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**MASTER DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
LOOKING GLASS OWNERS ASSOCIATION, INC.**

DOUGLAS COUNTY, COLORADO

**THIS DECLARATION CONTAINS MANDATORY ALTERNATIVE DISPUTE
RESOLUTION PROVISIONS, IN LIEU OF LITIGATION, THAT CANNOT BE
AMENDED OR DELETED WITHOUT DECLARANT CONSENT.**

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Exhibit A – Legal Description of the Property
 Exhibit B – Legal Description of Common Areas

Exhibit C – Legal Description of Additional Property
Exhibit D – Recorded Easements and Title Exceptions

**MASTER DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
LOOKING GLASS OWNERS ASSOCIATION, INC.**

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LOOKING GLASS OWNERS ASSOCIATION, INC., is made this 20th day of December 2020, by JEN Colorado 18 LLC, a Colorado limited liability company (“Declarant”). Unless specifically defined otherwise, all capitalized terms used herein shall have the meaning given to such terms in Article 2 below.

RECITALS

A. Declarant owns the real property described on Exhibit A and Exhibit B, attached hereto and incorporated herein by this reference (as supplemented and amended from time to time, the “Community,” as more fully defined below). Declarant also owns the real property described on Exhibit C attached hereto and incorporated herein by this reference (the “Additional Property,” as more fully defined below).

B. Declarant desires to ensure the attractiveness of the Community, as it may be amended from time to time by annexation or withdrawal as provided in this Declaration, to prevent the future impairment thereof, to prevent nuisances, and to preserve, protect, and enhance the value thereof. In order to achieve these goals, Declarant desires to subject and place upon the Community, and, upon annexation thereof, any Additional Property that becomes subject to and included in the Community, certain covenants, conditions, restrictions, easements, reservations, rights-of-way, obligations, liabilities and other provisions.

C. Declarant desires to specify an alternative dispute resolution process for addressing disputes in the Community that do not involve an imminent threat to the peace, health or safety of the Community, as encouraged by the Colorado General Assembly and as specified in Section 38-33.3-124 of the Act (as hereinafter defined), including a binding arbitration provision for specific situations as provided in Article 12 of this Declaration.

D. A common interest community may be created pursuant to the Act (as hereinafter defined) only by recording a declaration executed in the same manner as a deed. The declaration must be recorded in every county in which any portion of the common interest community is located and must be indexed in the grantee’s index in the name of the common interest community and in the name of the association, and in the grantor’s index in the name of each person executing the declaration. No common interest community is created until the plat or map for the common interest community is recorded.

DECLARATION

In order to enhance the attractiveness and value of the Community and maintain its value and desirability, for the purposes set forth herein, Declarant declares that the portion of the Community described on Exhibit A, and any other Additional Property that becomes subject to and is included in the Community Area, shall be held, transferred, sold, conveyed, leased, and

occupied subject to the covenants, conditions, and restrictions hereinafter set forth, all of which shall run with the land.

THE TERMS AND PROVISIONS OF THIS DECLARATION REQUIRING ALTERNATIVE DISPUTE RESOLUTION FOR CONSTRUCTION DEFECT CLAIMS INURE TO THE BENEFIT OF DECLARANT AND THE BUILDERS (AS DEFINED BELOW), ARE ENFORCEABLE BY DECLARANT AND SHALL NOT BE AMENDED OR TERMINATED FOR A PERIOD OF 50 YEARS FROM THE DATE OF RECORDING OF THIS DECLARATION WITHOUT THE WRITTEN CONSENT OF DECLARANT AND WITHOUT REGARD TO WHETHER DECLARANT OWNS ANY PORTION OF THE COMMUNITY AT THE TIME OF SUCH AMENDMENT/TERMINATION. BY TAKING TITLE TO A LOT, ALL OWNERS AND THE ASSOCIATION ACKNOWLEDGE AND AGREE THAT DECLARATION PROVISIONS REQUIRING ALTERNATIVE DISPUTE RESOLUTION OF CONSTRUCTION DEFECT CLAIMS ARE A SIGNIFICANT INDUCEMENT TO THE DECLARANT'S WILLINGNESS TO DEVELOP AND SELL THE LOTS AND THAT IN THE ABSENCE OF THE ALTERNATIVE DISPUTE RESOLUTION PROVISIONS CONTAINED IN THIS DECLARATION, DECLARANT WOULD HAVE BEEN UNABLE AND UNWILLING TO DEVELOP AND SELL THE LOTS FOR THE PRICES PAID BY THE ORIGINAL PURCHASERS.

**ARTICLE 1.
GENERAL**

1.1 Community Area. Declarant is the owner of all of the Lots and other real property which is to be included in the Community Area. Declarant intends to develop the Lots within the Community Area as a planned community of residential uses, which may include Subassociations.

1.2 Purposes of Declaration. Property which is subject to this Declaration in the manner hereinafter provided shall be referred to as the Community Area. This Declaration is executed: (a) in furtherance of a common and general plan for the Community Area, (b) to protect and enhance the quality, value, aesthetics, desirability and attractiveness of the Community Area, (c) to provide for an Association as a vehicle to hold, maintain, care for, and manage Association Properties, (d) to define the duties, powers, and rights of the Association, (e) to define certain duties, powers, and rights of Owners of Lots, (f) to provide for the maintenance of the Lots, the Association Properties, and the other portions of the Community Area, and (g) to take other appropriate actions to enhance the quality of the Community and consistent with the terms of this Declaration.

1.3 Declaration; Recorded Title Exceptions. Declarant, for itself, its successors and assigns, hereby declares that all of the Lots, the other property in the Community Area owned by Declarant, and, to the extent the same are Association Properties, the other property located in the Community Area, and all other property which becomes subject to this Declaration in the manner hereinafter provided, and each part thereof, shall, from the date the same becomes subject to this Declaration, be owned, held, transferred, conveyed, sold, leased, rented, hypothecated, encumbered, used, occupied, maintained, altered, and improved subject to the covenants, conditions, restrictions, limitations, reservations, exceptions, equitable servitudes, and other provisions set forth in this Declaration, for the duration hereof, all of which are declared to be part

of, pursuant to, and in furtherance of a common and general plan of development, improvement, enhancement, and protection of the Community Area. The provisions of this Declaration are intended to and shall run with the land and, until their expiration in accordance with the terms hereof, shall inure to the benefit of each of the Lots and shall bind, be a charge upon, and inure to the mutual benefit of: (a) all of the Lots and the other property in the Community Area and each part or parcel thereof, (b) Declarant and its successors and assigns, (c) the Association and its successors and assigns, and (d) all Persons having or acquiring any right, title, or interest in the Community Area or any part or parcel thereof or any Improvement thereon and their heirs, personal representatives, successors, and assigns. The recorded easements and title exceptions to which the Community Area is subject are listed on Exhibit D attached hereto and incorporated by this reference.

1.4 Applicability of Colorado Common Interest Ownership Act. The Community is a planned community under the Act.

1.4.1 “Units” under the Act are the Lots, and each Lot within the Community Area is a “Unit” under the Act.

1.4.2 The maximum number of Lots within the Community Area will not exceed three thousand (3,000) (the “Lots That May Be Created”).

1.5 Name; Type of Common Interest Community. The name of the common interest community created by this Declaration is “Looking Glass Owners Association, Inc.”

ARTICLE 2. DEFINITIONS

Unless otherwise expressly provided herein, the following words and phrases when used in this Declaration shall have the meanings hereinafter specified.

“Act”: shall mean the Colorado Common Interest Ownership Act as provided in C.R.S. § 38-33.3-101, et seq., as the same may be from time to time amended.

“Additional Property”: shall have the meaning provided in the Recitals above.

“Administrative Functions”: shall mean all functions of the Association that are provided for, or are necessary and proper, under this Declaration and shall include, without limitation, providing management and administration of the Association; providing for the maintenance and care of the Association Properties and the enforcement of the Declaration; providing architectural and design review services under Article 9 hereof; incurring reasonable attorneys’ fees and accountants’ fees; obtaining errors and omissions insurance for officers, directors, and agents of the Association; obtaining fidelity bonds for any Person handling funds of the Association; paying taxes levied against the Association Properties; incurring filing fees, recording costs, and bookkeeping fees; obtaining and maintaining offices and office furniture and equipment; and performing other reasonable and ordinary administration tasks associated with operating the Association.

“Allocated Interests:” shall mean the share of Common Expenses and votes 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 Area from time to time.

“Applicant”: shall have the meaning provided in Section 9.5.

“Articles of Incorporation”: shall mean the Articles of Incorporation of the Association, which have been or will be filed in the office of the Secretary of State of the State of Colorado, as the same may be amended from time to time.

“Assessment”: shall mean a Common Assessment, any Subassociation Assessment, if applicable, Special Assessment, or Specific Assessment.

“Association”: shall mean Looking Glass Owners Association, Inc., a Colorado nonprofit corporation, and its successors and assigns.

“Association Properties”: shall mean all real and personal property, if any, including all Common Areas and all Improvements on Common Areas, (a) which are now or hereafter owned by the Association, (b) with respect to which the Association holds an easement, license or right of possession for the use, care, or maintenance, (c) which the Association has a right or obligation to maintain, (d) which are held for the common use and enjoyment of the Members of the Association or for other purposes permitted by this Declaration, or (e) which are otherwise identified in this Declaration as Association Properties or are otherwise identified as Association Properties as provided below. Without limiting the foregoing, the Association Properties shall include any properties which are part of the Community Area and which are designated as Association Properties by Declarant in the manner permitted hereby; and any outlots or tracts owned by the Town but required by the Town to be maintained by the Association pursuant to the Plat. Declarant may, from time to time during the Special Declarant Rights Period, at the time that any portion of the Additional Properties owned by Declarant is annexed to the Community Area, in the Supplemental Declaration, or thereafter prior to the sale of any Lot by Declarant in the portion of the Additional Property so annexed with a completed Dwelling on the Lot, designate tracts or lots within or appurtenant to such Additional Property as Association Properties; provided that Declarant’s failure to designate tracts or outlots in such Additional Property as Association Properties shall not make tracts or outlots that otherwise fall within the definition of Association Properties from being Association Properties. Association Properties do not include Lots, except to the extent of easements reserved thereon for the benefit of the Association and except to the extent, if any, owned by the Association and used only for the purposes of the Association.

“Board of Directors” or “Board”: shall mean the body responsible for administration of the Association, selected as provided in the Bylaws and generally serving the same role as a board of directors under Colorado nonprofit corporate law.

“Builder”: shall mean an Owner that (a) acquires one or more Lots for the purpose of developing infrastructure on such Lots for sale to another Builder or for the construction of a single-family, paired home, townhome, or condominium residential structure thereon for resale to the ultimate purchaser thereof and (b) is designated by the Declarant as a “Builder” in a Recorded

writing. Such Recorded writing also may assign, on a non-exclusive basis, to a Builder designated therein some or all of the rights of the Declarant which may be exercised in connection with the development of Lots acquired by such Builder.

“Bylaws”: shall mean the Bylaws of the Association which have been or will be adopted by the Board of Directors of the Association, as the same may be amended from time to time.

“Committee Representative”: shall have the meaning provided in Section 9.18.

“Common Area”: shall mean any portion of the Community Area owned or maintained by the Association for the common use and enjoyment of the Owners (including those which may also be used by others). Common Areas do not include the Lots, except to the extent of easements reserved thereon for the benefit of the Association and except to the extent, if any, owned by the Association and used by the Association as Common Areas. The real property that comprises the Common Area at the time of recordation of this Declaration, if any, is described on the attached Exhibit B. Additional Common Area may be annexed by Declarant to this Declaration as provided in Section 10.12 of this Declaration.

