Directors or Board*

"**Board of Directors**" or "**Board**" means the body, regardless of name, designated in this Declaration, the Articles of Incorporation or the Bylaws of the Association, to act on behalf of the Association.

Section 1 6 *CCIOA.*

"**CCIOA**" means the Colorado Common Interest Ownership Act, C.R.S. §38-33-3-101, et seq., as amended.

Section 1 7 *Common Elements.*

"**Common Elements**" means all real property interests including Improvements, now or hereafter owned by the Association or which the Association has a contractual right to use or which the Association maintains, holds or uses for common benefit, use and enjoyment of the Owners, and designated (which designation may be made herein or on the Map) by Declarant as a Common Element. The Common Elements include all of the General Common Elements and Limited Common Elements.

Section 1 8 *Common Expenses*

"**Common Expenses**" means expenditures made or liabilities incurred by or on behalf of the Association, together with any allocation to reserves.

Section 1 9 *Common Expense Liability*

"**Common Expense Liability**" means the liability for Common Expenses allocated to each Lot pursuant to Section 1 2 above.

Section 1 10 *Community*

"**Community**" means the real estate and Improvements described on the attached **Exhibit A and B**, as may be supplemented and amended from time to time. The Community is a small residential planned community under Section 38-33-3-116(1)(a) of CCIOA. The name of the Community is Lake House at Tree Farm.

Section 1 11 *County.*

"**County**" means the County of Eagle, Colorado.

Section 1 12 *Declarant*

"**Declarant**" means Tree Farm at Aspen LLC, a Colorado limited liability company, and any other Person(s), to whom the Declarant, by Recorded document, expressly assigns one or more of the Declarant's rights under this Declaration (which shall be the extent of the Declarant's rights to which such assignee succeeds)

Section 1 13 *Declaration*

"**Declaration**" means this Declaration of Covenants, Conditions and Restrictions of Lake House at Tree Farm Homeowners Association, Inc , as may be amended from time to time

Section 1 14 *Development Rights*

The Community is not subject to Development Rights (as defined in CCIOA)

Section 1 15 *General Common Element.*

"**General Common Element**" or "**GCE**" means any portion of the Common Elements for the common use and enjoyment by all Owners and for other purposes as may be permitted by this Declaration or depicted on the Map Initially, the General Common Element shall consist of the items or areas described on **Exhibit B** attached hereto and incorporated herein

Section 1 16 *Governing Documents*

"**Governing Documents**" means this Declaration, the Association Articles of Incorporation, the Association Bylaws, the Map, and any rules and regulations, policies and procedures, design guidelines, and other documents, of the Association or the Board of Directors, as well as all supplements, amendments and clarifications thereto

Section 1 17 *Improvements*

"**Improvements**" means all structures now or hereafter located on a Lot, exterior improvements to any such structures (including but not limited to paint or other finish materials on any visible structure) and any other exterior improvements made to a Lot, and any exterior appurtenances thereto or exterior components thereof, of every type and kind, including but not limited to all landscaping, hardscaping features, fences, outbuildings, shelters, sheds, painting, structural changes, pools, or hot tubs

Section 1 18 *Limited Common Elements*

"**Limited Common Elements**" or "**LCE**" means certain of the Common Elements which are either limited to or reserved in this Declaration, in a recorded amendment to this Declaration executed by Declarant pursuant to the terms below, shown on the Map, or by authorized action of the Association, or as otherwise permitted herein, for the exclusive use of an Owner, or are limited to and reserved for the common use of more than one (1) but fewer than all Owners Each LCE depicted on the Map is intended for the sole use of the Lot Owner indicated thereon

Section 1 19 *Lot*

"**Lot**" means each lot that is listed on the attached **Exhibit A** and includes the "**Home**" constructed or to be constructed thereon, and intended for individual ownership, with the exception of any Common Elements, and with the exception of any publicly dedicated property The word

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“**Lot**,” as defined above, includes Unbuilt Lots, except for such provisions in the Governing Documents in which “**Unbuilt Lots**” are expressly referenced. Each Lot constitutes a “**unit**” under CCIOA, and it shall not be necessary to use the term “**unit**” as part of a legally sufficient description of a Lot. “**Unbuilt Lots**” means those Lots that do not contain a residential home on which a Certificate of Occupancy, or its equivalent, has been issued by the applicable governmental authority. “**Unbuilt Lots**” includes those Lots on which the home on such Lot has been destroyed (for example, by fire). However, the **Unbuilt Lots** that are referenced in the preceding sentence shall become “**Lots**” (rather than “**Unbuilt Lots**”) when such Lot (again) contains a residence on which a Certificate of Occupancy, or its equivalent, has been issued by the applicable governmental authority.

Section 1 20 *Map*

“Map” means the Final Plat, Lake House at the Tree Farm Townhomes recorded in the Records on 10/20/2025 at Reception No 202514182 as may be amended and supplemented from time to time.

Section 1 21 *Member*

“**Member**” means each Owner of a Lot. The Association shall have one (1) class of membership. Membership in the Association shall be appurtenant to, and may not be separated from, ownership of a Lot.

Section 1 22 *No Build Areas*

“**No Build Area, or No Build Areas**” means the areas adjacent to Lot 4, as depicted on the Map, where no Improvements, other than those installed by Declarant, may be installed or constructed, as further described in Section 10 3 Below.

Section 1 23 *Owner*

“**Owner**” means each fee simple title holder of a Lot, including the Declarant or other Person who owns a Lot, but does not include a Person having an interest in a Lot solely as security for an obligation. There may be more than one (1) Owner of a Lot.

Section 1 24 *Period of Declarant Control.*

“**Period of Declarant Control**” means a length of time that terminates twelve (12) years after the date this Declaration is recorded.

Section 1 25 *Permittees*

“**Permittees**” shall mean and refer to any family members, tenants, subtenants, contractors, subcontractors, consultants, licensees, occupants, invitees, guests or visitors of an Owner.

Section 1 26 *Person*

“**Person**” means a natural person, a corporation, a limited liability company, a partnership, an association, a trust, a joint venture, or any other entity recognized under the laws of the State of Colorado, or any combination thereof.

Section 1 27 *Records*

"**Records**" means the official real property records of the County of Eagle, Colorado, "**to Record**" or "**to be Recorded**," means to file for recording in the Records, and "**of Record**" and "**Recorded**" means having been recorded in the Records

Section 1 28 *Security Interest*

"**Security Interest**" means an interest in one or more Lots, real estate or personal property, created by contract or conveyance, which secures payment or performance of any obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of leases or rents intended as security, pledge of an ownership interest in the Association, and any other consensual lien or title retention contract intended as security for an obligation. For purposes of Section 4 12 of this Declaration (Certificate of Status of Assessments) and, with respect to notice of cancellation or substantial modification of certain insurance policies under Section 6 2 of this Declaration (General Provisions of Insurance Policies), "**Security Interest**" shall also mean and refer to any executory land sales contract wherein the Administrator of Veterans Affairs, an Officer of the United States of America, is the seller, whether such contract is Recorded or not, and whether such contract is owned by the said Administrator or has been assigned by the Administrator and is owned by the Administrator's assignee, or a remote assignee, and the land records in the County in which such property is located show the Administrator as having the Record title to the Lot.

Section 1 29 *Security Interest Holder*

"**Security Interest Holder**" means any Person named as a mortgagee or beneficiary, or in a similar capacity, under any Security Interest (including, for purposes of Section 4 12 of this Declaration (Certificate of Status of Assessments) and, with respect to notice of cancellation or substantial modification of certain insurance policies, to Section 6 2 of this Declaration (General Provisions of Insurance Policies), the Administrator of Veterans Affairs, an Officer of the United States of America, and his assigns under any executory land sales contract wherein the said Administrator is identified as the seller, whether such contract is Recorded or not and the land records of the County in which such property is located, show the said Administrator as having the Record title to the Lot), or any successor to the interest of any such Person under such Security Interest.

Section 1 30 *Special Declarant Rights*

"**Special Declarant Rights**" means the following rights, which rights are hereby reserved for the benefit of the Declarant, and which rights may be further described in this Declaration: to build and complete Improvements and make repairs to Improvements, to maintain sales offices, construction offices, management offices, model homes and signs advertising the Community and/or Lots, to access the Lots for the purpose of making Improvements within the Community (and repairs to such Improvements), to merge or consolidate with a common interest community of the same form of ownership, or to appoint or remove any officer of the Association or any director during the Period of Declarant Control. All of the Special Declarant Rights may be exercised by the Declarant with respect to any portion of the property now or hereafter within the Community.

Declarant may exercise any or all of these Special Declarant Rights at any times. Such rights shall terminate automatically twenty (20) years after the date this Declaration is Recorded.

ARTICLE 2 MEMBERSHIP AND VOTING RIGHTS

Section 2.1 Association.

The Association has been created as a Colorado nonprofit corporation under the Colorado Revised Nonprofit Corporation Act. The Association shall have the duties, powers and rights set forth in this Declaration and in its Articles of Incorporation and Bylaws.

Section 2.2 Board of Directors

The affairs of the Association shall be managed by a Board of Directors. The number, term and qualifications of the Board of Directors shall be fixed in the Association's Bylaws. Subject to Sections 3.2 below, the Board of Directors shall be elected by the Members. The Board of Directors may, by resolution, delegate portions of its authority to officers of the Association, but such delegation of authority shall not relieve the Board of the ultimate responsibility for management of the Association's affairs.

Section 2.3 Voting Rights

Each Member shall be entitled to one (1) vote for each Lot owned, except that no votes allocated to a Lot owned by the Association may be cast and the maximum number of votes that may be cast in connection with any matter shall be equal to the total number of Lots then existing within the Association.

ARTICLE 3 ASSOCIATION

Section 3.1 Authority of the Board of Directors

Action by, or on behalf of, the Association may be taken by the Board of Directors or any duly authorized committee, officer, agent or employee, without a vote of the Members, except as otherwise specifically provided in this Declaration, the Articles of Incorporation or Bylaws of the Association.