“Common Assessment”: shall mean assessments levied on all Lots subject to assessment under Section 8.1 to fund Common Expenses for the general benefit of all Lots, as more particularly described in Sections 8.1, 8.2, 8.3, and 8.4.

“Common Expenses”: shall mean the actual and estimated expenses incurred or anticipated to be incurred by the Association for the general benefit of all Lots, including any reserve the Board may find necessary and appropriate pursuant to this Declaration, the Bylaws, and the Articles of Incorporation. Common Expenses shall not include any expenses incurred during the Declarant Control Period for initial development, original construction, installation of infrastructure, original capital improvements, or other original construction costs unless approved by the Members of the Association representing a majority thereof, excluding the Declarant.

“Common Improvements”: shall have the meaning provided in Section 3.32.

“Community”: shall mean Looking Glass.

“Community Area”: shall mean all of the real property described on Exhibit A and Exhibit B, and all Additional Property hereafter annexed to, and not withdrawn from, the Community Area in accordance with the Act.

“Community-Wide Standard”: shall mean the standard of conduct, maintenance, or other activity generally prevailing throughout the Community Area. Such standard may be more specifically determined by the Board of Directors and the Design Review Committee.

“County”: shall mean Douglas County, Colorado.

“Declarant”: shall mean JEN Colorado 18 LLC, a Colorado limited liability company, and any other Person to which Declarant transfers all or a substantial portion of the remaining Lots then owned by Declarant and which Declarant designates as its successor as Declarant in a Recorded instrument.

“Declarant Control Period”: shall mean the period of time commencing on the date of Recordation of this Declaration and expiring on the earliest of (a) sixty (60) days after conveyance of seventy-five percent (75%) of the Lots to Owners other than Declarant, (b) two (2) years after the last conveyance of a Lot by Declarant in the ordinary course of business to Owners other than Declarant, or (c) two (2) years after any right to annex a Lot or Additional Property to this Declaration was last exercised; provided, however, that, if the Declarant Control Period has not terminated pursuant to the foregoing provisions, the Declarant Control Period shall terminate on the date upon which all property in the Additional Property has become part of the Community Area and the last Lot within the Community Area has been sold and conveyed by Declarant to any Owner other than Declarant.

“Delegate”: shall mean the natural Person selected by Members within a Delegate District pursuant to Section 5.5 hereof to represent such Delegate District and to cast votes on behalf of Members within such Delegate District as provided in this Declaration.

“Delegate District”: shall mean a geographical area which may constitute any portion or portions of the Association Area and from which all Members in that geographic area shall elect a single Delegate to represent their collective voting power, as further provided in Article 5 hereof. Parts of a Delegate District need not be contiguous.

“Design Guidelines”: shall mean the architectural guidelines and procedures adopted by the Design Review Committee pursuant to Article 9 and applicable to all Lots within the Community Area.

“Design Procedures”: shall have the meaning provided in Section 9.7.2.

“Design Review Committee”: shall mean the Committee provided for in Article 9 of this Declaration.

“Dwelling”: shall mean an Improvement constructed on a Lot for use as a residence.

“Established Drainage Pattern”: shall have the meaning provided in Section 3.17.

“FHA”: shall have the meaning provided in Section 14.10.

“First Mortgage”: shall have the meaning provided in Section 8.17.

“First Mortgagee”: shall have the meaning provided in Section 8.14.

“Governing Documents”: shall mean this Declaration, the Articles of Incorporation, Design Guidelines, the Bylaws and any Rules and Regulations of the Association.

“Government Mortgage Agency”: shall have the meaning provided in Section 14.10.

“HUD”: shall have the meaning provided in Section 14.10.

“Improvement”: shall mean all structures and any appurtenances thereto of every type or kind, including, but not limited to, Dwellings, buildings, outbuildings, swimming pools, patio

covers, awnings, garages, carports, privately maintained roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, fixtures, painting of any exterior surfaces of any visible structure, additions, walkways, outdoor sculptures or artwork, "tot lots", sprinkler pipes, landscaping, hedges, windbreaks, plantings, planted trees and shrubs, poles, signs, exterior tanks, solar equipment, and exterior air conditioning and water softener fixtures.

"Improvement to Property": shall have the meaning provided in Section 9.2.

"Initial Assessment": shall have the meaning provided in Section 8.3.

"Initially Unoccupied Lots": shall mean only those Lots for which the Occupancy Date has not occurred.

"Installment Sale Contract": shall mean any contract for deed or real property sale contract pursuant to which possession is transferred to the contract purchaser and fee title is retained by the contract seller to secure the obligations of the contract purchaser to pay the purchase price owing under such contract.

"Lease": shall mean any agreement for the leasing or rental of a Lot, or a Dwelling on a Lot, or any portion thereof, and shall specifically include, without limitation, a short term rental or other rentals and subleases, whether or not the parties thereto comply with the terms of Section 3.30 below. However, in no case shall such lease be less than six (6) months in duration.

"Lot": shall mean each platted lot that is specifically described on the attached Exhibit A, as the same may be subdivided or replatted from time to time (and "Lot" shall include all lots created as a result of such subdivision or replatting), and any other platted lot(s) that may hereafter be annexed to this Declaration, with the exception of the Common Areas and any publicly dedicated property.

"Maintenance Funds": shall mean the accounts into which the Board shall deposit monies paid to the Association and from which disbursements shall be made in the performance of the functions of the Association pursuant to Article 6 or Article 8.

"Member" or "Membership": shall mean the Person or, if more than one, all Persons, who collectively constitute the Owner of a Lot.

"Mortgage": shall mean any mortgage, deed of trust, security deed, Installment Sale Contract, lease intended for security, or other such instrument, given voluntarily by any Owner of a Lot and encumbering the Lot to secure performance of a promissory note or other obligation.

"Mortgagee": shall mean the holder of a promissory note or other obligation secured by a Mortgage.

"Neighborhood": shall mean a discrete group of Lots with additional maintenance and services applicable thereto, such as, for example, exterior maintenance to a paired home Lot as designated as a Neighborhood in any Supplemental Declaration. A Neighborhood shall not be a Subassociation under this Declaration. As of the date of this Declaration, no Neighborhoods have been established under this Declaration. Neighborhoods may be established by Declarant pursuant

to a Supplemental Declaration, and the Lots within such Neighborhood will be assessed for any additional services specified in such Supplemental Declaration as provided in Section 8.4.

“Notice of Completion”: shall have the meaning provided in Section 9.11.

“Notice of Default”: shall have the meaning provided in Section 8.14.

“Notice of Noncompliance”: shall have the meaning provided in Section 9.13.

“Occupancy Date”: shall mean, for each Lot, the later of the date upon which a certificate of occupancy is issued to permit the occupancy of Improvements constructed on such Lot, or the date upon which such Improvements are actually first occupied for residential purposes.

“Owner”: shall mean the Person, including, without limitation, Declarant, or, if more than one, all Persons, who collectively hold fee simple title of Record to a Lot, including sellers under executory contracts of sale and excluding buyers thereunder.

“Party Wall”: shall mean any wall on a Lot and those portions of footings thereunder and the roof thereover which: is part of the original construction of the structures located on the Lot as such wall(s) may be repaired or reconstructed from time to time; is placed on or immediately adjacent to a Lot’s lot line; and separates two (2) or more structures as a common wall. Without limiting the generality of the foregoing, “Party Wall” includes any two walls which meet the foregoing criteria and which are separated by a small amount of air space. In no event shall a “party wall” include any Subassociation Common Element that may be located between Units.

“Person”: shall mean a natural person, a corporation, a partnership, or any other entity.

“Phase”: shall mean each Lot within the Community Area.

“Plat”: shall mean collectively, Looking Glass Filing No. 1, recorded in the Records on April 15, 2020 at Reception No. 2020028941, and all plats recorded after the date of this Declaration affecting the Community Area.

“Priority Liens”: shall have the meaning provided in Section 8.17.

“Record” or “Recorded” or “Recording”: shall mean the filing for record of any document in the real estate records of the office of the Clerk and Recorder for the County.

“Related User”: shall mean any Person who: (a) resides with an Owner within the Lot, (b) is a guest or invitee of an Owner, or (c) is an occupant, tenant or contract purchaser of a Lot, and any family member, guest, invitee or cohabitant of any such person.

“Rules and Regulations”: shall mean any instruments, however denominated, including policies and procedures, which are adopted by the Association for the regulation and management of the Community Area, including any amendment to those instruments.

“Special Assessment”: shall mean assessments levied in accordance with Section 8.10 of this Declaration.

“Special Declarant Rights Period” shall have the meaning provided in Section 10.1.

“Special Declarant Rights” shall have the meaning provided in Section 10.1.

“Specific Assessment”: shall mean assessments levied in accordance with Section 8.11.1.

“Subassociation”: shall mean any association of Owners created to regulate specific Lots and which has been designated and approved by Declarant as such in a Supplemental Declaration.

“Subassociation Assessments”: shall mean assessments levied solely against the Lots within a Subassociation, as described below.

“Subassociation Common Elements or Areas”: shall mean those common elements or common areas described in a Subassociation declaration and/or depicted on a condominium map Recorded against a Lot.

“Supplemental Declaration”: shall mean a declaration executed by either the Declarant or a Builder as applicable, which establishes additional provisions governing and encumbering a portion of the Community Area owned by the Declarant or Builder, as applicable. Any Supplemental Declaration shall comply with the requirements of Article 11 hereof.

“Town”: shall mean the Town of Parker, Colorado.

“User Fees”: shall have the meaning provided in Section 8.20.

“VA”: shall have the meaning provided in Section 14.10.

**ARTICLE 3.
RESTRICTIONS AND EASEMENTS
APPLICABLE TO COMMUNITY AREA**

All real property within the Community Area shall be held, used and enjoyed subject to the following easements, limitations, and restrictions, subject to exemptions of Declarant set forth in this Declaration. The strict application of the following limitations and restrictions in any specific case may be modified or waived in whole or in part by the Board in its discretion if such strict application is not necessary to achieve the purposes of this Declaration or, under the circumstances, would be unreasonably or unduly harsh in comparison to the goals of this Declaration that such strict application is necessary to achieve. Any such modification or waiver must be in writing or be contained in written guidelines or Rules and Regulations promulgated by the Board. Notwithstanding the foregoing or any provision hereof to the contrary, the strict application of Section 6.27 and Article 12 of this Declaration may not be modified or waived in whole or in part by the Board.

3.1 Maintenance of Community Area. No property within the Community Area shall be permitted to fall into disrepair, and all property within the Community Area, including the Dwellings, fences, Improvements, and landscaping thereon, shall be kept and maintained in a clean, attractive, and slightly condition and in good repair. Maintenance, repair, and upkeep of each Lot and the Dwelling and other Improvements on such Lot shall be the responsibility of the

Owner of the Lot except as otherwise set forth herein or in any Supplemental Declaration. Maintenance, as used in this Declaration, shall include, without limitation, repair and replacement as needed, as well as such other duties, as the Board may determine necessary or appropriate to satisfy the Community-Wide Standard. All maintenance shall be performed in a manner consistent with the Community-Wide Standard and all applicable covenants.

3.2 Maintenance of Lots. Each Owner shall provide all maintenance for such Owner's Lot and Dwelling, which maintenance will include snow removal on sidewalk segments adjacent to local streets adjacent to their Lots; provided, however, maintenance of the Lots may be specified to be additional services provided by the Association in the case of a Neighborhood or by a Subassociation as specified in a Supplemental Declaration establishing a Neighborhood or a Subassociation for such Lots in a manner consistent with the Community-Wide Standard.

3.3 Association Properties. Maintenance, including mowing of turf, weed removal and irrigation of open spaces, repair, and upkeep of Association Properties shall be the responsibility of the Association, including the cost of water for irrigation of Common Areas, and including any grading/drainage or underdrain management in Common Areas. The Association is not responsible for maintenance of any gas, water, or utility service lines that provide service to a Lot.

3.4 Subassociation Common Elements. Maintenance, including mowing of turf, weed removal and irrigation of open spaces, repair, snow removal on sidewalks, and upkeep of Subassociation Common Elements, if any, shall be the responsibility of the applicable Subassociation. The Subassociation shall perform its maintenance responsibilities in a manner consistent with the Community-Wide Standard. If it fails to do so, the Association may perform such responsibilities and assess the costs against all Lots within the Subassociation as provided in Section 8.11.2 below.

3.5 Property Uses. All Lots shall be used for private residential purposes. No building erected or maintained on a Lot within the Community Area shall be used or occupied for any purpose other than for private residential purposes. Notwithstanding the foregoing:

3.5.1 Activities associated with the sale of Lots shall be allowed.

3.5.2 In-home businesses not involving visits to the Community Area by customers or employees shall be allowed if permitted under applicable zoning and other regulations so long as such activities are conducted solely within the Dwelling and do not create or result in any offensive or noxious activities or constitute a nuisance.

3.5.3 During the Special Declarant Rights Period, Declarant and Builders may (subject to owning such Lot or obtaining the permission of the Owner of such Lot for such use) use any of the Lots and/or Common Areas for purposes of selling or marketing the Lots or Dwellings constructed or to be constructed on the Lots (including, without limitation, maintaining sales offices and model homes on the Lots) and for the purpose of housing construction trailers for use in connection with the construction of Improvements to Common Areas and of Dwellings on the Lots and/or Common Areas, as applicable.

3.6 Construction Type. Except for rights reserved to Declarant herein, no building previously used at another location nor any building or structure originally constructed as a mobile

dwelling or structure may be moved onto a Lot and/or Common Areas, except as expressly hereinafter provided for temporary buildings.

3.7 No Noxious or Offensive Activity. No noxious or offensive activity shall be carried on upon any property within the Community Area, nor shall anything be done or placed thereon which is a nuisance or causes an unreasonable embarrassment, disturbance, or annoyance to others.

3.8 Annoying Sounds or Odors. No sound or odor shall be emitted from any property within the Community Area which is noxious or unreasonably offensive to others. Without limiting the generality of the foregoing, no exterior speakers, horns, whistles, bells, or other sound devices, other than security devices used exclusively for security purposes, shall be located or used on any property except with the prior written approval of the Design Review Committee, and no loud or obnoxious sounds shall be emitted from any Lot or part of the Community Area at any time.

3.9 No Hazardous Activities. No activity shall be conducted on and no Improvement shall be constructed on any property within the Community Area which is unsafe or hazardous to any Person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any property within the Community Area, and no open fires shall be lighted or permitted on any property within the Community Area except in a contained barbecue unit while attended and in use for cooking purposes or within an interior or exterior fireplace designed to prevent the dispersal of burning embers.

3.10 No Unsightliness. All unsightly conditions, structures, facilities, equipment, including, but not limited to, snow removal equipment and garden or maintenance equipment, and objects shall be enclosed within a structure or appropriately screened from view, except when in actual use.

3.11 Weeds. Each Owner shall keep those portions of the landscaping on such Owner's Lot for which the Owner is responsible for maintaining (pursuant to this Declaration or a Supplemental Declaration) free from brush or other growth, trash or other items which are unsightly or cause undue danger of fire, and shall be kept mowed during growing seasons so that no weeds, brush, grasses or growth on any Lot exceed six (6) inches in height at any time. During the Special Declarant Rights Period, Declarant shall be exempt from this Section 3.11, provided Declarant complies with applicable law related to weed regulation.

3.12 Restrictions on Garbage and Trash. No refuse, garbage, trash, lumber, grass, shrub, or tree clippings, plant waste, compost, metal, bulk materials, scrap, refuse, or debris of any kind shall be kept, stored, or allowed to accumulate on any Lot except within an enclosed structure or appropriately screened from view, except that any container containing such materials may be placed outside at such times as may be necessary to permit garbage or trash pick-up, no earlier than the night before trash pick-up day and, following the trash pick-up, shall be properly stored in accordance with this Section 3.12 no later than the night of the trash pick-up service, and except that compost and composting materials shall not be subject to the foregoing restriction so long as they are kept in an appropriate container in an appropriate location that does not detract from the overall attractiveness of the Lot on which such container is placed. The Association shall have the right to designate a single trash collection company, which company shall have the exclusive right

to collect trash within the Community Area. If such a company is so designated, no Owner or Subassociation may separately contract for regularly scheduled trash pick-up without the prior written approval of the Board. The cost of trash collection by the Association-selected entity shall be included in the Common Assessments.

3.13 Animals. No animals, livestock or poultry of any kind shall be raised, bred, or kept on a Lot for any commercial purposes or otherwise. Only domestic pets such as dogs and cats, but not chickens, poultry, pigs or similar non-household animals, will be allowed to be kept on a Lot. Each Owner shall have the right to keep such household pets in accordance with any Rules and Regulations promulgated by the Board of Directors, or any ordinances or laws currently in effect by the Town, and shall be coupled with the responsibility to pay for any damage caused by such pets, as well as any costs incurred by the Association as a result of such pets, and any such damages and costs shall be subject to all of the Association's rights with respect to the collection and enforcement of Assessments as provided in this Declaration. In addition, no pet of any kind shall be permitted which is determined by the Board of Directors to make an unreasonable amount of noise or odor, to be offensive or hazardous, or to be a nuisance. All household pets shall be controlled by their owner, who shall be responsible for collecting and properly disposing of any animal waste.

3.14 No Temporary Structures. Except for rights reserved to Declarant and Builders herein, no tent, shack, storage shed, satellite dish, temporary structure, or temporary building shall be placed upon any property within the Community Area except with the prior written consent of the Design Review Committee obtained in each instance, subject to such conditions or restrictions as may be required by the Design Review Committee, which may include requirements as to screening and/or location.

3.15 Antenna, Utilities and Transmitters. The Board may adopt Rules and Regulations, consistent with applicable state or federal laws and regulations, regarding the installation of satellite dishes, exterior aerials, antennas of any kind, and any wind-electric generator. Notwithstanding any provision in the Governing Documents to the contrary, the Association may not effectively prohibit renewable energy generation devices or the installation or use of any energy efficient measures, provided that the Association may adopt reasonable aesthetic Rules and Regulations concerning dimensions, placement or external appearance of such devices or measures.

3.16 Signage; Flags. No sign, poster, billboard, advertising device, or display of any kind shall be erected or maintained anywhere within the Community Area so as to be evident to public view, except as may be approved in writing by the Design Review Committee. One two-sided sign advertising a Lot for sale or for lease may be placed on such Lot; provided, however, that standards relating to dimensions, color, style, and location of such sign shall be determined from time to time by the Board of Directors; provided, however, no signs advertising a Lot for sale or for lease may be placed on the exterior of a Lot or within any yard or landscaped area for such Lot during the development, construction, and sales period for the Community; such signs may be placed on the inside of a window of the Dwelling within such Lot. Notwithstanding the foregoing, during the Special Declarant Rights Period, Declarant shall be permitted to place one-sided or two-sided signs on any Lots which it owns or in the Common Areas to advertise the Lots during the development, construction, and sales period and signs, advertising, or billboards used by Declarant

or a Builder in connection with the sale or rental of the Lots, or otherwise in connection with development of the Community or construction of the Lots, are permissible. In addition to the foregoing, the Owner of a Lot shall be allowed to place one "Open House" sign on such Owners Lot during public showing days during the timeframe that the Dwelling on the Lot is being marketed for sale by the Owner. The Owner or occupants of a Lot may display political signs within the boundaries of a Lot or in the window of a Lot (as defined under Section 38-33.3-106.5(1)(c)(III) of the Act) during the period that begins forty-five (45) days prior to an election and ends seven (7) days after an election, provided that such signs are no larger than the smaller of (a) the size of political signs allowed by local ordinance, or (b) 36 inches by 48 inches. Notwithstanding anything to the contrary herein, the Owner or occupants of a Lot may display the American flag, service flags and political signs in conformance with C.R.S. § 38-33.3-106.5, and subject to any Town regulations and the Rules and Regulations adopted by the Committee or the Board from time to time.

3.17 Maintenance of Drainage; Established Drainage Patterns. Except for rights reserved to Declarant herein, there shall be no interference with or change or other deviation from the Established Drainage Pattern over any property within the Community Area, except as approved in writing by the Design Review Committee. Approval shall not be granted unless provision is made for adequate alternate drainage evidenced by a certified report from a civil engineer. The "Established Drainage Pattern" shall mean the drainage pattern which exists at the time the overall grading of any Lot and includes the positive slope away from the Dwelling built on the Lot in accordance with the status thereof as of the date of the completion of the Dwelling on the Lot as reflected on the finished grading plan and as-built civil engineering plan for such Lot and the drainage certificate, if any, provided to the Owner of each Lot reflecting the existing positive slope away from the Dwelling upon completion thereof. The Established Drainage Pattern may include the drainage patterns: (a) from Association Properties over any Lot, (b) from any Lot over the Association Properties, (c) from any property owned by the Town or County or other Persons over any Lot, (d) from any Lot over property owned by the Town or County or other Persons, (e) from any Lot over another Lot, or (f) on any Lot. The Owner of each Lot shall not disturb such Established Drainage Pattern on its Lot. If the Owner of any Lot or any Related User disturbs the Established Drainage Pattern for that Owner's Lot, the Association may enter onto the Lot and restore the positive slope and make a Specific Assessment against the Lot and the Owner thereof for the Association's cost in doing so including the cost of restoration of adjoining property as a result of the disturbance of the Established Drainage Pattern by the Owner of a Lot or any Related User. Any alterations to the Established Drainage Pattern for any properties within the Community Area will result in the full release of Declarant, and the respective Builder responsible for the Improvements to the Lot, as to any and all liabilities or obligations with respect to the Established Drainage Pattern for any property within the Community Area or the grading of such property. The Association and all Owners or Members hereby indemnify and hold harmless Declarant from any and all claims, liabilities, expenses, damages, charge or costs arising out of or relating to the Established Drainage Pattern and or the grading for any property within the Community Area for which any alteration is made to the Established Drainage Pattern.

3.18 Compliance with Insurance Requirements. Except as may be approved in writing by the Board of Directors, nothing shall be done or kept within the Community Area which may result in a material increase in the rates of insurance or would result in the cancellation of any insurance maintained by the Association. No Owner shall cause or permit a situation or condition

to exist on that Owner's Lot which causes or might reasonably cause the insurance rates for neighboring Lots to be increased beyond those that would be applicable absent such situation or condition.

3.19 Restoration in the Event of Damage or Destruction. In the event of damage or destruction of any Improvement on any Lot, subject to the Association's obligation, if any, as specified in a Supplemental Declaration, to restore any such damage or destruction as set forth herein, the Owner thereof (or Subassociation, if applicable) shall cause the damaged or destroyed Improvement to be replaced or restored to its original condition or to such other condition as may be approved in writing by the Design Review Committee, or the Owner (or Subassociation, if applicable) shall cause the damaged or destroyed Improvement to be demolished and, until a new Improvement approved by the Design Review Committee is constructed, the Lot to be suitably landscaped, subject to the approval of the Design Review Committee, so as to present a pleasing and attractive appearance in accordance with the Community-Wide Standards.

3.20 Storage. No building materials shall be stored on any Lot except temporarily during continuous construction of an Improvement.