Section 3.2 Authority of Declarant During Period of Declarant Control

Except as otherwise provided in this Article, during the Period of Declarant Control, the Declarant or Persons appointed by the Declarant may appoint all officers and members of the Board of Directors and may remove all or any of the officers and members of the Board of Directors which have been appointed by the Declarant. The Declarant may expressly, in writing, voluntarily surrender the right to appoint and remove officers and members of the Board of Directors before termination of the Period of Declarant Control, but, in that event, the Declarant may require, for the duration of the Period of Declarant Control, that specified actions of the Association or Board of Directors, as described in a Recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

Section 3.3 Association Books and Records

3.3.1 In addition to any records specifically defined in this Declaration or

Bylaws, the Association must maintain the following, all of which shall be deemed to be the sole records of the Association for purposes of document retention and production to Owners

3 3 1 1 detailed records and receipts and expenditures affecting the operation and administration of the Association,

3 3 1 2 records of claims for construction defects and amount received pursuant to settlement of those claims,

3 3 1 3 minutes of all meetings of its Owners and Board, a record of all actions taken by the Owners or Board without a meeting,

3 3 1 4 written communications among, and the votes cast by, directors of the Board that are

3 3 1 4 1 directly related to an action taken by the Board without a meeting pursuant to section 7-128-202, C R S , or

3 3 1 4 2 directly related to an action taken by the Board without a meeting pursuant to the Association's Bylaws,

3 3 1 5 the names of Owners in a form that permits preparation of a list of the names of all Owners and the physical mailing addresses at which the Association communicates with them,

3 3 1 6 this Declaration and, as to the Association, the Bylaws, the Articles of Incorporation, the rules and regulations, and other policies adopted by the Board,

3 3 1 7 financial statements as described in section 7-136-106, C R S , for the past three (3) years and tax returns of the Association for the past seven (7) years, to the extent available,

3 3 1 8 a list of the names, electronic mail addresses, and physical mailing addresses of its current Board members and officers,

3 3 1 9 financial records concerning unpaid assessments,

3 3 1 10 the Association's most recent reserve study, if any,

3 3 1 11 current written contracts to which the Association is a party and contracts for work performed for the Association within the immediately preceding two (2) years,

3 3 1 12 records of the Board to approve or deny any request for design or architectural approval from Owners,

3 3 1 13 ballots, proxies, and other records related to voting by Owners for one year after the election, action, or vote to which they relate,

3 3 1 14 resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations, and obligations of Members or any class or category of Members, and

3 3 1 15 all written communications within the past three (3) years to all Owners generally as Owners

3 3 2 Subject to subsections 3 3 3, 3 3 4 and 3 3 5, all records maintained by the Association must be available for examination and copying by an Owner or the Owner's authorized agent. The Association may require Owners to submit a written request, describing with reasonable particularity the records sought, at least ten (10) days prior to inspection or production of the documents, and may limit examination and copying times to normal business hours or the next regularly scheduled Board meeting if the meeting occurs within thirty (30) days after the request. Notwithstanding any provision of this Declaration, the Association's Bylaws, the Association's Articles of Incorporation, or rules and regulations of the Association to the contrary, the Association may not condition the production of records upon the statement of a proper purpose.

3 3 3 Records maintained by the Association may be withheld from inspection and copying to the extent that they are or concern

3 3 3 1 communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine,

3 3 3 2 disclosure of information in violation of law,

3 3 3 3 records of an executive session of the Board,

3 3 4 Records maintained by an Association are not subject to inspection and copying, and must be withheld, to the extent that they are or concern

3 3 4 1 medical records relating to specific individuals, or

3 3 4 2 personal identification and account information of Members, including bank account information, telephone numbers, electronic mail addresses, driver's license numbers, and social security numbers

3 3 5 The Association may impose a reasonable charge, which may be collected in advance and may cover the costs of labor and material, for copies of Association records. The charge may not exceed the estimated cost of production and reproduction of the records.

3 3 6 A right to copy records under this Section includes the right to receive copies by photocopying or other means, including the receipt of copies through an electronic transmission if available, upon request by the Owner.

3 3 7 The Association is not obligated to compile or synthesize information.

3 3 8 Association records and the information contained within those records shall not be used for commercial purposes.

Section 3 4 *Rules and Regulations and Policies and Procedures*

Rules and regulations and policies and procedures concerning and governing the Community, may be adopted, amended, repealed and/or enforced by the Board of Directors, and the Board of Directors may establish and enforce penalties for the infraction thereof, including, subject to applicable law, the levying and collecting of fines for the violation of any of such rules and regulations or policies and procedures. The rules and regulations and policies and procedures may include procedural requirements, interpretations and applications of this Declaration and law, including blanket requirements, blanket interpretations, and blanket applications, and covenants, conditions, restrictions, requirements, and/or other provisions, pertaining to any matters, including vehicles and animals. The Board of Directors has the authority to adopt, amend, promulgate, repeal and/or vary one or more rules and regulations or policies and procedures that are different for different types or prices of Lots, construction or residences (including garages, porches and overhangs). Any rules and regulations or policies and procedures that are adopted shall be in accordance with, and shall not be inconsistent with or contrary to, this Declaration.

Section 3 5 *Management Agreements and Other Contracts*

Any agreement for professional management of the Association's business or other contracts providing for the services of the Declarant shall have a maximum term of three (3) years and any such agreement shall provide for termination by either party thereof, with or without cause and without payment of a termination fee, upon not more than ninety (90) days' prior written notice, provided, however, that any such management agreement(s) entered into by the Association with a manager or managing agent prior to termination of the Period of Declarant Control shall be subject to review and approval by HUD or VA if, at the time such agreement is entered into, HUD has insurance or VA has a guarantee(s) on one or more Security Interests (and if HUD or VA requires such approval).

Section 3 6 *Merger*

The Declarant hereby reserves the right to merge the Association with one or more other homeowners associations, condominium associations, or master associations, all without the approval of any Owner, any Member, or any other Person. This right of merger by the Declarant shall be in effect until automatic termination of the Special Declarant Rights as provided in Section 1 30 of this Declaration (Special Declarant Rights).

Section 3 7 *Notice of Meetings and Other Matters of the Association*

Notices of any meetings, news letters and other correspondence or documents concerning the Association, shall be sent to the Declarant at the same time that such notices, news letters, and other correspondence or documents, are sent to the Members. However, the foregoing shall expire upon automatic termination of the Special Declarant Rights, as provided in Section 1 30 of this Declaration (Special Declarant Rights).

Section 3 8 *Compliance with Fire Code.*

The Association shall cause (and each Owner shall cooperate with the Association in providing access to their respective Lots) the fire suppression and fire alarm systems in each Lot to be inspected annually in accordance with applicable County and Fire District requirements and

codes and shall otherwise cause such fire suppression and alarm systems to remain in compliance with applicable County and Fire District requirements and codes

Section 3 9 *Duty to Accept Property and Facilities Transferred by Declarant.*

The Association shall accept title to any property, including Improvements thereon, as well as personal property, equipment, and easements, transferred to the Association by Declarant, together with responsibility to perform all duties and functions incidental to ownership or beneficial use of such property, Improvements, personal property, equipment and easements

ARTICLE 4 ASSESSMENTS

Section 4 1 *Personal Obligation for Assessments.*

Each Owner of a Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees and shall be personally obligated to pay to the Association any and all assessments, as provided in this Declaration, with such assessments to be established and collected as hereinafter provided. The obligation for such payments by each Owner to the Association is an independent covenant with all amounts due payable in full when due without notice or demand (except as otherwise expressly provided in this Declaration), and without setoff or deduction. All Owners of each Lot shall be jointly and severally liable to the Association for the payment of all assessments attributable to their Lot. Each assessment shall be the personal obligation of the Person(s) who was the Owner of such Lot at the time when the amount became due. The personal obligation for delinquent amounts shall not pass to such Owner's successors in title unless expressly assumed by them.

Section 4 2 *Purpose of Assessments*

The annual assessments levied by the Association shall be used to promote the recreation, health, safety and welfare of the residents of the Lots, and for all of those purposes and activities which may be required of the Association, or the Board of Directors, or which the Association, or the Board of Directors, may be empowered to pursue pursuant to this Declaration or the Articles of Incorporation or Bylaws of the Association, or by law. The Board may provide for reserves for the Association as reasonably determined by the Board.

Section 4 3 *Small Residential Planned Community*

Notwithstanding anything in this Declaration or in any of the Governing Documents to the contrary, the Community is a Small Residential Planned Community pursuant to Section 38-33 3-116(1)(a) of CCIOA.

Section 4 4 *Rate of Assessments*

4 4 1 Subject to Section 4 3 above, annual and special assessments shall be sufficient to meet the expected needs of the Association and, except as provided in this Declaration, shall be apportioned among the Lots in accordance with their Allocated Interests, provided, however, that any Common Expense or portion thereof benefiting fewer than all of the Lots shall be assessed exclusively against the Lots benefited. Notwithstanding the foregoing, however, and to the extent permitted by applicable law, the amount of the annual and special Association assessments against the Unbuilt Lots shall be set at a lower

rate than the rate of annual Association assessments and special Association assessments against other Lots to the extent the Unbuilt Lots receive and benefit from fewer services funded by such Association assessments than the other Lots

4 4 2 The annual Association assessments shall include an adequate reserve fund for the maintenance, repair and replacement of those items, if any, that must be maintained, repaired or replaced by the Association on a periodic basis

Section 4 5 *Date of Commencement of Annual Assessments*

The annual assessments shall commence at such time as the Board of Directors may determine After commencement of annual assessments as provided in the first sentence of this Section, annual assessments shall be based on an annual budget proposed by the Board of Directors and not vetoed by the Owners, as provided in this Declaration The annual assessments shall be due and payable in monthly installments, in advance, on the first day of each month, or on such other dates, and with such frequency (which may be other than monthly, but not less frequently than annually), as the Board of Directors determines, provided that the first annual assessment shall be adjusted to reflect the time remaining in the first Association fiscal year Any Owner purchasing a Lot between installment due dates shall pay a pro rata share of the then-current Association annual assessment

Section 4 6 *Special Assessments.*

In addition to the annual assessments authorized in this Article, the Board of Directors may levy, in any fiscal year, with the approval of the votes of sixty-seven percent (67%) of a quorum of the Association's votes cast by Members voting in person or by proxy at a meeting duly called for this purpose, a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, repair or replacement of a capital Improvement upon any portion of real property for which the Association has repair and/or replacement obligations, including fixtures and personal property related thereto, or for repair or replacement of any damaged or destroyed Improvements, or for the funding of any expense or deficit of the Association Any such special assessment shall be set against each Lot in accordance with the Allocated Interests as set forth in this Declaration, except as set forth in Section 4 4 1 above A meeting of the Members called for the purpose of considering the establishment of a special assessment shall be held in conformance with Section 4 7 hereof

Section 4 7 *Notice and Quorum for Any Special Assessments*

Written notice of any meeting called for the purpose of taking any action authorized under Section 4 6 hereof shall be sent to all Members not less than thirty (30) days nor more than fifty (50) days in advance of the meeting At the first such meeting called, the presence of Members or of proxies entitled to cast seventy-five percent (75%) of all the Association votes shall constitute a quorum If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be fifty percent (50%) of the Members or proxies No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting

Section 4 8 *Assessments/Charges for Services to Less Than All Lots or Lots that Disproportionately Benefit from Association services*

The Association may provide services to less than all of the Lots. If such services are not funded by the Association's annual or special assessments, then the Owner(s) of the applicable Lot(s) shall promptly, after demand, pay to the Association the anticipated or actual costs, fees and expenses for such services and/or reimburse the Association for the incurred costs, fees and expenses. If any Lot(s) benefit more than other Lots from any Association services, Assessments related to such services may be allocated on the basis of the benefits conferred upon agreement of 67% of the Members.