3.21 Vehicle Repairs. No maintenance, servicing, repair, dismantling, or repainting of any type of vehicle, boat, trailer, machine, or device may be carried on, except within a completely enclosed portion of the Common Area or Lot, so as to screen the sight and sound of the activity from the street and from other Lots.

3.22 Storage of Gasoline and Explosives, Etc. No Lot shall be used for storage of explosives, gasoline, or other volatile and/or incendiary materials or devices. Gasoline or fuel, or other chemicals or solvents such as paint thinner, motor oil, and cleaning chemicals may be maintained on an incidental basis on a Lot in an aggregate amount not to exceed five (5) gallons. No elevated tanks or appurtenances of any kind shall be erected, placed, or permitted on any part of the Community Area.

3.23 Trailers, Campers, and Other Vehicles. Except as expressly permitted by Section 38-33.3-106.5(d) of the Act regarding the parking of emergency vehicles, no boat, camper (on or off supporting vehicles), trailer, tractor, truck, towed trailer unit, snowmobile, disabled, junked, or abandoned vehicle, motor home, mobile home, camper, recreational vehicle, or any other vehicle, the primary purpose of which is recreational, sporting, or commercial use (excluding passenger cars, pickup trucks and vans that are rated at 1 ton capacity or less), shall be parked or stored in, on, or about any Lot or street within the Community Area, except wholly within the garage of each Lot, and except for construction vehicles during periods of construction on any property within the Community Area so long as they are not stored within the Community Area and are not parked within the Community Area except temporarily as may be required for purposes of loading and unloading. Parking of any motor vehicles and any of the vehicles and types of equipment listed above on private streets or parking areas or public streets within the Community Area may be regulated or restricted by the Association (in compliance with the Act), the County, or any other governmental body with jurisdiction over the Community Area.

3.24 Fences Regulated. Subject to Section 9.1, no fences or walls shall be constructed along or adjacent to the boundary or lot line of any Lot, or on any other portion of any Lot by any

Owner, other than the fences, walls and gates originally constructed by Declarant or Builders, if any, without the prior approval of the Design Review Committee unless in conformance with standard design specifications previously approved by the Design Review Committee. Privacy fences and walls, security fences, and fences for screening purposes shall also be subject to the approval of the Design Review Committee unless in conformance with standard design specifications previously approved by the Design Review Committee. Subject to the rights of Declarant and Builders herein, no chain link or similar type fences are permitted on any Lots. Each Owner of a Lot shall be responsible for maintaining, repairing, and replacing, in a reasonably attractive manner, any fence or wall located on such Owner's Lot, unless such fence or wall is to be maintained by the Association or a Subassociation, as hereinafter provided. Any fence or wall located on a lot line between two Lots shall be maintained jointly by the Owners of such Lots if the fence or wall was installed by the Declarant or a Builder. Any fence or wall located on a lot line between two Lots that was installed by one of the Owners shall be maintained by the Owner or Owners who installed the fence or wall. Each Owner (or Subassociation, if applicable) is hereby granted an easement across adjacent Lots for the purpose of maintaining, repairing, and replacing any fence or wall installed by such Owner (or Subassociation, if applicable).

3.25 Air Conditioning and Heating Equipment. Any heating, air conditioning, or refrigeration equipment shall only be placed or maintained on a Lot in accordance with the requirements of the Design Review Committee. Provisions adopted by the Design Review Committee applicable to any renewable energy generation device shall be in accordance with C.R.S. Section 38-30-168 and applicable to any energy efficiency measures in accordance with C.R.S. Section 38-33.3-106.7 of the Act.

3.26 Landscaping. The Association shall maintain landscaping on the Common Area in accordance with such irrigation standards or schedules as determined by the Association in its sole discretion. Except as may otherwise be specified in a Supplemental Declaration, the Owner of a Lot shall be responsible for the maintenance of any other landscaping on its Lot, which landscaping shall be subject to approval by the Design Review Committee. No landscaping shall be permitted which changes the Established Drainage Pattern for such Lot. Every Lot improved with a Dwelling shall be fully landscaped as approved by the Design Review Committee within nine (9) months after the occupancy or completion of the Dwelling thereon as evidenced by the certificate of occupancy, subject to adverse weather-related delays. The landscaping of each Lot, having once been fully installed, shall be maintained in a neat, attractive, sightly and well-kept condition, which shall include lawns mowed, hedges trimmed, adequate watering, replacement of dead, diseased, or unsightly materials, removal of weeds and debris, and appropriate pruning of plant materials. Notwithstanding the foregoing, a Subassociation may maintain landscaping on all or portions of Lots within such Subassociation as provided in the Supplemental Declaration for such Subassociation.

3.27 Marijuana. No portion of the Common Areas, Subassociation Common Elements, Dwellings or the Lots may be used for growing, delivering, transferring, supplying, dispensing, disbursing, distributing or selling marijuana, whether by prescription, medication recommendation or otherwise, and whether consisting of live plants, seeds, seedlings, or processed or harvested portions of the marijuana plant. Nothing in this Section shall prohibit or limit an individual's rights granted by Article XVIII, Section 16 of the Colorado Constitution.

3.28 Association Easements.

3.28.1 General. Easements to perform maintenance and enforcement duties and as necessary to exercise the powers pursuant to this Declaration are hereby granted by Declarant to the Association, any Subassociation, and each of their officers, agents, employees, and assigns, upon, across, over, in, and under the Community Area, together with the right to make such use of the Community Area as may be necessary and appropriate in carrying out such maintenance and enforcement duties; provided, however, that the Association will not exercise its rights hereunder as to any Subassociation Common Area except in compliance with Section 8.11.2.

3.28.2 Reference To Easements Not Required. All conveyances of Lots hereafter made, whether by Declarant, Builder or other Person, shall be construed to grant and reserve the easements contained in this Declaration, whether or not specific reference to such easements or to the Declaration appears in the instrument of such conveyance.

3.29 Utility Easements.

3.29.1 General. Easements for the installation, transmission, repair, and replacement of gas and electric utility lines, and sewer, perimeter drain, water lines and phone, cable and technology lines to each Lot are hereby reserved through, over, across, and under the Common Area and any Lot the five (5) feet of each Lot adjoining each of the exterior boundaries of such Lot as may be necessary to provide gas, electric, sewer, water utility and phone, cable and technology service to any Lot or Common Area. Said easements may be underground, above ground, or through the Improvements constructed on the Common Area or any Lot, as determined by the Declarant.

3.29.2 Declarant's Easement Rights. The foregoing easements shall include, without limitation, the right of ingress and egress, the right to erect and maintain the necessary pipes, valves, wires, cables, poles and other equipment and the right to enter into agreements relating to such utility service and easements. Declarant shall have the right, during the Special Declarant Rights Period, to grant a specific easement specified above to any Person in connection with the utilities covered by the general easement referenced herein.

3.30 Leasing. All Leases and the lessee's occupancy of the leased premises shall be subject in all respects to the provisions of the Governing Documents, including this Declaration, and the Articles of Incorporation, as well as any applicable Supplemental Declaration and the articles of incorporation, bylaws, and rules and regulations of any applicable Subassociation governing the Lot.

3.31 Application of Restrictions. All provisions of the Governing Documents, including this Declaration and of any Association Rules and Regulations shall also apply to all occupants, tenants, guests and invitees of any Lot. Any Lease on any Lot shall provide that the lessee and all occupants of the leased Lot shall be bound by the terms of the Governing Documents, including this Declaration, the Bylaws and the Rules and Regulations of the Association. Immediately upon execution of any Lease, the Owner of such leased Lot must provide the Association with a copy

of such Lease along with the name and address for the tenant under such Lease and the contact address for such Owner.

3.32 Easements for Encroachments; Common Improvements. If any structure built on the Community Area, including, but not limited to, stormwater facilities, detention pond structures and similar improvements (the "Common Improvements") encroaches upon the Common Area or any Lot as a result of the construction, reconstruction, repair, shifting, settlement, or movement of any portion of the Common Improvements, or any encroachments resulting from repair, or reconstruction after damage or destruction of the Common Improvements, an easement for the encroachment and the repair and maintenance thereof shall exist in favor of the owner of the Common Improvements, the Lot Owner or the Association (as applicable) so long as the encroachment exists. Such encroachments and easements shall not impair or otherwise adversely affect the marketability of title to the Common Improvements, Common Area or the Lots.

3.33 Additional Requirements in Supplemental Declarations. Notwithstanding the foregoing provisions of this Article 3, a Supplemental Declaration may adopt additional or different landscaping and maintenance requirements for Lots and/or Subassociations subject to such Supplemental Declaration, and Dwellings constructed thereon, and may provide for maintenance of Lots and Subassociation fences by a Subassociation, provided that during the Special Declarant Rights Period any Supplemental Declaration that is not adopted and/or Recorded by Declarant or Builder shall be approved by the Declarant, which approval shall be limited to compliance with this Declaration and shall not be unreasonably withheld in conformance with Section 6.30.

3.34 Easements Befitting Declarant Additional Property. Until such time as all Declarant Additional Property is annexed into the Community, if ever, the Declarant Additional Property shall have an easement over the Common Areas for (a) vehicular and pedestrian ingress and egress to and from the Declarant Additional Property, (b) the use of stormwater detention and drainage facilities and (c) the installation, operation and maintenance of other utilities serving the Declarant Additional Property. The owner of the Declarant Additional Property is benefitted by the easements described in this Section 3.34, which easement shall remain in place in perpetuity, regardless of whether the Special Declarant Right to annex the Declarant Additional Property into the Community expires. In addition, the foregoing easement rights may not be amended or changed in any way without the written consent of the owner of the Declarant Additional Property.

ARTICLE 4. ASSOCIATION PROPERTIES

4.1 Common Area. Every Owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to the Common Area, subject to the rights of the Declarant hereunder, and also subject to:

4.1.1 This Declaration, the Bylaws and any other applicable covenants;

4.1.2 Any restrictions or limitations contained in any deed conveying such property to the Association or Subassociation;

4.1.3 The right of the Board to adopt Rules and Regulations the use and enjoyment of the Common Area, including Rules and Regulations restricting use of recreational facilities within the Common Area to occupants of Lots and their guests and limiting the number of guests who may use the Common Area;

4.1.4 The right of the Board to suspend the right of an Owner to use facilities within the Common Area (a) for any period during which any charge against such Owner's Lot remains delinquent, and (b) for a period not to exceed thirty (30) days for a single violation or for a longer period in the case of any continuing violation, of the Declaration, any applicable Supplemental Declaration, the Bylaws, or Rules and Regulations of the Association;

4.1.5 The right of the Association, acting through the Board, to dedicate or transfer all or any part of the Common Area pursuant to Section 6.28;

4.1.6 The right of the Association, acting through the Board, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the approval requirements set forth in Section 6.19; and

4.2 Related Users. Any Owner may extend his or her right of use and enjoyment to its Related Users, subject to reasonable Board regulation. An Owner who leases his or her Lot shall be deemed to have assigned all such rights to the lessee of such Lot.

ARTICLE 5. ASSOCIATION FUNCTION, MEMBERSHIP AND VOTING RIGHTS

5.1 Function of Association. The Association has been or will be formed as a Colorado corporation under the Colorado Revised Nonprofit Corporation Act. The Association has been or shall be organized prior to the date the first Lot located in the Community Area is conveyed to an Owner other than the Declarant. The Association shall be the entity responsible for management, maintenance, operation and control of the Association Properties within the Community Area. As more specifically set forth hereinafter, the Association shall have a Board of Directors which, except as provided herein, in the Articles of Incorporation, or in the Bylaws, shall be elected by the Members. The Association shall be the primary entity responsible for enforcement of this Declaration and such reasonable Rules and Regulations regulating use of the Community Area as the Board may adopt. The Association shall also be responsible for administering and enforcing the architectural standards and controls set forth in this Declaration and in the Design Guidelines. The Association shall perform its functions in accordance with this Declaration, the Bylaws, the Articles of Incorporation and Colorado law.