Section 4 9 *Association Funding By Declarant Not Required.*

The Declarant may, but shall not be required to, cover any costs of the Association by payment of any amount(s), which shall constitute loans from the Declarant to the Association, with such loan(s) to be repaid by the Association to the Declarant, without interest, as may be determined by the Declarant, provided, however, that any such loans which have not been repaid to the Declarant shall constitute advances against amounts then or thereafter due to the Association from the Declarant. If the Declarant elects to loan any amounts, as provided in this Section, Declarant shall not, under any circumstances, be obligated to continue loans, payment or funding of any amount(s), in the future.

Section 4 10 *Association Lien*

4 10 1 The Association has a lien on a Lot for any amount levied against that Lot or the Owner(s) thereof, including but not limited to fines imposed against the Lot's Owner(s). Fees, charges, late charges, attorney fees, fines, interest, and all other amounts charged pursuant to this Declaration are enforceable as “assessments” under this Article. The amount of the lien shall include all those items set forth in this Section from the time such items become due. If an assessment is payable in installments, each installment is a lien from the time it becomes due, including the due date set by any valid Association acceleration of installment obligations.

4 10 2 Recording of this Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessments is required. However, the Board of Directors, any officer of the Association or any managing agent of the Association, may prepare and record in the county in which the applicable Lot is located, a written notice setting forth the amount of the unpaid indebtedness, the name of the Owner(s) of the Lot, and a description of the Lot. If a notice of lien is filed, the costs and expenses thereof shall be added to the assessments for the Lot against which it is filed and collected as part thereof. The Association's lien may be foreclosed in like manner as a mortgage on real estate.

Section 4 11 *Priority of Association Lien*

4 11 1 A lien under this Article is prior to all other liens and encumbrances on a Lot except

4 11 1 1 Liens and encumbrances Recorded before the Declaration was Recorded,

4 11 1 2 A Security Interest on the Lot which has priority over all other Security Interests on the Lot and which was Recorded before the date on which the assessment sought to be enforced became due, and

4 11 1 3 Liens for real estate taxes and other governmental assessments or charges against the Lot

4 11 2 A lien under this Section is also prior to the Security Interests described in the preceding subsection 4 11 1 2 to the extent of an amount equal to the Common Expense assessments that 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 any part of the Association lien created under this Declaration of an action or a nonjudicial foreclosure either to enforce or to extinguish the lien

4 11 3 This Section does not affect the priority of mechanics' or materialmen's liens or the priority of liens for other assessments made by the Association

4 11 4 The Association's lien on a Lot for assessments and other amounts shall be superior to any homestead exemption now or hereafter provided by the laws of the State of Colorado or any exemption now or hereafter provided by the laws of the United States The acceptance of a deed to land subject to this Declaration shall constitute a waiver of the homestead and any other exemption as against said Association lien

Section 4 12 *Certificate of Status of Assessments*

The Association shall furnish to an Owner, or such Owner's designee, or to a Security Interest Holder or its designee, upon written request delivered personally or by certified mail, first class postage prepaid, return receipt, to the Association's registered agent, a written statement setting forth the amount of unpaid assessments, if any, currently levied against such Owner's Lot The statement is binding on the Association, the Board of Directors and every Owner The Association, or its agents, shall have the right to charge a reasonable fee for the issuance of such certificates

Section 4 13 *Application of Payments, Effect of Non-Payment, Association Remedies*

4 13 1 Payments received by the Association from or for Owners, shall be applied as determined by the Board of Directors

4 13 2 Subject to applicable law, Any assessment or other amounts not paid within fifteen (15) days after the due date thereof may bear interest from the due date at the rate of eight percent (8%) per annum, or at any lesser rate, if any lesser rate is set by the Board of Directors, and the Board of Directors may charge a periodic late charge in such amount(s), and for such period(s), as may be set by the Board of Directors and subject to applicable law The Association may bring an action at law against the Owner(s) personally obligated to pay the same, or foreclose the lien against such Owner's Lot in accordance with applicable law If a judgment or decree is obtained, including in a foreclosure action, such

judgment or decree shall include reasonable attorney's fees to the extent permitted by applicable law, together with the costs of the action, and may include interest and late charges, as above provided. No Owner shall be exempt from liability for payment of assessments by abandonment of the Lot against which the assessments are made, or because of dissatisfaction with the Association or its performance. This Article does not prohibit actions or suits to recover sums for which this Declaration creates a lien, nor does this Article prohibit the Association from taking a deed in lieu of foreclosure.

Section 4 14 *Surplus Funds*

Any surplus funds of the Association remaining after payment of or provision for Association expenses, and any prepayment of or provision for reserves, shall be retained for use by the Association and need not be paid to the Owners or credited to them.

Section 4 15 *Working Capital Fund*

Upon acquisition of record title to a Lot from Declarant, each such new Owner shall contribute to the working capital fund of the Association an amount equal to two-twelfths (2/12) of the Annual Assessment determined by the Board for that Lot for the year in which the new Owner acquired title. Said contribution shall be collected and transferred to the Association at the time of closing of the sale by Declarant of each Lot and shall be for the use and benefit of the Association, including to meet expenditures or to purchase equipment, property or services. Such contribution to the working capital fund shall not relieve an Owner from making regular payments of assessments as the same become due. The Association is not required to keep any records with regard to working capital contributions, including amounts or use.

Section 4 16 *Other Charges*

The Association may levy and assess charges, costs and fees in such amounts(s) as the Board may determine, including reimbursement of charges that are made to the Association by its managing agent or other Person, and including the following: copying of Association or other documents, returned checks, telefaxes, long distance telephone calls, transfer charges or fees upon transfer of ownership of a Lot, notices and demand letters, and charges incurred by the Association. All such charges, costs and fees, shall be in addition to the assessments levied by the Association, but shall be subject to all of the Association's rights with respect to the collection and enforcement of assessments.

Section 4 17 *Charges for Misconduct*

If any Association expense is caused by the misconduct of any Owner, or such Owner's Permittees, the Association may assess that Association expense exclusively against such Owner and his Lot.

ARTICLE 5 ARCHITECTURAL REVIEW

Section 5 1 *Required Review and Approval, Reimbursement for Expenses*

5 1 1 Except as provided in Sections 5 7 (Variance) and 5 10 of this Declaration (Declarant's Exemption), no Improvements shall be constructed, erected, placed, planted, applied or installed upon any Lot unless complete plans and specifications

therefor (said plans and specifications to show exterior design, height, materials, color, and location of the Improvements, plotted horizontally and vertically, location, size, and type of landscaping, fencing, walls, retaining walls, windbreaks and grading plan, as well as such other materials and information as may be required by the Board), shall have been first submitted to and approved in writing by the Board

5 1 2 The Board shall endeavor to exercise its judgment to the end that all Improvements reasonably conform to and harmonize with the existing surroundings, residences, landscaping and structures

5 1 3 In its review of such plans, specifications and other materials and information, the Board may require that the applicant(s) reimburse the Board for the actual expenses incurred, or reasonably anticipated to be incurred, by the Board, in the review and/or approval process. Such amounts, if any, shall be levied in addition to the assessments against the Lot for which the request for Board approval was made, but shall be subject to the Association's lien and subject to all other rights of the Association for the collection of assessments

5 1 4 In addition to the required approvals by the Board as provided in this Article, the construction, erection, addition, deletion, change or installation of any Improvements shall also require the applicant to obtain the approval of all governmental entities with jurisdiction thereover, and issuance of all required permits, licenses and approvals by all such entities. Without limiting the generality of the preceding sentence, issuance of building permit(s) by the City, if required, shall be a precondition to commencement of construction of, alteration of, addition to or change in, any Improvement

Section 5 2 *Procedures*

The Board shall decide each request for approval within forty-five (45) days after the complete submission of the application or request and all plans, specifications and other materials and information which the Board may require in conjunction with such application or request. If the Board fails to decide any application or request within forty-five (45) days after the complete submission of the plans, specifications, materials and other information with respect thereto, then such application or request for approval shall be deemed to have been denied by the Board

Section 5 3 *Vote and Appeal*

A majority vote of the Board is required to approve a request for approval pursuant to this Article. The decision of the Board shall be final. No additional or further appeals are permitted, nor will any be recognized

Section 5 4 *Prosecution of Work After Approval*

After approval of any proposed Improvement by the Board, the proposed Improvement shall be accomplished as promptly and diligently as possible and in complete conformity with the terms and conditions of the approval. Failure to complete the proposed Improvement within one (1) year after the date of approval of the application, or such lesser time as may be provided on the application for approval, or failure to complete the Improvement in complete conformance with terms and conditions of the approval, shall constitute noncompliance with the requirements for

approval issued by the Board and a violation of this Article, provided, however, that the Board may grant extension(s) of time for completion of any Improvement(s)

Section 5 5 *Inspection of Work*

The Board, or its duly authorized representative, shall have the right to inspect any Improvement prior to, during or after completion. However, unless the Board expressly states, in a written document, that an Improvement is being, or has been, completed in conformance with the Board's approval therefor, no such conformance shall be implied from any inspection of the Improvement.

Section 5 6 *Standards/Guidelines*

Except as provided in the last sentence of this Section, the Board has the authority to enact, issue, promulgate, modify, amend, repeal, re-enact, and enforce architectural standards, guidelines, and rules and regulations to interpret and implement the provisions of this Declaration. Such standards, guidelines, and rules and regulations, include all documents of the Association, regardless of the names (or lack thereof). Such provisions may include guidelines to clarify the types of designs and materials that may be considered in design approval, may state requirements for submissions in order to obtain review by the Board, may state procedural requirements, may specify acceptable Improvement(s) that may be installed without the prior approval of the Board, may include architectural standards, design guidelines, covenants, conditions, restrictions, requirements, and/or other provisions, pertaining to any matters, and may include any provisions that are different for different types, sizes or prices of Lots, construction or residences (including garages, porches and overhangs). In addition, such provisions may provide for blanket approvals, interpretations or restrictions on Improvements. By way of example, and not by way of limitation, such provisions may state that a certain type of screen door will be acceptable and will not require approval. All Improvements proposed to be constructed, and any guidelines that are adopted, shall be done and used in accordance with this Declaration.