5.2 Board of Directors. The affairs of the Association shall be managed by the Board of Directors. The number, term and qualifications of the Board of Directors shall be fixed in the Articles of Incorporation and Bylaws. 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 Directors of the ultimate responsibility for management of the affairs of the Association. Action by or on behalf of the Association may be taken by the Board of Directors or any duly authorized executive committee, officer, agent, or employee without a vote of Members or Delegates, except as otherwise specifically provided in this Declaration. It is the intent of the

Declarant that each Owner will have representation on the Board of Directors from and after termination of the Declarant Control Period based upon Delegate Districts as provided below.

5.3 Membership. Every Owner shall be a Member of the Association. There shall be one Membership in the Association for each Lot. The Person or Persons who constitute the Owner of a Lot shall automatically be the holder of the Membership appurtenant to that Lot, and the Membership appurtenant thereto shall automatically pass with fee simple title to the Lot. Declarant shall hold a Membership in the Association for each Lot owned by Declarant. Membership in the Association shall not be assignable separate and apart from fee simple title to a Lot except that an Owner may assign some or all of his rights as an Owner and as a Member of the Association to a tenant, a purchaser under an Installment Sale Contract, or a Mortgagee and may arrange for a tenant, a purchaser under an Installment Sale Contract, or a Mortgagee to perform some or all of such Owner's obligations as provided in this Declaration, but no Owner shall be permitted to relieve himself of the responsibility for fulfillment of the obligations of an Owner under this Declaration. The rights acquired by any such tenant, purchaser under an Installment Sale Contract, or Mortgagee shall be extinguished automatically upon termination of such tenant's Lease, Installment Sale Contract, or Mortgage.

5.4 No Partition of Association Properties. No Owner shall have the right to partition or seek partition of the Association Properties, or any part thereof.

5.5 Establishment of Delegate Districts. The Community Area may be divided into Delegate Districts, as hereinafter described, and each Delegate District shall elect one (1) Delegate to the Board to exercise the voting power of all the Members in such Delegate District. Delegate Districts for portions of the Community Area shall be established by Supplemental Declarations as provided in this Declaration. Such Supplemental Declarations shall contain legal descriptions of the portions of the Community Area which shall be or become part of a Delegate District and a statement that such real property described therein shall be or become part of a designated Delegate District for purposes of this Declaration. The Board shall have the authority to change the configuration of Delegate Districts in such manner as it deems necessary.

5.6 Voting Rights of Members. Each Member shall have the right to cast votes for the election of the Delegate to the Board to exercise the voting power of the Delegate District in which the Member's Lot is located. Each Member shall be entitled to one vote for each Lot or Unit owned by such Owner. The Delegate from a Delegate District shall be elected by Members holding a majority of the voting power in such Delegate District present in person or by proxy at a duly constituted meeting of such Delegate District. Unless otherwise addressed in this Declaration or the Articles of Incorporation, the Bylaws shall provide for the manner, time, place, conduct and voting procedures for Member meetings for the purpose of electing a Delegate or other purposes in any such Delegate District. During the Declarant Control Period, the Declarant or Persons appointed by the Declarant shall have the right to appoint officers and members of the Board which have been appointed by the Declarant, as more particularly provided in Section 10.2.

5.7 Voting Rights of Delegates. Each Delegate shall have one (1) vote for each vote which could be cast by Members voting to elect a Delegate for such Delegate District. A Delegate may cast votes with respect to a Lot within such Delegate District only during such periods as the

Owner of such Lot is entitled to cast votes for the election of a Delegate as provided in this Declaration or in any Supplemental Declaration, whichever is applicable.

5.8 Manner of Voting of Delegates. Each Delegate may cast the votes which he or she represents in such manner as the Delegate, in his or her sole discretion, deems appropriate, acting on behalf of all the Members owning Lots in the Delegate District; provided, however, that in the event that at least a majority in interest of the Owners in any Delegate District present in person or by proxy at a duly constituted meeting of such Delegate District shall determine at such meeting to instruct their Delegate as to the manner in which he or she is to vote on any issue, then the Delegate representing such Delegate District shall cast all of the voting power in such Delegate District in the same proportion, as nearly as possible without counting fractional votes, as the Owners in such Delegate District shall have cast their votes "for" and "against" such issue in person or by proxy. A Delegate shall have the authority, in his or her sole discretion, to call a special meeting of the Members of the Delegate's Delegate District in the manner provided in the Bylaws, for the purpose of obtaining instructions as to the manner in which to vote on any issue to be voted on by the Delegates. a Delegate is voting without the instruction from the Members represented by such Delegate, then all of the votes may be cast as a unit, or the Delegate may apportion some of such votes in favor of a given proposition and some of such votes in opposition to such proposition. It will be presumed for all purposes of Association business that any Delegate casting votes will have acted with the authority and consent of all the Members of the Delegate District of such Delegate. All agreements and determinations lawfully made by the Association in accordance with the voting procedures established herein, and in the Bylaws, shall be binding on all Members, and their successors and assigns.

5.9 Voting. Each Member shall have the right to cast the votes for the Lots owned by such Member except that, in the event any Lot is owned by more than one (1) Member, any Member who is Owner of that Lot and is present to vote at any meeting may cast the votes for such Lot, if more than one (1) Member who is an Owner of that Lot is present at a meeting, the vote for such Lot shall be cast as such Members shall agree or, in the absence of agreement, each Member who is Owner of such Lot shall be entitled to cast the portion of the vote for such Lot equal to such Owner's fractional ownership interest in such Lot. For purposes of this Section, if a Lot is owned by more than one (1) Owner and the deed conveying the Owners' interest does not specify otherwise, each Owner shall be deemed to own a fractional interest in such Lot equal to a fraction where the numerator is 1 and the denominator is the number of Owners with an ownership interest in such Lot.

5.10 Number of Votes. Each Lot shall have one (1) vote.

5.11 Meetings of Members. The Bylaws shall provide for the manner, time, place, conduct, and voting procedures for meetings of Members.

ARTICLE 6. DUTIES AND POWERS OF ASSOCIATION

6.1 General Duties and Powers of Association. The Association will be formed to further the common interests of the Members. The Association, acting through the Board or Persons to whom the Board has from time to time temporarily delegated such powers in any given

instance, shall have the duties and powers hereinafter set forth and, in general, subject to the limitations set forth in this Declaration, the power to do anything that may be necessary or desirable to further the common interests of the Members, to maintain, improve, and enhance the common interests of the Members, to maintain, improve, and enhance Association Properties and to improve and enhance the attractiveness, aesthetics, and desirability of the Community Area.

6.2 Duty to Accept Property and Facilities Transferred by Declarant. The Association shall accept title to all Association Properties and other real property from time to time transferred to the Association, including any Improvements thereon, and personal property transferred to the Association by Declarant, and equipment related thereto, together with the responsibility to perform any and all Administrative Functions and maintenance associated therewith; provided that such property and functions are not inconsistent with the terms of this Declaration. Property interests from time to time transferred to the Association by Declarant may include without limitation fee simple title, easements, leasehold interests, contractual rights, or licenses to use. Any real property or interest in real property transferred to the Association by Declarant shall be within the boundaries of the Community Area. Any property or interest in property from time to time transferred to the Association by Declarant shall, except to the extent otherwise specifically approved by resolution of the Board of Directors, be transferred to the Association free and clear of all monetary liens (other than the lien of taxes and assessments not yet due and payable) but shall be subject to the terms of this Declaration. Except as otherwise specifically approved by resolution of the Board of Directors, no property or interest in property transferred to the Association by Declarant shall impose upon the Association any obligation to make monetary payments to Declarant or any affiliate of Declarant, including, but not limited to, any purchase price, rent, charge, or fee.

6.3 Power and Duty to Manage and Care for Association Properties. The Association shall have the power and duty, except as otherwise set forth herein, to manage, operate, care for, maintain, and repair all Association Properties, to keep the same in a good, attractive and desirable condition for the use and enjoyment of the Members consistent with this Declaration and the Community-Wide Standard, and to satisfy its obligations with respect to Association Properties under the Plat or any document executed in connection with obtaining the County's approval of the Plat.

6.4 Power to Pay Taxes. The Association shall have the power to pay all taxes and assessments levied upon the Association Properties and all taxes and assessments payable by the Association. The Association shall have the right to contest any such taxes or assessments by appropriate legal proceedings.

6.5 Power to Maintain Casualty Insurance. The Association shall keep all insurable Improvements on the Common Area insured against loss or damage by fire for the replacement cost thereof with such terms as the Board of Directors shall from time to time determine and shall have the power to obtain and keep in full force and effect such other casualty insurance on the Association Properties in such amounts used with such terms as the Board of Directors shall from time to time determine. The Association shall maintain all such insurance required by the Act.

6.6 Power to Maintain Liability Insurance. The Association shall have the power to obtain and keep in full force and effect general liability insurance against claims and liabilities

arising in connection with the ownership, existence, use, or management of the Association Properties with such limits and terms as the Board of Directors shall from time to time determine. The Association shall maintain all such insurance required by the Act. All coverages shall be continuously maintained to cover all liability, claims, demands, and other obligations of the Association pursuant to this Declaration. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured by the Association to maintain such continuous coverage.

6.7 General Provisions Respecting Insurance. Insurance obtained by the Association may contain such deductible provisions as the Board of Directors shall determine and as shall be consistent with the Act. The Association shall carry any other type of insurance it considers appropriate in amounts it deems appropriate, to insure the interests of the Association, including but not limited to liability insurance on behalf of any member of the Board of Directors or the Design Review Committee, or any officer or employee of the Association. To the extent the Association settles claims for damages to real property, it shall have the authority to assess negligent Owners causing such loss or benefiting from such repair or restoration for all deductibles paid by the Association. During the Declarant Control Period, at Declarant's request, insurance obtained by the Association shall, to the extent reasonably possible and provided Declarant reimburses the Association for any additional premium payable on account thereof, name Declarant as an additional insured and shall contain a waiver of rights of subrogation as against Declarant. Insurance may be provided under blanket policies covering the Association Properties and property of Declarant.

6.8 Fidelity Bonds. The Association may obtain and keep in force a fidelity bond or bonds for any Person handling funds of the Association. The Board of Directors may request any Person employed as an independent contractor by the Association for the purpose of managing the Association Properties to obtain and maintain fidelity insurance in an amount determined by the Board.

6.9 Other Insurance and Bonds. The Association shall obtain such other insurance as may be required by law, including workmen's compensation insurance, and shall have the power to obtain such other insurance and such fidelity, indemnity, or other bonds as the Association shall deem necessary or desirable.

6.10 Duty to Prepare Budgets and Review or Audit. The Association shall prepare budgets and reviews or audits for the Association as provided in Section 8.6 of this Declaration.

6.11 Power to Levy and Collect Assessments and Fees. The Association may levy and collect Assessments and User Fees as provided in this Declaration.

6.12 Association Books and Records.

6.12.1 The Association's books and records shall be subject to an audit or a review as further provided in this Declaration. Except as otherwise provided in Section 6.12.2 below, or as specified by Section 38-33.3-317 of the Act, the Association shall make reasonably available for inspection and copying by Owners, Mortgagees, and insurers or guarantors of any Mortgage, current copies of all of the Governing Documents, financial documents and all other

documents described in Section 38-33.3-317 of the Act. The Person(s) accessing and/or copying such documents shall pay all costs associated therewith. "Reasonably available" shall mean available during normal business hours, upon prior notice of at least ten (10) business days, or at the next regularly scheduled meeting if such meeting occurs within thirty (30) days after the request.