Section 5 7 *Variance*

The Board may grant reasonable variances or adjustments from any conditions and restrictions imposed by this Article or Article 9 of this Declaration (Restrictions), in order to overcome practical difficulties or prevent unnecessary hardships arising by reason of the application of any such conditions and restrictions. Such variances or adjustments shall be granted only in case the granting thereof shall not be materially detrimental or injurious to the other property or Improvements in the neighborhood and shall not militate against the general intent and purpose hereof.

Section 5 8 *Waivers, No Precedent.*

The approval or consent of the Board or any representative thereof, to any application for approval shall not be deemed to constitute a waiver of any right to withhold or deny approval or consent by the Board, or any representative thereof, as to any application or other matters whatsoever as to which approval or consent may subsequently or additionally be required. Nor shall any such approval or consent be deemed to constitute a precedent as to any other matter.

Section 5 9 *Liability*

Neither the Board, nor any members, employees or agents thereof, nor the Declarant, nor any officers, employees or agents thereof, shall be liable in equity or damages to any Person submitting requests for approval or to any Person by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove. In reviewing any matter, neither the Board, nor the Declarant, shall be responsible for the safety, whether structural or otherwise, of any item(s) submitted for review, nor the conformance with applicable building codes or other governmental laws or regulations, and any approval of an Improvement by the Board, or the Declarant, shall not be deemed an approval of any such matters. No Member or other Person shall be a third-party beneficiary of any obligation imposed upon, rights accorded to, action taken by, or approval or disapproval granted by, the Board or the Declarant.

Section 5 10 *Declarant's Exemption*

Notwithstanding anything to the contrary, the Declarant shall be exempt from all provisions of this Article, as well as any and all other matters that require Board review and/or approval, except the requirements to obtain approval of the governmental entities with jurisdiction thereover.

ARTICLE 6 INSURANCE

Section 6 1 *Insurance*

The Association shall maintain commercial general liability insurance, and fidelity coverage and personal liability insurance to protect directors and officers of the Association from personal liability in relation to their duties and responsibilities in acting as directors and/or officers on behalf of the Association. All such insurance shall be maintained in amounts deemed sufficient in the judgment of the Board. In addition, the Association may maintain insurance against such other risks as the Board may determine.

Section 6 2 *General Provisions of Insurance Policies*

All policies of insurance carried by the Association shall comply with this Section. All policies of insurance carried by the Association shall be carried in blanket policy form naming the Association as insured, or its designee as trustee and attorney-in-fact for all Owners, and each Owner shall be an insured person under such policies with respect to liability arising out of any Owner's membership in the Association. The Declarant and Declarant's appointees to the Board shall also be named as additional insured (in addition to being named insureds under the Association's fidelity coverage and personal liability insurance). Additionally, each Owner and each Security Interest Holder shall be beneficiaries of such policies in a percentage equal to the Owner's Allocated Interest. The policy or policies shall contain a standard non-contributory Security Interest Holder's clause in favor of each Security Interest Holder and a provision that it cannot be canceled or materially altered by either the insured or the insurance company until thirty (30) days prior written notice thereof is given to the insured and each Security Interest Holder, insurer or guarantor of a Security Interest on the Lot insured by such insurance policy. The Association shall furnish a certified copy or duplicate original of any policy or renewal thereof, with proof of premium payment and a certificate identifying the interest of the Owner in question, to any

party in interest, including Security Interest Holders, upon request All policies of insurance carried by the Association shall also contain waivers of subrogation by the insurer against any Owner or member of such Owner's household Further, all policies of insurance carried by the Association shall also contain waivers of any defense based on invalidity arising from any acts or neglect of an Owner where such Owner is not under the control of the Association

Section 6 3 *Deductibles*

The Association may adopt and establish written non-discriminatory rules and regulations or policies and procedures relating to the responsibility for deductibles Any loss, or any portion thereof, which falls within the deductible portion of a policy that is carried by the Association, may be borne by the Person who is responsible for the repair and maintenance of the property which is damaged or destroyed, may be apportioned among the Persons sharing in a joint duty of repair and maintenance, and/or may be partly or wholly borne by the Association, and/or may be shared by any such Person(s) and the Association, all at the election of the Board of Directors, provided that, until automatic termination of the Special Declarant Rights as provided in Section 1 30 hereof (Special Declarant Rights), a deductible, or any portion thereof, may not be apportioned to the Declarant without the prior, written approval of the Declarant Subject to the foregoing, after notice and hearing, the Association may determine that a loss, either in the form of a deductible to be paid by the Association or an uninsured loss, resulted from the act or negligence of one or more Owners Upon said determination by the Association, any such loss, or any portion thereof, may be assessed to the Owner(s) in question and the Association may collect such amount(s) from said Owner(s) in the same manner as any assessment

Section 6 4 *Payment of Insurance Proceeds*

Any loss covered by an insurance policy described in Section 6 1 hereof, must be adjusted with the Association, but the insurance proceeds for that loss shall be payable to any insurance trustee designated for that purpose, or otherwise to the Association, and not to any Security Interest Holder The insurance trustee or the Association shall hold any insurance proceeds in trust for the Association, Owners and Security Interest Holders, as their interests may appear Subject to the provisions of Section 7 1 of this Declaration (Damage or Destruction), the proceeds must be disbursed first for the repair, restoration or replacement of the damaged property, and the Association, Owners and Security Interest Holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired, restored or replaced, and any budget or reserve deficit funded, or unless the Community is terminated

Section 6 5 *Property and Casualty Master Insurance.*

In the event that "all risk" property and casualty coverage over all of the structural improvements (excluding the interiors of each Home from the painted interior walls of each such Home) on all of the Lots is available at commercially reasonable prices, as determined by the Board, the Association may obtain such master coverage in not less than the full replacement value of the covered improvements Such coverage shall be a Common Expense budgeted for by the Association and paid as part of the annual assessments In the event such master coverage is maintained by the Association, each Owner shall be responsible for obtaining coverage for the interior of their Homes in the form of an HO-6 or similar policy and section 6 6 below shall not

apply The Members may, at any duly called meeting and with not less than 67% of all Members votes, elect to terminate the master coverage described herein and in such event each Member shall obtain insurance as described in section 6 6 below

Section 6 6 *Insurance to be Maintained by Owners.*

Subject to Section 6 5 above, each Owner, at their sole cost and expense, shall obtain and maintain at all times policies of insurance insuring its Lot and all Improvements and fixtures thereon against loss or damage by fire and all other hazards that are normally covered by the standard extended coverage endorsement and all other perils customarily covered for similar types of residential property, including those covered by the standard “all risk” endorsement policy that includes the “broad form” covered cause of loss All such insurance shall cover one-hundred percent (100%) of the replacement cost of the Lot and Improvements insured All policies of insurance required hereunder shall be written by insurance companies licensed to do business in Colorado and have an acceptable rating For purposes of this Article, the term “acceptable rating” shall mean a “B” or better general policyholder’s rating or better financial performance index rating in Best’s Insurance Reports, and an “A” or better general policyholder’s rating and a financial size category of “VII” or better in Best’s Hazard Insurance Financial Stability Ratings, a “BBB” qualified solvency rating or a “BBB” or better claims-paying ability rating in Standard and Poor’s International Confidential Rating Service Each Owner, upon written request from another Owner or from the Board or the Association’s manager, shall deliver to the requesting party certificates evidencing all insurance required to be carried under this Article The Board shall have the right, upon reasonable request, to inspect and copy all such insurance policies of any Owner and require evidence of the payment of premiums No Owner or Permittee shall do anything to or on the Property that might result in an increase in the premiums or cause the cancellation of insurance covering any portion of the Community

ARTICLE 7 DAMAGE OR DESTRUCTION

Section 7 1 *Damage or Destruction*

7 1 1 In the event of damage or destruction of any dwelling unit or any part thereof by any cause whatsoever, except the negligence or intentional act of another Owner or such Owner’s Permittee, as provided for below, the Owner of the Improvement(s) so damaged or destroyed shall proceed with due diligence to cause the repair, reconstruction, and restoration of such dwelling unit, applying the proceeds of insurance, if any, for such purpose Any damage or destroyed dwelling unit shall be promptly repaired, reconstructed, and restored to its condition prior to the occurrence of such damage or destruction in a matter consistent with the harmonious and common theme of the dwelling units on the Lots

7 1 2 If due to the intentional act or negligence of an Owner or Owner’s Permittee, agent, contractor, employee, tenant, family member, licensee, guest or invitee (“**Responsible Owner**”), loss or damage shall be caused to any Improvement on another Owner’s Lot, the Responsible Owner shall be liable and responsible to pay for the loss or damage, unless the damage or loss is covered by insurance and the carrier of the insurance has waived its right of subrogation against the damaged Owner The Responsible Owner

shall proceed with due diligence to cause the prompt repair, reconstruction, and restoration of any such property damage or destruction and shall compensate the person or other Owner for any damages sustained as a result of the intentional or negligent act. If such Owner(s) neglects or refuses to rebuild, repair or pay all of such costs in a reasonably timely manner in the case of an intentional act or negligence, the other Owner(s) may have such property damage or destruction repaired or restored and shall be entitled to bring suit to recover the amount of the responsible Owner's share of the repair or replacement costs and the responsible Owner(s) shall pay all reasonable costs of collection, including but not limited to reasonable attorneys' fees. This section is not intended to limit or modify any insurance provider's rights of subrogation.

ARTICLE 8 MAINTENANCE AND PARTY WALLS

Section 8.1 *General*

8.1.1 The Association, as a Common Expense, shall exclusively operate, maintain and replace the General Common Elements. Such maintenance obligations include, but are not limited to, mowing and weed control on and around any General Common Elements in the Community. The Association shall perform all maintenance obligations in strict accordance with any maintenance manuals provided by Declarant and with any requirements of the County. Additionally, the Association shall be responsible for repairing, maintaining and replacing retaining walls and rock walls initially installed by Declarant, which retaining and rock walls may be located totally or partially within Limited Common Elements allocated to various Lots. In addition, the Association shall provide the following services unless otherwise determined by the Board: snow removal on Limited Common Element driveways and walkways (excluding balconies or decks), mowing, landscaping and weed control on General Common Elements, Limited Common Elements and exterior portions of the Lots (solely as to landscaping originally installed by or at the direction of Declarant) and general exterior maintenance on Lots such as painting and cleaning (excluding the interior of a Home, any structural repairs to a Lot or LCE, and damage to a Lot or LCE caused by an Owner). The Board may alter these obligations in its discretion.