6.12.2 Notwithstanding this Section 6.12, a membership list or any part thereof may not be obtained or used by any Person for any purpose unrelated to an Owner's interest as an Owner without the consent of the Board of Directors. Without limiting the generality of the foregoing, without the consent of the Board of Directors, a membership list or any part thereof may not be: (a) used to solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election to be held by the Association; (b) used for any commercial purpose; or (c) sold to or purchased by any Person.

6.12.3 The information described in this Section 6.12 shall be provided to the Owners by the Association either by (a) posting such information on an internet website with notice of the URL for such website delivered to the Owners by electronic mail or first-class mail; (b) placing such information on a literature table or in a binder in the Association's main office; (c) mail or personal delivery; or (d) such other method as may be permitted under the Act. In the event the Act is amended to remove, modify, or otherwise revise the requirements under Section 6.12 of this Declaration, Section 6.12 shall be deemed amended to require only that which is required pursuant to the Act, as amended.

6.13 Duties With Respect to Design Review Committee Approvals. The Association shall perform functions to assist the Design Review Committee as elsewhere provided in this Declaration.

6.14 Power to Acquire Property and Construct Improvements. The Association may acquire property or interests in property for the common benefit of Owners including Improvements and personal property. The Association may construct Improvements on property and may demolish existing Improvements.

6.15 Power to Adopt Rules and Regulations. The Association may adopt Rules and Regulations concerning the following: (a) collection of unpaid Assessments; (b) handling of conflicts of interest involving the Board of Directors; (c) conduct of Association meetings; (d) enforcement of this Declaration and the Rules and Regulations, including notice and hearing procedures and the establishment of a fine policy; (e) inspection and copying of Association records by Owners; (f) investment of reserve funds; (g) procedures for the adoption and amendment of policies, procedures, and Rules and Regulations; and (h) procedures for addressing disputes arising between the Association and Owners. The Association may adopt, amend, repeal, and enforce Rules and Regulations, including regulations regarding all parking within the Common Areas, as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration, the operation of the Association, the use and enjoyment of Association Properties, and the use of any other property within the Community Area, including Lots. Any such Rules and Regulations shall be effective only upon adoption by resolution of the Board of Directors. Notice of the adoption, amendment, or repeal of any Rule or Regulation shall be given in writing to each Member at the address for notices to Members as elsewhere provided

in this Declaration or the Bylaws, and copies of the currently effective Rules and Regulations shall be made available to each Member upon request and payment of the reasonable expense of copying the same. Each Member shall comply with such Rules and Regulations and shall see that Persons claiming through such Member comply with such Rules and Regulations. Such Rules and Regulations shall have the same force and effect as if they were set forth in and were part of this Declaration. In the event of conflict between the Rules and Regulations and the provisions of this Declaration, the provisions of this Declaration shall prevail.

6.16 Power to Enforce Declaration and Rules and Regulations. The Association shall have the power to enforce the provisions of this Declaration and the Rules and Regulations and shall take such action as the Board deems necessary or desirable to cause such compliance by each Member and each Related User. Without limiting the generality of the foregoing, the Association shall have the power to enforce the provisions of this Declaration and the Rules and Regulations by any one (1) or more of the following means: (a) by entry upon any property within the Community Area, without liability to the Owner thereof, for the purpose of enforcement or causing compliance with this Declaration or the Rules and Regulations, including, in connection with the violation of any parking regulations, towing or causing to be towed illegally or improperly parked vehicles within the Community Area, (b) by commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this Declaration or the Rules and Regulations, by mandatory injunction or otherwise, (c) by commencing and maintaining actions and suits to recover damages for breach of any of the provisions of this Declaration or the Rules and Regulations, (d) by suspension of the voting rights of a Member during and for up to sixty (60) days following the cure of any breach by such Member or a Related User of this Declaration or the Rules and Regulations, (e) by levying and collecting a Specific Assessment against any Member for breach of this Declaration or the Rules and Regulations by such Member or Related User, and (f) by uniformly applied fines and penalties, established in advance in the Rules and Regulations of the Association, assessed against any Member or Related User for breach of this Declaration or the Rules and Regulations by such Member or Related User.

6.17 Power to Grant Easements. The Association shall have the power to grant access, utility, drainage, water facility, and other such easements in, on, over, or under Association Properties.

6.18 Power to Convey and Dedicate Property to Government Agencies. The Association shall have the power to grant, convey, dedicate, or transfer any Association Properties or facilities to any public, governmental, or quasi-governmental agency or authority for such purposes and subject to such terms and conditions as the Association shall deem appropriate. Any such transfer during the Special Declarant Rights Period, shall, in addition to the approval of Delegates representing at least sixty seven percent (67%) of the Lots owned by Members (exclusive of the Lots owned by the Declarant) determined as provided in Section 5.5, require the approval of Declarant.

6.19 Power to Borrow Money and Mortgage Property. The Association shall have the power to borrow money and, with the approval of Delegates representing at least sixty-seven percent (67%) of the Lots owned by Members (exclusive of the Lots owned by Declarant), determined as provided in Section 5.5, to encumber Association Properties as security for such

borrowing, subject to provisions elsewhere contained in this Declaration with respect to required approvals and consents to such action.

6.20 Power to Merge or Consolidate. The Association shall have the power to merge or consolidate with another association with the approval of Members owning at least sixty-seven percent (67%) of the Lots (exclusive of the Lots owned by Declarant), determined as provided in Section 5.5, and, if during the Special Declarant Rights Period, the approval of Declarant. Upon a merger or consolidation of the Association with another association, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights, and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving consolidated association may administer and enforce the covenants, conditions, and restrictions established by this Declaration, together with the covenants, conditions, and restrictions established upon any other property as one plan.

6.21 Power to Engage Employees, Agents, and Consultants. The Association shall have the power to hire and discharge employees and agents and to retain and pay for legal, management, and accounting services as may be necessary or desirable in connection with the performance of any duties or the exercise of any powers of the Association under this Declaration.

6.22 General Corporate Powers; Limitations. The Association shall have all of the ordinary powers and rights of a Colorado corporation formed under the Colorado Revised Nonprofit Corporation Act, including, without limitation, entering into partnership and other agreements, subject only to such limitations upon such powers as may be set forth in this Declaration or in the Articles of Incorporation or Bylaws. The Association shall also have the power to do any and all lawful things which may be authorized, required, or permitted to be done under this Declaration or the Articles of Incorporation or Bylaws and to do and perform any and all acts which may be necessary or desirable for, or incidental to, the exercise of any of the express powers or rights of the Association under this Declaration and the Articles of Incorporation or Bylaws.

6.23 Powers Provided by Law. In addition to the above-referenced powers, except as may be limited by this Declaration, the Articles of Incorporation, or the Bylaws, the Association shall have full power to take and perform any and all actions which may be lawfully taken by the Association under the Colorado Revised Nonprofit Corporation Act. Notwithstanding the foregoing or any other provision of this Declaration, the Articles or Bylaws, the Association may institute, defend, or intervene in litigation or administrative proceeding on behalf of itself on matters affecting the Community, but not on behalf of any Owner on matters affecting the Community.

6.24 Owners Insurance. By virtue of taking title to a Lot, each Owner covenants and agrees with all other Owners and with the Association to carry blanket "all-risk" property insurance on its Lot. Each Owner of a Lot further covenants and agrees that in the event of damage to or destruction of structures on or comprising such Owner's Lot such Owner shall proceed promptly to repair or to reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article 9 of this Declaration. Alternatively, the Owner shall clear the Lot of all debris and ruins and maintain the Lot in a neat

and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs which are not covered by insurance proceeds incurred in complying with such obligations. Supplemental Declarations may establish different insurance provisions or other requirements regarding the standards for rebuilding or reconstructing structures on the Lots and the standards for clearing and maintaining the Lots in the event the structures are not rebuilt or reconstructed.

6.25 Implied Rights; Board Authority. The Association may exercise any other right or privilege given to it expressly by this Declaration or the Bylaws, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in this Declaration, the Bylaws, Articles of Incorporation, or by law, all rights and powers of the Association may be exercised by the Board or any duly authorized executive committee, officer, agent, or employee without a vote of the membership.

6.26 Governmental Interests. During the Special Declarant Rights Period, the Declarant may designate sites within the Community Area for fire, police, utility facilities, public schools and parks, and other public facilities. The sites may include Common Areas.

6.27 Indemnification. The Association shall indemnify every officer, director, and committee member against all expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member. The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association). The Association shall indemnify and forever hold each such officer, director and committee member harmless from any and all liability to others on account of any such contract, commitment or action. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available. Any indemnification or right of indemnification of directors and officers of the Association as provided by this Declaration, the Articles or the Bylaws shall continue as to a person who has ceased to be a director or officer of the Association and shall inure to the benefit of the director's or officer's estate, heirs, personal representatives, executors and administrators. Any repeal or modification of any provision of this Declaration, the Articles or Bylaws of the Association permitting or requiring indemnification of director's, officer's and committee members shall be prospective only, and shall not adversely affect any limitation on the personal liability of a current or former director, officer or committee member of the Association for acts or omissions prior to such repeal or modification.

6.28 Dedication of Common Areas. The Association may dedicate portions of the Common Areas to the County, or to any other local, state, or federal governmental entity, subject to such approval as may be required by this Declaration and the Act.

6.29 Security. The Association shall not be obligated to maintain or support any security activities within the Community Area. NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE COMMUNITY AREAS, NOR SHALL ANY OF THEM BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR OF INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. EACH OWNER ACKNOWLEDGES, UNDERSTANDS AND COVENANTS TO INFORM ITS RELATED USERS THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS AND COMMITTEES, DECLARANT, AND ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH PERSON USING THE COMMUNITY AREAS ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS AND TO THE CONTENTS OF UNITS RESULTING FROM ACTS OF THIRD PARTIES.

6.30 Powers of the Association Relating to Subassociation Area.

6.30.1 No Supplemental Declaration creating a Subassociation shall be adopted and/or Recorded during the Special Declarant Rights Period by an entity other than Declarant or Builder unless the Supplemental Declaration has been approved in writing by the Declarant, not to be unreasonably withheld, which approval shall be evidenced by a consent to the Supplemental Declaration, executed by the Declarant, if applicable, and Recorded. Any Supplemental Declaration which is Recorded and does not contain the executed consent required by the terms of this Section shall be void and of no effect. In the event of any inconsistency between the conditions and restrictions contained in this Declaration and any Supplemental Declaration, this Declaration shall control.

6.30.2 The Association shall have the power to require specific action to be taken by a Subassociation in connection with any of its obligations and responsibilities pursuant to any Supplemental Declaration. If a Subassociation fails to perform its obligations pursuant to any Supplemental Declaration within thirty (30) days after delivery of written notice from the Association requiring performance thereof, the Association shall have the right, but not the obligation, to effect such action on behalf of such Subassociation. To cover the Association's administrative expenses in connection with the foregoing and to discourage failure to comply with the requirements of this Declaration, the Association shall be entitled to assess the Lots within such Subassociation for their equal pro rata share of any actual expenses incurred by the Association in taking such action but only in the manner provided in Section 8.11. Such assessments may be collected as a Specific Assessment hereunder and shall be subject to all lien rights provided for herein.

ARTICLE 7. ASSOCIATION PROPERTIES

7.1 Member's Rights of Use and Enjoyment Generally. Unless otherwise provided in this Declaration, all Members and Related Users may use the Association Properties.

7.2 Right of Association to Regulate Use. The Association, acting through the Board, shall have the power to regulate use of Association Properties by Members and, to the extent within

the power of the Association, the public to further enhance the overall rights of use and enjoyment of all Members.