8.1.2 In no event shall the Association, or the Board, be responsible for damage caused to any Person or property by reason of snow, ice or the build-up of snow or ice.

8.1.3 Subject to obligations of the Association pursuant to Section 8.1.1 and subject to section 8.1.2 of this Declaration, each Owner shall at all times maintain, repair and replace such Owner's Lot, LCE's appurtenant to such Lot (except as set forth below), and all Improvements on said Lot, in a good, clean and sightly condition. All maintenance, repairs and replacements shall be performed in a good and workmanlike manner and shall comply with all laws, ordinances, building codes, permits, orders, rules, regulations, and covenants pertaining to the Community, and shall be performed in a commercially reasonable expeditious manner so as to minimize interference with the use of the easements established in this Declaration. The maintenance, repair, replacement and other obligations described in this subsection shall be performed at such Owner's sole cost and expense.

(except as set forth in Section 8 4 below), subject to the provisions of Section 8 4 below Notwithstanding the foregoing, maintenance, repair and replacement of any retaining walls and rock walls originally installed by Declarant, which may be located partially or completely within Limited Common Elements allocated to various Lots, shall be solely maintained, repaired and replaced by the Association as part of the Common Expenses No Owner shall maintain, repair, replace or alter any such retaining walls or rock walls without the prior written consent of the Association

Section 8 2 *Association's and Other Owners' Right to Repair, Maintain and Replace*

In the event any Owner(s) (except Declarant) shall fail to perform such Owner's maintenance, repair, or replacement obligations or other obligations set forth in Section 8 1 above in a manner satisfactory to the Board, the Association may (but shall not be obligated to), if said failure continues for a twenty (20) day-period after written notice to said Owner(s) by the Board, perform the maintenance, repair or replacement, enter upon said Lot (except and excluding Lots owned by Declarant) subsequent to the expiration of said twenty (20) day time period to perform any or all of such maintenance, repair or replacement The cost of such maintenance, repair and/or replacement shall be the personal obligation of the Owner(s) of the Lot Notwithstanding the foregoing, no notice shall be required in emergency situations All costs incurred by the Association in performing any of the foregoing maintenance, repair and/or replacement activities may be assessed as special assessments against the subject Lot and collected from the applicable Owner(s) in accordance with and subject to all of the terms and provisions applicable to assessments as provided in Article 4 of this Declaration, including interest, late charges, attorney's fees and lien rights

Section 8 3 *Non-Interference with Grade and Drainage*

Each Owner and the Association agree, for themselves and their heirs, personal representatives, successors and assigns, that they will not in any way interfere with or obstruct the established drainage pattern over any real property Except as to Declarant, in the event that it is necessary or desirable to change the established drainage over any Lot, then the party responsible for the maintenance of such real property shall submit a plan to the Board for its review and approval, in accordance with Article 5 of this Declaration (Architectural Review), and any such change shall also be made in accordance with all laws, regulations and resolutions of all applicable governmental entities including without limitation the County For purposes of this Section, "**established drainage**" is defined as the drainage which exists at the time final grading by the Declarant is completed

Section 8 4 *Acts or Omissions*

Notwithstanding anything to the contrary contained in this Declaration, in the event that the need for maintenance, repair or replacement of or within the Common Elements, any Lot or Improvement, is caused by the act or omission of any Owner, or by the act or omission of such Owner's Permittees, the cost of such repair, maintenance, replacement, or expense to avoid such damage, shall be the personal obligation of such Owner to the extent that said Owner would be liable for the acts of such Persons under the laws of the State of Colorado

Section 8 5 *Party Walls*

8 5 1 Party Walls Defined There may lay along and over the areas shown on the Map one or more common walls that in conjunction with the footings underlying and those portions of the roof thereover, form a structural part of and physically join Homes on each Lot ("**Party Walls**") The Party Walls are located on the Lot lines set forth on the Map

8 5 2 Ownership of Party Walls Each Lot (and the Homes thereon) sharing a Party Wall shall be deemed to include that portion of the Party Wall extending from the interior surface of the Party Wall to the approximate center of the Party Wall unless otherwise designated on the Map, together with the necessary easements for perpetual lateral and subjacent support, maintenance, repair and inspection of the Party Wall, and with equal rights of joint use

8 5 3 Protection of Party Walls No Owner shall have the right to destroy, remove or make any structural changes to a Party Wall that would jeopardize the structural integrity of any Lot or Home without the prior written consent of the affected Owner(s) and the Association No Owner shall subject a Party Wall to the insertion or placement of timbers, beams or other materials in such a way as to adversely affect the Party Wall's structural integrity No Owner shall subject a Party Wall to any use that in any manner whatsoever may interfere with the equal use and enjoyment of the Party Wall by the other Owner(s) that owns a portion of the Party Wall No Owner or Owner Agent may cut open or otherwise breach the drywall of the Party Wall, provided that a reasonable number of nail holes no larger than one-quarter inch (1/4") in diameter are permitted in a Party Wall Any other installations or modifications, including, but not limited to in-wall speakers, vents, lighting or other installations that require cutting into the Party Wall are prohibited

8 5 4 Damage by Intentional or Negligent Act of Owner Should a Party Wall or any other common structural elements be structurally damaged or destroyed by the intentional act, omission or negligence of an Owner or such Owner's Permittee, such Owner shall promptly rebuild and/or repair the Party Wall at their own expense and shall compensate the other Owner(s) for any damages sustained to person or property as a result of such intentional or negligent act or omission

8 5 5 Damage from Other Causes Should a Party Wall or any other common structural elements be structurally damaged or destroyed by causes other than the intentional act or negligence of an Owner or such Owner's Permittee, the damaged or destroyed improvements shall be repaired or rebuilt by the Association, the costs of which shall be a Special Assessment against all Owners owning any portion of such Party Wall or shared improvement, with each such Owner to pay an equal share of the cost thereof

8 5 6 Colorado Law Applicable To the extent not inconsistent with the terms and conditions of this Declaration, the general rules of law of the State of Colorado concerning party walls shall be applicable hereto

ARTICLE 9 RESTRICTIONS

Section 9 1 *Restrictions Imposed*

The Community shall be held and shall henceforth be sold, conveyed, used, improved, occupied, owned, resided upon and transferred, subject to the following provisions, conditions, limitations, restrictions, agreements and covenants, as well as those contained elsewhere in this Declaration

Section 9 2 *Compliance with Law*

No Person shall do anything or keep anything on a Lot that would be in violation of any statute, rule, ordinance, regulation, permit or other requirement of any governmental body

Section 9 3 *Residential Use, Certain Permitted Business Activities.*

Subject to Section 12 8 of this Declaration (Declarant's Use), Lots shall be used for residential use only, including uses which are customarily incident thereto, and shall not be used at any time for business, commercial or professional purposes Notwithstanding the foregoing, however, Owners may conduct business activities within their homes provided that all of the following conditions are satisfied, as determined by the Board

9 3 1 The business conducted is clearly secondary to the residential use of the dwelling unit and is conducted entirely within the dwelling unit,

9 3 2 The existence or operation of the business is not detectable from outside of the dwelling unit by sight, sound, smell or otherwise,

9 3 3 The business conforms to all zoning provisions and is lawful in nature, and

9 3 4 The business conforms to all Association rules and regulations and policies and procedures

Section 9 4 *Occupancy, Nuisances*

No dwelling unit shall be occupied for living or sleeping purposes by more persons than the dwelling unit was designed to safely accommodate No noxious or offensive activity shall be carried out on the Property nor shall anything be done to or placed on or in any part of the Property that is or may become a nuisance or cause embarrassment, disturbance, or annoyance to others No activity shall be conducted on any part of the Property and no improvements shall be made or constructed on any part of the Property that are or might be unsafe or hazardous to any person or property No sound shall be emitted on any part of the Property that is unreasonably loud or annoying No odor shall be emitted on any part of the Property that is noxious or offensive to others As used herein, the term "**nuisance**" shall include each violation of any of the Governing Documents or law, but shall not include any activities of Declarant which are incidental to the development and construction of, and promotion, marketing, and sales activities in, the Community No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done or placed on any Lot which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others

Section 9 5 *Animals*

No animals, birds, poultry, reptiles or insects of any kind shall be raised, bred, kept or boarded in the Community, provided, however, that Owners and Permittees may keep a reasonable number of bona fide household pets (including dogs, cats or other domestic animals), so long as such pets are not kept for any commercial purpose and are not kept in such number or in such manner as to create a nuisance to any resident of the Community. The Association shall have, and is hereby given, the right and authority to do the following, as well as take such other action(s) with regard to these matters as the Board of Directors may determine: set a maximum number of household pets, regulate the type(s) of pets that are permitted to be kept, determine that any animals or pets are being kept for commercial purposes or are being kept in such number or in such manner as to be unreasonable or to create a nuisance, determine that an Owner is in violation of the leash laws of the applicable jurisdiction or other governmental laws, ordinances, or other provisions related to animals or pets, or determine that an Owner is otherwise in violation of any provision of the Governing Documents. If the Association determines that any of the foregoing have been or are being violated, the Association may take any action(s) to correct the same. An Owner's right to keep household pets is coupled with the responsibility to pay for any damage caused by such pets, as well as all costs incurred by the Association as a result of such pets, and any such costs and damages shall be subject to all of the Association's rights with respect to the collection and enforcement of assessments as provided in this Declaration.

Section 9 6 *Miscellaneous Improvements*

9 6 1 No advertising or commercial signs shall be erected, placed, permitted or maintained on any Lot. Notwithstanding the foregoing, any signs, advertising, or billboards, may be used by a Declarant without regard to any specifications or any rules and regulations of the Board, and without the prior written approval of the Board or any other Person.

9 6 2 No Owner or Permittee shall keep or store any personal property within the areas of such Owner's Lot that are encumbered by easements established pursuant to this Declaration. No storage areas shall be located so as to be visible from the ground level of any other Lot.

9 6 3 Any type of satellite dish, receiver or antenna shall be installed on the roof of a dwelling unit, in a manner best able to minimize any obstruction of any other Lot Owner's light or living space, and in a manner that minimizes any change to the aesthetic character of the Community. In the event this provision is in violation of any law or code that would make this restriction invalid, this Section shall be deemed restrictive only as allowed by applicable law.

9 6 4 No fences shall be permitted without the prior, written approval of the Board, except such fences as may be constructed, installed or located by Declarant in the Community.

9 6 5 This Section 9 6 shall be construed and applied in accordance with all applicable laws.

Section 9 7 *Vehicular Parking*

9 7 1 No vehicle (operative or inoperative), motorcycle, scooter, house trailer, camping trailer, boat trailer, hauling trailer, jet ski, camper, boat, or accessories thereto, truck, self-contained motorized recreational vehicle, or other type of recreational or commercial vehicle or equipment, may be parked or stored on a Lot, unless such parking or storage is entirely within the garage. "**Recreational vehicle**" includes motor homes, pick-up trucks with camper shells, trailers, self-contained recreational vehicles, motorcycles, motorbikes, snowmobiles, jet skis, all-terrain vehicles, and other apparatus intended for use on land, water, or in the air, and the trailers used for their transportation. No vehicles may park on driveway LCE's, as depicted on the Map, and any vehicles not parked in a garage shall be parked on the spaces identified on the Map and located on the GCE's adjacent to Lot 1 and between Lots 2 and 3. The Association may adopt reasonable rules regarding the use of parking spaces on the GCEs.

9 7 2 In the event the Association shall determine that a vehicle is parked or stored in violation of subsections 9 7 1 or 9 7 2 hereof, then a written notice describing said vehicle may be personally delivered to the owner thereof (if such owner can be reasonably ascertained) or may be conspicuously placed upon the vehicle (if the owner thereof cannot be reasonably ascertained), and if the vehicle is not removed within a reasonable time thereafter, as determined by the Board, the Association shall have the right to remove the vehicle at the sole expense of the owner thereof.

9 7 3 No activity such as, but not limited to, maintenance, repair, rebuilding, dismantling, repainting or servicing of any kind of vehicles, trailers or boats, may be performed or conducted in the Community unless it is done within a completely enclosed structure which screens the sight and sound of the activity from the street and from adjoining property. The foregoing restriction shall not be deemed to prevent the washing and polishing, on a Lot, of any motor vehicle, boat, trailer, motor cycle, or other vehicle, together with those activities normally incident and necessary to such washing and polishing subject to any watering restrictions.

9 7 4 This Section 9 7 shall be construed and applied in accordance with all applicable laws.

Section 9 8 *No Hazardous Activities, No Hazardous Materials or Chemicals*

No activities shall be conducted on any Lot, or within Improvements constructed on any Lot, which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any Lot, and no open fires shall be permitted on any Lot, except in a contained barbecue unit while attended and in use for cooking purposes, or within a fireplace and/or fire pit, or except such campfires or picnic fires on property which may be designated for such use by the Association. Further, no hazardous materials or chemicals shall at any time be located, kept or stored in, on or at any Lot except such as may be contained in household products normally kept at homes for use of the residents thereof and in such limited quantities so as to not constitute a hazard or danger to person or property.

Section 9 9 *No Annoying Lights, Sounds or Odors*

No light shall be emitted from any Lot which is unreasonably bright or causes unreasonable glare. The Association may promulgate rules and regulations regarding permissible wattage of exterior lights.

Section 9 10 *Restrictions on Trash and Materials*

No refuse, garbage, trash, lumber, grass, shrubs or tree clippings, plant waste, metal, bulk materials, scrap or debris of any kind shall be kept, stored, or allowed to accumulate on any Lot. Trash and recycling receptacles must be maintained by each Owner or their Permittee inside such Owner's garage and taken out for pickup on the appropriate trash or recycling day. Such receptacles shall be promptly returned to the garage after pickup. Further, no trash or materials shall be permitted to accumulate in such a manner as to be visible from any other portion of the Community. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. Each Owner is hereby granted an easement as necessary to place each receptacle at the location necessary for trash or recycling pickup.

Section 9 11 *Sightly Condition of Lots*

Each Lot shall at all times be kept in a clean, sightly and wholesome condition by the Owner thereof. No trash, litter, junk, boxes, containers, bottles, cans, implements or machinery shall be permitted to remain upon any Lot except as necessary during the period of construction or as provided in Section 9 10 of this Declaration (Restrictions on Trash and Materials).

Section 9 12 *Alterations, Maintenance and Repair*

No Owner or Permittee shall undertake any alteration, maintenance or repair of any Improvement which would violate any zoning or building ordinance or which might impair the structural soundness or safety of any Improvements or portion thereof, reduce the value of any other dwelling units or that might interfere with the use and enjoyment of any easement granted or reserved herein.

Section 9 13 *Groundwater Restriction*

No Owner or Permittee shall dig any well or install any water pump related to groundwater on any Lot or elsewhere within the Community and no Owner or Permittee shall otherwise access or utilize any groundwater for indoor, outdoor, irrigation or other purposes on any Lot or within the Community.

Section 9 14 *Deed Restriction.*

To the extent required by Eagle County (or applicable agency thereof) (the "County") each Lot is or may become subject to that certain **DEED RESTRICTION AGREEMENT FOR OCCUPANCY AND RESALE OF RESIDENT OCCUPIED FOR SALE HOUSING AT THE TREE FARM PLANNED UNIT DEVELOPMENT** (or other similar document required by the County). The Deed Restriction requires, among other things, that when selling a Lot, each Lot be offered to County residents that are Eligible Households (as further described in the Deed Restriction) for a period of 60 days prior to being offered to the general public and may be subject

to transfer fees, as further described in the Deed Restriction. By accepting a deed to a Lot, each Owner acknowledges that such Lot is subject to the Deed Restriction, all terms and conditions contained therein, and that each Owner has had the opportunity to review the Deed Restriction, which is or will be recorded of record in the records of the Clerk and Recorder of the County.

Section 9 15 *Mechanic's Liens*

Except as expressly set forth in this Declaration, no services or material provided with respect to or furnished to a Lot shall be the basis for filing a lien against any other Lot and no other Lot or Owner shall, under any circumstances, be held liable for the payment of any costs or expenses associated therewith, or for the value of any work so provided or any material furnished with respect thereto. Except as expressly set forth in this Declaration, all of the cost and expense shall be the sole responsibility and liability of the Owner(s) causing such labor, services and/or materials to be performed and/or furnished. Except in the event an Owner is entitled to reimbursement or a lien as expressly provided in this Declaration, each Owner shall indemnify and hold harmless each and every other Owner from and against all costs arising from the claim of any lien against such other Lots for construction performed or for labor, materials, services or products furnished with respect to or incorporated into such Owner's Lot.

Notice is hereby given that the right and power to charge any Lot with a lien or encumbrance of any kind against any Lot for the construction performed, or for labor, materials, services or products furnished with respect to or incorporated in another Lot is hereby denied except as expressly provided for in this Declaration.

ARTICLE 10 EASEMENTS AND NO BUILD AREAS

Section 10 1 *Easement for Encroachments*

If any Improvements to a Lot, at the time such Lot is made subject to this Declaration or as of the time Declarant initially installs Improvements upon such Lot, encroach upon or overhang another Lot or Common Element, or if any such encroachment shall occur as a result of the settling, rising or shifting of the earth and the like, a perpetual easement for the encroachment or overhang, maintenance, repair and replacement thereof shall and does exist. In the event of the damage or destruction of any such encroaching Improvements that are subsequently rebuilt following any damage or destruction, encroachment of such rebuilt Improvements upon the adjoining portions of the property shall be permitted, provided however, such encroachment or overhang is no greater than previously existing, and valid easements for such encroachments or overhangs and the maintenance thereof shall be deemed in force so long as the Improvements remain in place.

Section 10 2 *Utility Easement.*

There is hereby created a blanket easement, benefiting and burdening all the Lots and Common Elements, upon, across, over and under each Lot and Common Element (but excluding the interior portions of the Homes) for installing, replacing, repairing and maintaining all utilities, including but not limited to water, sewer, gas, telephone, electricity, cable television and internet facilities ("**Blanket Utility Easement**"), excluding satellite dishes. By virtue of this

easement, it shall be permissible for Declarant, the Association, the utility companies or governmental entities to erect and maintain necessary equipment on the Lots or Common Elements and to affix, repair, reconfigure, replace and maintain water and sewer pipes, gas lines, electric and telephone wires, cables and conduits, circuits and meters, and to temporarily suspend service in connection with construction activities. This easement is granted and limited as follows:

(a) Utility and/or service lines, connections, and facilities located in, on, over, under or upon any Lot or Common Element, which are for the sole benefit and use of one Lot shall be maintained and repaired at the sold cost and expense of such Lot Owner(s).

(b) Utility and/or service lines, connections and facilities, where ever located, which serve multiple Lots shall be maintained and repaired at the joint and equal cost and expense of those Lot Owners even if this maintenance charge accrues by agreement with other property.

(c) The Owner who must enter any other Lot in conjunction with the repair and maintenance necessary for their Lot shall be responsible for any and all damages and repair to any other Lot so damaged in the process. The entering Owner shall indemnify the other Lot Owner for such reasonable costs necessary to return the entered Lot to the state existing just prior to the time of the damage. The entering Owner shall repair any damage with reasonable diligence and the damaged Owner shall have the right, if the damage is not repaired in a reasonable time, to perform such necessary repairs and the entering Owner shall be responsible for all such repair costs.

Section 10 3 *No Build Areas*

The Map depicts two No Build Areas adjacent to Lot 4, one adjacent to the garage entrance and one abutting Lot 3 in the rear of Lot 4. No Person, including without limitation the Owners of Lot 3 or Lot 4 may construct any Improvements within the boundaries of either No Build Area and the Board may not approve construction of Improvements in the No Build Areas. Notwithstanding the foregoing, Improvements installed by Declarant prior to conveyance of Lot 3 or Lot 4 to homeowners shall be permitted and the Owner of Lot 4 shall maintain such original Improvements within the No Build Areas in the same manner as other LCE's allocated to Lot 4 on the Map.