7.3 No Partition of Association Properties. No Owner shall have the right to partition or seek partition of the Association Properties, or any part thereof.

7.4 Liability of Owners for Damage by Member. Each Member shall be liable to the Association for any damage to Association Properties and for any cost, expense or liability incurred by the Association to the extent not covered by insurance, which may be sustained by reason of the negligent conduct or intentional misconduct of such Member or any Related User and for any violation by such Member or any such Related User of this Declaration or any Rule and Regulation adopted by the Association, including any increase in insurance premiums directly attributable to any such damage or any such violation. The Association shall have the power, as elsewhere provided in this Declaration, to levy and collect a Specific Assessment against a Member to cover the costs and expenses incurred by the Association on account of any such damage or any such violation of this Declaration or of such Rules and Regulations.

7.5 Association Duties if Damage. In the event of damage to Association Properties by fire or other casualty or in the event any governmental authority shall require any repair, reconstruction, or replacement of any Association Properties, the Association shall have the duty to repair, reconstruct, or replace the same. Any insurance proceeds payable by reason of damage or destruction of Association Properties by fire or other casualty shall be paid to the Association and shall be used, to the extent necessary, to pay the costs of repair, reconstruction, or replacement. If funds from insurance proceeds or from reserves for replacement are insufficient to pay all costs of repair, reconstruction, or replacement of improvements damaged or destroyed, or if the Association is required to make repairs, replacements, or Improvements by governmental authorities, the Association may, in order to make up any deficiency in the insurance proceeds or to pay for the required repair, replacement, or improvement, levy a Special Assessment in accordance with Section 8.10, or if a Member or group of Members is liable for such damage, levy a Specific Assessment against the Member or group of Members responsible therefor, to provide the additional funds necessary. Repair, reconstruction, or replacement of Association Properties shall be done under such contracting and bidding procedures as the Association shall determine are appropriate. If insurance proceeds available to the Association on account of damage or destruction exceed the cost of repair, reconstruction, and replacement, the Association may use the same for future maintenance, repair, improvement, and operation of other Association Properties.

7.6 Association Powers in the Event of Condemnation. If any Association Properties or interests therein are taken under exercise of the power of eminent domain or by purchase in lieu thereof, the award in condemnation or the price payable shall be paid to the Association, except to the extent payable to any other Person with an interest in such property, including any Mortgagee of such property. The Association shall have the exclusive right to participate in such condemnation proceedings and to represent the interests of all Owners or other Persons therein. Any award or funds received by the Association shall be held by the Association in the Maintenance Funds as determined by the Board, as a reserve for future maintenance, repair, reconstruction, or replacement of Association Properties or may be used for Improvements or additions to or operation of Association Properties. No Owner shall be entitled to participate as a party or otherwise in any condemnation proceedings.

7.7 Title to Association Properties on Dissolution of Association. In the event of dissolution of the Association, the Association Properties shall, to the extent permitted by law and reasonably possible, be conveyed or transferred to an appropriate public, governmental or quasi-governmental agency or organization or to a nonprofit corporation, association, trust, or other organization, to be used, in any such event, for the common benefit of Owners for similar purposes for which the particular Association Property was held by the Association. To the extent the foregoing is not possible, the Association Properties shall be sold or disposed of and the proceeds from the sale or disposition shall be allocated to the Lots in accordance with the Assessment Ratios and distributed to the Members.

ARTICLE 8. ASSESSMENTS AND FEES

8.1 Obligation and Lien for Assessments. Each of the Lots shall be subject to the Assessments. Each Lot shall be subject to a lien for the Assessments (together with interest, late charges, costs of collection, and attorneys' fees on or accrued with respect thereto) as provided in this Declaration and in the Act. The lien may be claimed and enforced in accordance with the provisions of this Declaration and in the Act. The Assessments against each Lot and each portion of each Assessment (together with interest, late charges, costs of collection, and attorneys' fees on or accrued with respect thereto) shall be the personal, joint and several obligation of the Owners of the Lot at the time each Assessment or portion thereof becomes payable. Each Owner, by acceptance of its interest in any Lot, agrees to pay to the Association the Assessments as to that Lot and as otherwise provided herein, together with interest, late charges, costs of collection, and attorneys' fees as provided herein. Assessments may consist of Common Assessments, any Subassociation Assessments, Special Assessments, and Specific Assessments.

8.2 Amount of Common Assessments; Allocation of Assessments; Working Capital.

8.2.1 Amount of Common Assessments. The amount of the annual Common Assessment shall be apportioned among the Lots in accordance with their Allocated Interests. Notwithstanding the foregoing, however, the amount of the annual Common Assessments against the Initially Unoccupied Lots shall be set at a lower rate than the rate of annual Common Assessments against other Lots, because the Initially Unoccupied Lots receive and benefit from fewer services funded by such Assessments than the other Lots. Colorado Revised Statutes §38-33.3-315(3)(b) states that "Any common expense or portion thereof benefiting fewer than all of the units shall be assessed exclusively against the units benefited." Based on this provision, the Initially Unoccupied Lots shall pay annual Common Assessments at the rate of twenty-five percent (25%) of any annual Common Assessment charged to Lots other than the Initially Unoccupied Lots. Such reduction is in recognition that Initially Unoccupied Lots shall not require the use or enjoyment of the Common Area and that Initially Unoccupied Lots do not require most of the services of the Association. The common expenses for services, including trash removal; park and open space irrigation, lighting, mowing and other landscaping maintenance of Common Area; sidewalk snow removal; drainage maintenance; insurance of Common Area; exterior maintenance of Improvements; and other services provided by the Association related to Common Area will not benefit an Initially Unoccupied Lot prior to the Occupancy Date of such Lot.

8.2.2 Working Capital. At the time of the sale of each Lot to the first Owner thereof following the completion of the Dwelling on the Lot by the Declarant or Builder, the Owner purchasing the Lot shall pay an amount equal to two (2) months of the total Assessments for such Lot assuming it is a Dwelling to the Association as a contribution to the Association's working capital. After such contribution to the working capital of the Association has been made as to any Lot, at the time when the Lot is transferred to a new Owner, the new Owner shall pay an amount to the Association equal to such contribution, and, at the time such replacement contribution is made, the Association shall return the existing capital contribution to the transferring Owner, less a handling charge as set from time to time by the Association; provided that the contribution shall not otherwise be refundable and, in lieu of replacing the contribution in such manner, the transferring Owner may transfer the capital contribution to the new Owner, in which case the handling fee shall be avoided. All working capital may be used for any purposes designated by the Association in the budget, including but not limited to, operating expenses.

8.3 Common Assessments and Initial Assessment. For each calendar year, the Association may levy Common Assessments against Owners of the Lots in accordance with this Declaration. Each Owner shall jointly and severally be obligated to pay the Common Assessments levied against and allocated to such Owner and the Lot of such Owner. The first Common Assessment (the "Initial Assessment") shall be made at the time the first Dwelling is transferred by Declarant or Builder to the first purchaser thereof, as shall be determined by the Board of Directors. After the Initial Assessment has been made, Common Assessments shall be made no less frequently than annually and shall be based on a budget adopted no less frequently than annually in accordance with Section 8.6. The Initial Assessment and each subsequent Common Assessment shall be determined by the Board in accordance with the budget. Written notice of any change in the amount of any annual Common Assessment shall be sent to every Owner subject thereto not less than thirty (30) days prior to the effective date of such change.

8.4 Assessments/Charges for Services to Less than All Lots. The Association may provide services to less than all of the Lots. If such services are not funded by the annual Assessments or special Assessments, then the Owner(s) of the applicable Lot(s) shall pay to the Association the anticipated costs, fees and expenses for such services and/or reimburse the Association for the same. By way of example, and not in limitation of the foregoing, a residence and/or Lot requiring greater or special maintenance needs and expenses may be assessed accordingly by the Association.

8.5 Supplemental Common Assessments. If the sums provided for Common Assessments prove or at any time are anticipated to be inadequate for any reason, including nonpayment of any Owner's Common Assessment, the Board may, from time to time, levy a supplemental Common Assessment. Such supplemental Common Assessments shall be allocated among the Lots in the same manner Common Assessments are allocated. Written notice of any supplemental Common Assessment shall be sent to every Owner subject thereto not less than thirty (30) days prior to the date such supplemental Common Assessment becomes payable.

8.6 Budgets and Review or Audit.

8.6.1 Within ninety (90) days after adoption of any proposed budget for the Community, the Board of Directors shall mail, by ordinary first-class mail, or otherwise deliver, a

summary of the Association budget to all the Members and shall set a date for a meeting of the Members to consider the budget. Such meeting shall occur within a reasonable time after mailing or other delivery of the summary. The Board of Directors shall give notice to the Owners of the Delegate meeting as provided in the Bylaws of the Association. The budget proposed by the Board of Directors does not require approval from the Owners and it will be deemed approved by the Owners in the absence of a veto at the noticed meeting by Delegates representing at least sixty-seven percent (67%) of the votes in the Association, whether or not a quorum is present. In the event that the proposed budget is vetoed, the periodic budget last approved by the Board of Directors and not vetoed by Delegates representing the Owners must be continued until such time as a subsequent budget proposed by the Board of Directors is not vetoed by Delegates on behalf of the Owners.

8.6.2 At the discretion of the Board of Directors or as required pursuant to Sections 8.6.2.1 or 8.6.2.2 below, the Association's books and records shall be subject to an audit, using generally accepted auditing standards, or a review, using statements on standards for accounting and review services, by an independent and qualified Person selected by the Board of Directors. Such Person need not be a certified public accountant except in the case of an audit. A Person selected to conduct a review shall have at least a basic understanding of the principles of accounting as a result of prior business experience, education above the high school level, or bona fide home study. The audit or review report shall cover the Association's financial statements, which shall be prepared using generally accepted accounting principles or the cash or tax basis of accounting.

8.6.2.1 An audit shall be required only when both of the following conditions are met:

- (i) The Association has annual revenues or expenditures of at least two hundred fifty thousand dollars (\$250,000); and
- (ii) An audit is requested by the Owners of at least one-third (1/3) of the Lots represented by the Association.

8.6.2.2 A review shall be required only when requested by the Owners of at least one-third (1/3) of the Lots represented by the Association.

8.6.2.3 Copies of an audit or review under this Section 8.6.2 shall be made available upon request to any Owner beginning no later than thirty (30) days after its completion.

8.6.3 In the event the Act is amended to remove, modify, or otherwise revise the requirements under Section 8.6 of this Declaration, Section 8.6 shall be deemed amended to require only that which is required pursuant to the Act, as amended.

8.7 Payment of Assessment. Unless otherwise provided by the Board of Directors as to any Common Assessment, Common Assessments shall be due and payable in advance to the Association by the assessed Member during the calendar year in equal monthly installments, on or before the first day of each month of each calendar year, or in such other manner and on such other dates as the Board of Directors may designate in its sole and absolute discretion.

8.8 Failure to Set Assessment. If the Board of Directors fails to levy an Assessment for any year, the Assessment set for the prior year shall continue in effect for such year until revised by the Board of Directors in accordance with this Declaration. The failure by the Board of Directors to levy an Assessment for any year shall not be deemed a waiver or modification with respect to any of the provisions of this Declaration or a release of the liability of any Member to pay Assessments, or any installment thereof, for that or any subsequent year. No abatement of the Common Assessment or any other Assessment shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to Association Properties or the Lots or from any action taken to comply with any law or any determination of the Board of Directors or for any other reason.

8.9 Subassociation Assessments. A Subassociation shall, to the extent provided in the Supplemental Declaration, be entitled to make assessments for the purposes and in the amounts provided in the Supplemental Declaration.