Section 10 4 *Drainage and Irrigation*

Declarant hereby reserves to itself, and grants to the Association, easements on the Lots and Common Elements for drainage and drainage facilities as now or hereafter may be established by Declarant. No Improvements shall be placed or permitted to remain on any Lot, nor shall any change in grading be permitted to exist, which may change the direction of flow or obstruct or retard the flow of water or other moisture through channels, swales or other drainage improvements as established by Declarant. Declarant reserves to itself and to the Association the right to enter in and upon the Lots and Common Elements to construct, maintain, repair, replace or change drainage pipes and structures, detention areas and drainageways, or to perform such grading, drainage or corrective work as Declarant or the Association may deem necessary or desirable, provided, however, that such right and authority in the Declarant shall automatically cease at such time as the Special Declarant Rights terminate, at which time said reserved right shall vest solely in the Association. Declarant hereby reserves to itself, and grants to the Association, an easement on the

Lots for operation, maintenance, repair and replacement of the landscaping irrigation system located on the Lots

Section 10 5 *Easement for Declarant and Association Activities*

An easement is hereby reserved by the Declarant on, over, across and through the Lots and Common Elements, and each portion thereof, as may be desirable for the purpose of exercising or discharging any of Declarant's rights or obligations, or exercising any Special Declarant Rights, and no Owner shall engage in any activity which will temporarily or permanently interfere with the Declarant's easement. An easement is hereby reserved by the Declarant, for the benefit of the Association, on, over, across and through the Lots, and each portion thereof, as may be desirable for the purpose of exercising or discharging any of the Association's rights or obligations herein, and no Owner shall engage in any activity which will temporarily or permanently interfere with the Association's easement.

ARTICLE 11 DISPUTE RESOLUTION

Section 11 1 *Intent and Applicability of Article and Statutes of Limitation*

11 1 1 Each Person agrees to encourage the amicable resolution of disputes under any of the Governing Documents, without the emotional and financial costs of litigation. Accordingly, each Person covenants and agrees to submit all Claims (as defined below) to final, binding arbitration, and not to a court of law. The arbitration shall be conducted by the Judicial Arbitrator Group or other arbitrator acceptable to the parties. The rules and procedures of the designated arbitration organization that are in effect at the time the request for arbitration is submitted will be followed. The arbitration shall be governed by and shall be specifically enforceable under the applicable arbitration law of the State of Colorado. The arbitration award (the "**Award**") shall be final and binding, and judgment may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under the laws of the State of Colorado.

11 1 2 By acceptance of a deed for a Lot, each Owner agrees to abide by the terms of this Article.

11 1 3 No claim (as defined below) may be initiated after the date when institution of legal or equitable proceedings based on such claim would be barred by the applicable statute of limitation or statute of repose.

Section 11 2 *Definition of "Claim" Under this Article.*

For purposes of this Article, "**claim**" means, except as excluded or exempted by the terms of this Article, any claim, grievance or dispute between any Person(s) under any of the Governing Documents, and one or more other Persons, regardless of how the same may have arisen or on what it might be based, including those arising out of or related to the interpretation, application or enforcement of any of the Governing Documents, or the rights, obligations or duties under any of the Governing Documents, and any claim, grievance or dispute arising out of or related to the design, construction, repair or installation of any Improvements, except a claim under an express limited warranty issued in connection with the sale of a Lot.

Section 11 3 *Exclusions from "Claim "*

Unless specifically exempted by this Article, all Claims shall be subject to the provisions of this Article. Notwithstanding the foregoing, unless all parties thereto otherwise agree in writing, "claim" does not include any of the following, and the same shall not be subject to the provisions of this Article:

11 3 1 Any action by the Association to enforce any provision of Article 4 of this Declaration (Assessments), or

11 3 2 Any action by the Association to obtain a temporary restraining order or injunction (or equivalent emergency equitable relief), and such other ancillary relief as the Association or court may determine, in order to enforce any of the provisions of Article 9 of this Declaration (Restrictions) or of Article 5 of this Declaration (Architectural Review), or

11 3 3 Except for any Claim arising out of or related to the design, construction, installation or repair of Improvements (other than a claim under an express limited warranty issued in connection with the sale of a Lot), any action that asserts a Claim which would constitute a cause of action independent of the Governing Documents.

Section 11 4 *No Claim by Association*

The Association may not institute or intervene in any Claim in its own name on behalf of itself or any Owners arising out of or related to the design, construction, installation or repair of any Improvements.

Section 11 5 *Amendment.*

Notwithstanding anything to the contrary set forth herein, no portion of this Article 11 may be amended, modified, deleted, or restated without the prior written approval of Declarant.

Section 11 6 *No Presumption of Unobserved Construction Defects.*

The Declarant, the Association and the Owners agree that if the Association or any Owner alleges that any Lot or Lots or any portions thereof or Improvements thereon are subject to or alleged to be subject to a construction defect, then in any arbitration, mediation or other proceeding regarding such matters, there shall be no presumption that an alleged construction defect is prevalent or consistently present in other Lots or other portions of the Community where such alleged construction defect has not been observed.

Section 11 7 *Liability for Certain Failures of Association*

No director or officer of the Association shall be liable to any Person for failure to institute or maintain or bring to conclusion a cause of action, mediation, arbitration, or other dispute resolution, if the following criteria are satisfied: (a) the director or officer was acting within the scope of his or her duties, (b) the director or officer was not acting in bad faith, and (c) the act or omission was not willful, wanton or grossly negligent.

ARTICLE 12 GENERAL PROVISIONS

Section 12 1 *Enforcement*

This Section 12 1 is subject to Article 11 of this Declaration (Dispute Resolution).

12 1 1 Enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in any of the Governing Documents, may be by any proceeding at law or in equity against any Person(s) violating or attempting to violate any such provision Remedies shall be cumulative and no remedy shall be exclusive of other remedies that may be available For each claim, including counterclaims, cross claims and third-party claims, in any proceeding to enforce the provisions of the Declaration or of any of the Governing Documents, the prevailing party shall be awarded its reasonable collection costs and attorneys' fees and costs incurred in asserting or defending the matter Failure by the Association or any Owner to enforce any covenant, restriction or other provision contained in any of the Governing Documents shall in no event be deemed a waiver of the right to do so thereafter

12 1 2 Subject to the following sentence and applicable law, the Association shall have the right to levy and collect fines (as provided in Article 4 of this Declaration (Assessments)) for the violation of any provision of any of the Governing Documents Prior to collection of any fines, the Association, the Board of Directors, or an authorized management company of the Association, shall mail a notice of violation to the Person(s) alleged to be in violation of any such provision, and such notified Person(s) has a right to a hearing upon submission to the Board of Directors of a written request for hearing, which is properly signed by such Person(s) and dated, within ten (10) days after the notice of violation has been mailed or such other time as the Board of Directors may decide, failure of a notified Person to request a hearing, in writing, within the required time period shall constitute a waiver of such right to a hearing

12 1 3 All sums and accounts due and payable by one Owner to another Owner hereunder, which are not paid within the time provided for herein or in accordance with law, shall constitute a lien on such Owner's Lot in favor of the other Owner To evidence such lien, the Owner entitled to the lien shall prepare a written notice of lien, setting forth the amount of such unpaid indebtedness, the nature of the indebtedness, the date the indebtedness first became due, the name of the Owner and the legal description of the Lot to be made subject to the lien Such Notice of Lien may be Recorded fourteen (14) days after demand by the Owner entitled to the lien to the other Owner for such payment Such lien shall be deemed, however, to have attached from the date on which payment of the indebtedness first became due Such lien may be enforced by foreclosure of the lien in like manner as a mortgage on real property subsequent to the recording of a notice of claim of such lien Such lien shall be subordinate to the liens of Security Interests that have priority over all other Security Interests, but shall be superior to any homestead exemption in accordance with the provisions of §38-41-201, et seq, C R S In any such proceedings, the non-paying Owner shall be required to pay the costs, expenses and reasonable attorneys' fees incurred for filing the lien, and in the event of foreclosure proceedings the additional costs, all expenses, and reasonable attorneys' fees incurred thereby In the event that the non-paying Owner satisfies the indebtedness prior to the foreclosure of the lien, the lienholder shall promptly cause to be recorded an appropriate instrument releasing and discharging such lien

Section 12 2 *Default Inquiry*

Prospective purchasers, the Association or its manager, or other parties (other than an Owner) shall be entitled to determine if an Owner is in default with respect to any obligation under this Declaration by delivering a written inquiry to any Owner of any Lot. If no response is received to an inquiry within thirty (30) days of the recipient's receipt thereof, the non-responding Owner shall be deemed to have waived any claims with respect to the Lot identified in the written inquiry arising under this Declaration, except for any claim that is evidenced by a Recorded lien.

Section 12 3 *Severability.*

All provisions of this Declaration, the Articles of Incorporation and Bylaws of the Association, are severable. Invalidation of any of the provisions of any such documents by judgment, court order or otherwise shall in no way affect or limit any other provisions, which shall remain in full force and effect.

Section 12 4 *Conflicts*

In case of any conflict between this Declaration and the Articles of Incorporation, Bylaws, rules and regulation or policies of the Association, this Declaration shall control. In case of any conflict between the Articles of Incorporation and the Bylaws of the Association, the Articles of Incorporation shall control.

Section 12 5 *Withdrawal*

Section 12 6 *Minor Violations of Setback Restrictions*

If upon the erection of any structure, it is disclosed by survey that a minor violation or infringement of setback lines has occurred, such violation or infringement shall be deemed waived by the Owners of each Lot immediately adjoining the Lot on which such structure was erected, and such waiver shall be binding upon all other Owners. However, nothing contained in this Section shall prevent the prosecution of a suit for any other violation of the restrictions, covenants, or other provisions contained in this Declaration. A "**minor violation**," for the purpose of this Section, is a violation of not more than four (4) feet beyond the required setback lines. This provision shall apply only to the original structures and shall not be applicable to any alterations or repairs to, or replacements of, any of such structures.

Section 12 7 *Declarant's Use.*

Notwithstanding anything to the contrary contained in the Governing Documents, it shall be expressly permissible and proper for the Declarant, its employees, agents, and contractors, to perform all activities, and maintain, on any Lots owned by Declarant or any publicly dedicated property, Improvements, tools, equipment, and facilities, incidental to development, construction, use, rental, sale, occupancy, and/or advertising. The foregoing includes locating, maintaining and relocating management offices, signs, sales offices, model units, and construction offices and trailers, in such numbers, of such sizes, and at such locations, as the Declarant determines, and for access to, from, and incidental to use. Nothing contained in this Declaration shall limit the rights of the Declarant to conduct all construction, promotion, sales, and marketing activities, as the Declarant determines, and to use the easements provided in this Declaration for any purposes.

Further, nothing contained in this Declaration shall limit the rights of the Declarant or require the Declarant to obtain approvals

12 7 1 to excavate, cut, fill or grade any property or to construct, alter, demolish or replace any Improvements,

12 7 2 to use any Improvements on any property as sales offices, management offices, model units and/or construction offices, and/or

12 7 3 to require the Declarant to seek or obtain any approvals for any activity

The rights provided for in this Section shall terminate automatically upon termination of the Special Declarant Rights, as provided in Section 1 30 above

Section 12 8 *Duration, Revocation, and Amendment.*

12 8 1 Each and every provision of this Declaration shall run with and bind the land perpetually from the date of recording of this Declaration Except as otherwise provided in this Declaration, this Declaration may be amended or terminated by the affirmative vote or agreement of Members holding sixty seven percent (67%) of the Allocated Interests, provided, however, prior to the termination of the Special Declarant Rights, including the right to exercise any Development Rights, no amendment of this Declaration shall be effective without the prior, written approval of the Declarant

12 8 2 Notwithstanding anything to the contrary contained in this Declaration, this Declaration may be amended, in whole or in part, by the Declarant, in order to comply with the requirements, standards, or guidelines of any of the Agencies or of recognized secondary mortgage markets Such right of amendment shall terminate automatically, as provided in Section 1 30 of this Declaration

12 8 3 Notwithstanding anything to the contrary contained in this Declaration, this Declaration, may be amended in whole or in part, by the Declarant in order to correct clerical, typographical, or errors Such right of amendment shall terminate automatically, as provided in Section 1 30 of this Declaration

12 8 4 Except as to amendments which may be made by the Declarant, amendments to this Declaration may be prepared, executed, Recorded, and certified, by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association Such certification shall, in the case of an amendment requiring the approval of Owners, certify that the Association has received the requisite approvals However, amendments to this Declaration which may be made by the Declarant pursuant to this Declaration may be signed by the Declarant, and shall require no other signatory, nor the consent or approval of any other Owner, any Security Interest Holder, or any other Person

Section 12 9 *Registration of Mailing Address*

Each Owner and each Security Interest Holder, insurer or guarantor of a Security Interest, shall register its mailing address with the Association, and all statements, demands and other notices intended to be served upon an Owner, or upon a Security Interest Holder, insurer or guarantor of a

Security Interest shall, be sent by U S mail, postage prepaid, addressed in the name of such Person at such registered mailing address. However, if any Owner fails to notify the Association of a registered address, then any statement, demand or other notice may be delivered or sent, as aforesaid, to such Owner at the address of such Owner's Lot. If more than one Person owns a Lot, any notice or other written communication may be addressed to all of the Lot's Owners and may be mailed in one envelope in accordance with this section. Any notice or other written communication given hereunder shall be effective three (3) days after deposit in the U S Mail. All statements, demands, or other notices intended to be served upon the Board of Directors or the Association during the Period of Declarant Control shall be sent by U S mail, postage prepaid, to 4251 Kipling St Ste 310, Wheat Ridge, CO 80033, unless such address is changed by the Association during the Period of Declarant Control, subsequent to expiration of the Period of Declarant Control, the Association shall notify the Owners of a different address for notices.

Section 12 10 *HUD or VA Approval*

During the Period of Declarant Control, the following actions shall require the prior approval of HUD or VA if, at the time any such action is taken, HUD has insurance or VA has a guarantee(s) on one or more first Security Interests, and HUD or VA require such approval amendment of this Declaration, except as provided in Sections 12 9 2 or 12 9 3 hereof, termination of this Community, or merger or consolidation of the Association.

Section 12 11 *Limitation on Liability.*

The Association, the Board, the Declarant, and their respective officers, directors, members, partners, agents and employees, shall not be liable to any Person for any action, or for any failure to act, unless the action, or failure to act, was not in good faith and was done or withheld with malice. The release and waiver set forth in Section 12 16 (Waiver) shall apply to this Section.

Section 12 12 *No Representations, Guaranties or Warranties*

No representations, guaranties or warranties of any kind, express or implied, shall be deemed to have been given or made by Declarant, the Association, the Board, or by their respective officers, directors, members, partners, agents or employees, in connection with any portion of the Community, or any Improvement, its or their physical condition, structural integrity, freedom from defects, zoning, compliance with applicable laws, fitness for intended use, or view, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulation thereof, unless and except as shall be specifically set forth in writing. The release and waiver set forth in Section 1 16 (Waiver) shall apply to this Section.

Section 12 13 *Disclaimer Regarding Safety.*

DECLARANT, THE ASSOCIATION, THE BOARD OF DIRECTORS, THE BOARD, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, HEREBY DISCLAIM ANY OBLIGATION REGARDING THE SECURITY OF ANY PERSONS OR PROPERTY WITHIN THE COMMUNITY. BY NOW, OR HEREAFTER, ACCEPTING A DEED TO PROPERTY WITHIN THE COMMUNITY, EACH OWNER ACKNOWLEDGES THAT DECLARANT, THE ASSOCIATION, THE BOARD, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, ARE ONLY OBLIGATED TO DO THOSE ACTS SPECIFICALLY

ENUMERATED IN THIS DECLARATION, OR IN THE ARTICLES OF INCORPORATION, BYLAWS, RULES AND REGULATIONS, OR POLICIES AND PROCEDURES OF THE ASSOCIATION, AND ARE NOT OBLIGATED TO DO ANY OTHER ACTS WITH RESPECT TO THE SAFETY OR PROTECTION OF PERSONS, OR PROPERTY, WITHIN THE COMMUNITY THE RELEASE AND WAIVER SET FORTH IN SECTION 12 16 (WAIVER) SHALL APPLY TO THIS SECTION

Section 12 14 *Development Within and Surrounding the Community.*

Each Owner acknowledges that development within and surrounding the Community may continue for an indefinite period, and that plans for the density, type and location of improvements, developments or land uses, may change over time Such development may entail changes to, or alterations in, the access to the Community, views of or from the Community or the Lots, surrounding land uses, open space or facilities, traffic volumes or patterns, privacy or other off-site aspects or amenities Development also may entail noise, odors, unsightliness, dust and other inconveniences or disruptions By accepting a deed to a Lot, each Owner accepts title to such Lot subject to the foregoing, and waives and releases any claim against the Declarant, the Association, the Board, and their respective officers, directors, members, partners, agents and employees, heirs, personal representatives, successors and assigns, arising out of or associated with any of the foregoing The release and waiver set forth in Section 12 16 (Waiver) shall apply to this Section

Section 12 15 *Waiver*

Each Owner hereby releases, waives, and discharges the Declarant, the Association, the Board, and their respective officers, directors, members, partners, agents and employees, heirs, personal representatives, successors and assigns, from all losses, claims, liabilities, costs, expenses, and damages, arising directly or indirectly from any hazards, disclosures or risks set forth in this Declaration, including those contained in Sections 12 12, 12 13, 12 14, 12 15, and 12 16

Section 12 16 *Headings*

The Article, Section and subsection headings in this Declaration are inserted for convenience of reference only, do not constitute a part of this Declaration, and in no way define, describe or limit the scope or intent of this Declaration, or any of its provisions

Section 12.17 *Gender.*

Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular, and the use of any gender shall be applicable to all genders

Section 12 18 *Use of "Include," "Includes" and "Including"*

All uses in the Governing Documents of the words "**include**," "**includes**" and "**including**" shall be deemed to include the words "**without limitation**" immediately thereafter

Section 12 19 *Action*

Any action that has been, or may be, taken by the Declarant, the Association, the Board, any Member, any director, any officer, any committee, or any other Person, may be taken "**at any time, from time to time**" Each provision that authorizes, directs or permits action, shall be deemed to include such language

Section 12 20 *Sole Discretion*

All actions which are taken by the Declarant, the Association, the Board, any Member, any director, any officer, any committee, or any other Person, shall be deemed to be taken "**in the sole discretion**" of each of such parties

Section 12 21 *Governing Law*

The interpretation, enforcement or any other matters related to any of the Governing Documents shall be determined in accordance with the laws of the State of Colorado without regard to conflicts of law principles that would result in the application of any law other than Colorado law

Section 12 22 *Time*

Time is of the essence in the performance of the restrictions, conditions, covenants and reservations of this Declaration

Section 12 23 *Run with Land, Binding Upon Successors.*

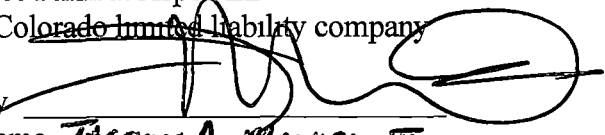
The benefits, burdens and all other provisions contained in this Declaration shall be covenants running with and binding upon the Community, and all real property and Improvements which are now or hereafter become a part thereof The benefits, burdens and all other provisions contained in this Declaration' shall be binding upon, and mure to the benefit of, the Declarant, the Association and all Owners, and upon and to their respective heirs, personal representatives, successors and assigns

[Signature page follows]

IN WITNESS WHEREOF, the undersigned has hereunto set its hand this 16th day of October, 2025

DECLARANT

Tree Farm at Aspen LLC
a Colorado limited liability company

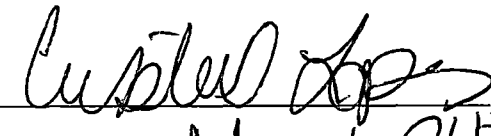
By 
Name Jacques A. Macinol, III
Its Managing Member

STATE OF COLORADO)
)
COUNTY OF DENVER) ss

The foregoing instrument was acknowledged before me this 16th day of October, 2025, by Jacques A. Macinol, III as the Managing Member of Tree Farm at Aspen LLC, a Colorado limited liability company

Witness my hand and official seal

(S E A L)

Notary Public 
My Commission Expires March 24th 2026

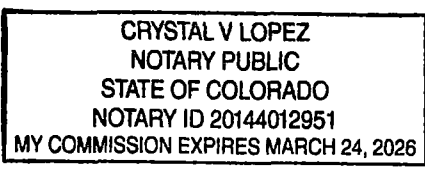


EXHIBIT A

TO DECLARATION

LOTS 1 THROUGH 4 INCLUSIVE, LAKE HOUSE AT TREE FARM TOWNHOMES, A RESUBDIVISION OF LOT G-1, THE TREE FARM, PHASE ONE, A PLANNED UNIT DEVELOPMENT

ACCORDING TO THE FINAL PLAT THEREOF RECORDED OCTOBER 20, 2025, AT RECEPTION NO 2025 14182, COUNTY OF EAGLE, STATE OF COLORADO

EXHIBIT B

TO DECLARATION

LOT 5, LAKE HOUSE AT TREE FARM TOWNHOMES, A RESUBDIVISION OF LOT G-1, THE TREE FARM, PHASE ONE, A PLANNED UNIT DEVELOPMENT, INCLUSIVE OF ALL GCEs AND LCEs DEPICTED ON THE MAP

ACCORDING TO THE FINAL PLAT THEREOF RECORDED OCTOBER 20, 2025, AT RECEPTION NO 202514182, COUNTY OF EAGLE, STATE OF COLORADO