8.10 Special Assessments for Capital Expenditures. In addition to Common Assessments, the Board of Directors may, upon approval of Delegates representing at least sixty-seven percent (67%) of the Owners and subject to the provisions of this Section 8.10, levy special assessments ("Special Assessments") for the purpose of raising funds not otherwise provided from Common Assessments to construct or reconstruct, repair, or replace capital Improvements upon Association Properties, including necessary personal property related thereto; to add to the Association Properties; to provide for necessary facilities and equipment to offer the services authorized in this Declaration; to repay any loan made to the Association to enable it to perform the duties and functions authorized in this Declaration; or for such other purposes as reasonably determined by the Association. Special Assessments shall be allocated in the same manner as Common Assessments. The Association shall notify Members in writing of the amount of any Special Assessment and of the manner in which, and the dates on which, any such Special Assessment is payable and the Members shall pay any such Special Assessment in the manner so specified. Notwithstanding the foregoing, during the Declarant Control Period, no Common Assessments or Special Assessments may be used for construction of capital improvements to Association Properties.

8.11 Specific Assessments.

8.11.1 Member Specific Assessments. The Board of Directors may, subject to the provisions hereof, levy an Assessment against any Member for the funds expended by the Association if the Member or a Related User or other Person enjoying the privileges and benefits of the Community (such as the use of Association Properties) in a way which the Board of Directors reasonably determines makes such Person's conduct the responsibility of the Member violates or fails to comply with this Declaration, the Articles of Incorporation, the Bylaws, or the Rules and Regulations and such violation or failure to comply shall have resulted in the expenditure of funds by the Association to cause such compliance or the cessation of such violation. Such Assessment shall be known as a "Specific Assessment" and shall be levied only after hearing and approval by the Board in accordance with the Bylaws following notice to the Member(s) against whom the Specific Assessment is proposed to be made given in a time and manner reasonably determined by the Board of Directors to be adequate under the circumstances but in any event in writing delivered to the Dwelling of which the Member is the Owner. The

amount of the Specific Assessment shall be due and payable to the Association thirty (30) days after notice to the Member of the decision of the Board of Directors that the Specific Assessment is owing, or such other period as the Board may determine in its sole discretion.

8.11.2 Subassociation Specific Assessments. The Board of Directors may, subject to the provisions hereof, levy a Specific Assessment against a Subassociation to reimburse the Association for costs incurred in bringing the Subassociation into compliance with the provisions of this Declaration, any applicable Supplemental Declaration, the Articles of Incorporation, the Bylaws, and Rules and Regulations. Such Specific Assessment shall be levied equally on a pro rata basis against all Lots within the Subassociation Area. The amount of the Specific Assessment shall be due and payable to the Association thirty (30) days after notice to the Member(s) of the decision of the Board of Directors that the Specific Assessment is owing, or such other period as the Board may determine in its sole discretion.

8.12 Late Charges and Interest. If any Common Assessment, Special Assessment, or Specific Assessment or any installment thereof is not paid when due, the Member or Subassociation obligated to pay the Assessment may be required to pay a late charge at the level from time to time determined by the Board. Any Assessment or installment of an Assessment which is not paid when due shall bear interest from the due date at the rate of fifteen percent (15%) per annum or such other rate as may be established by the Board from time to time.

8.13 Attribution of Payments. All Assessment payments shall be credited first to any late fees, interest, attorneys' fees, and other costs of collection, and next to principal reduction, satisfying the oldest obligations first followed by more current obligations.

8.14 Notice of Default and Acceleration of Assessments. If any Common Assessment, Special Assessment, or Specific Assessment or any installment thereof is not paid within thirty (30) days after its due date, the Board of Directors may mail a notice of default ("Notice of Default") to the Owner and to the holder (the "First Mortgagee") of the First Mortgage against the Lot if the First Mortgagee has requested a copy of the notice. The notice shall specify: (a) the fact that the installment is delinquent, (b) the action required to cure the default, (c) a date, not less than thirty (30) days from the date the notice is mailed to the Member, by which such default must be cured, and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the balance of the Assessment or the installments of the Assessment against the Lot of the Member. If the delinquent Assessment or installment and any late charges or interest thereon are not paid in full on or before the date specified in the notice, the Board, at its option, may (as to any Assessment payable in installments, including the Common Assessment) declare all of the unpaid balance of the Assessment to be immediately due and payable without further demand and may enforce the collection of the full Assessment and all charges and interest thereon in any manner authorized by law or this Declaration, subject to the protection afforded to the First Mortgagee under this Declaration.

8.15 Remedies to Enforce Assessments. Each Assessment levied hereunder shall be a separate, distinct, and personal debt and obligation of the Owner or Owners (who shall be jointly and severally liable therefor) of the Lot against which the same is assessed. In the event of a default in payment of any Assessment or installment thereof, whether Common, Special, or Specific, the Board may, in addition to any other remedies provided under this Declaration or by

law, enforce such obligation on behalf of the Association by suit or by filing and foreclosure of a lien as hereinafter provided. In the event of a default in the payment of any Assessment or other amount due hereunder or breach of any other provision hereunder, the Association, in addition to any remedies hereunder, shall have all remedies available under law.

8.16 Lawsuit to Enforce Assessments. The Board may bring suit at law to enforce any Assessment obligation. Any judgment rendered in such action shall include any late charges, interest, and other costs of enforcement, including reasonable attorneys' fees in the amount as the court may adjudge, against the defaulting Owner.

8.17 Lien to Enforce Assessments. All Assessments against a Lot (including late fees, interest, cost of collection, and attorneys' fees) shall constitute a lien on such Lot superior to all other liens and encumbrances, except the following (the "Priority Liens"): (a) liens and encumbrances Recorded before the Recording of this Declaration, (b) tax and special assessment liens in favor of any assessing governmental or quasi-governmental authority, and (c) all sums unpaid under the Mortgage encumbering the Lot that has first lien priority over any other Mortgage encumbering such Lot ("First Mortgage") if the First Mortgage was Recorded before the date on which the assessment sought to be enforced became delinquent, including any unpaid amounts remaining to be paid by the contract purchaser under an Installment Sale Contract, including any Installment Sale Contract in which the Administrator of the VA is seller, whether such contract is owned by the VA or its assigns, and whether Recorded or not. By acceptance of transfer of an interest in a Lot, the Owners of each Lot agree that the Assessment lien shall be prior to any homestead exemption or right and irrevocably waive any and all rights they or any of them may have to claim a homestead exemption against enforcement of the Assessment lien. Except as set forth in Sections 8.17 and 14.8 hereof or pursuant to Section 38-33.3-316 of the Act, sale, foreclosure or transfer of any Lot shall not affect the Assessment lien. This Section 8.17 does not affect the priority of mechanics' or materialmen's liens or the priority of liens or assessments made by the Association.

In order to assert any such lien, the Association shall be required to Record a written notice setting forth the amount of such unpaid Assessments, the name of the Owner of the Lot, and the identification of the Lot. Such notice shall be signed by one member of the Board of Directors, an officer of the Association, or an agent appointed by the Board and shall be Recorded. Such notice shall not be required to be in any particular form. Such lien may be enforced by foreclosure on the defaulting Owner's Lot by the Association in the same manner as a mortgage on real property and shall encumber all rents and profits issuing from the Lot, which lien on rents and profits shall be subordinate only to the matters described in subparagraphs (a), (b), and (c) above. The Association shall have the power to bid at the foreclose sale and to acquire and hold, lease, mortgage, and convey the Lot.

8.18 Estoppel Certificates. Upon the written request of any Member and any Person with, or intending to acquire, any right, title, or interest in the Lot of such Member, the Association shall furnish a written statement setting forth the amount of any Assessments or other amounts, if any, due and accrued and then unpaid with respect to a Lot and the Owner thereof, and setting forth the amount of any Assessment levied against such Lot which is not yet due and payable. Such statement shall, with respect to the Person to whom it is issued, be conclusive against the

Association that no greater or other amounts were then due or accrued and unpaid and that no other Assessments have been levied.

8.19 No Offsets. All Assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reduction thereof shall be permitted for any reason including, without limitation, any claim that the Association or the Board of Directors is not properly exercising its duties and powers under this Declaration.

8.20 User Fees. The Association may assess fees (“User Fees”) charged to Members who use or derive special benefit from services provided by the Association and which are not used or which do not generally benefit all of the Members. Unpaid User Fees may be enforced as Specific Assessments or in any other manner reasonably determined by the Association.

8.21 Other Fees. The Association may impose other fees from time to time in uniform amounts for providing routine services to Owners and Members. Examples of such fees are transfer fees (for changing the names of the Owners of a Lot or Members with respect to a Lot upon the sale or other transfer of a Lot), handling fees (for accepting the contribution to the working capital of the Association from a new Owner of a Lot and refunding the working capital contribution of the transferring Owner), and fees for providing estoppel certificates, confirmations of the status of payment of Assessments, User Fees, and other fees to an existing or prospective purchaser or Mortgagee.

ARTICLE 9. ARCHITECTURAL APPROVAL

9.1 Approval of Improvements Required. The approval of the Design Review Committee shall be required for any Improvement to Property on any Lot, except: (a) for any Improvement to Property made by Declarant or by a homebuilder that is designated a “Builder” hereunder by the Declarant and who has received electronically transmitted or written approval for such Improvement from the Declarant, and (b) where prior approval of Improvements to Property may be waived or certain Improvements to Property may be exempted in writing or under written guidelines or rules promulgated by the Design Review Committee. The Design Review Committee of the Association may delegate some or all of its authority under this Declaration to such agents, committees, or subcommittees as the Association may designate for such purpose from time to time.

9.2 Improvement to Property Defined. “Improvement to Property” or “Improvements to Property” requiring approval of the Design Review Committee shall mean and include, without limitation: (a) the construction, installation, erection, or expansion of any building, structure, or other Improvement, including utility facilities and fences, (b) the demolition or destruction, by voluntary action, of any building, structure, or other Improvement, (c) the landscaping, grading, excavation, filling, or similar disturbance to the surface of the land including, without limitation, change of grade, change of ground level, change of drainage pattern, change of stream bed or change of established grade, and (d) any change or alteration of any previously approved Improvement to Property, including any change of exterior appearance, material, color, or texture.

9.3 Membership of Committee.

9.3.1 During the Special Declarant Rights Period, the Design Review Committee shall consist of two (2) members, both of whom shall be initially appointed by Declarant. Declarant shall have the continuing right to appoint both members during the Special Declarant Rights Period. During the period of development of the Community Area while Declarant has rights to appoint members of the Design Review Committee, Declarant shall give the Association written notice of the appointment or removal of any member of the Design Review Committee. Members of the Design Review Committee may be but shall not be required to be Members of the Association.

9.3.2 After expiration of the Special Declarant Rights Period, the Design Review Committee shall consist of three (3) members, two of which will be selected by the Members, and the other member of which shall be appointed by the Board.

9.3.3 Members of the Design Review Committee may be removed at any time by the Person(s) which have the power to appoint them, and shall serve for such term as may be designated by such Person(s) or until resignation or removal by such Person(s).

9.4 Address of Design Review Committee. The address of the Design Review Committee shall be at the principal office of the Association.

9.5 Submission of Plans. Prior to commencement of work to accomplish any proposed Improvement to Property (other than landscaping consistent with a landscaping plan previously approved by the Design Review Committee), the Person proposing to make such Improvement to Property ("Applicant") shall submit to the Design Review Committee at its offices such descriptions, surveys, plot plans, drainage plans, elevation drawings, construction plans, specifications, and samples of materials and colors as the Design Review Committee shall reasonably request showing the nature, kind, shape, height, width, color, materials, and location of the proposed Improvement to Property. The Applicant shall be entitled to receive a receipt for the same from the Design Review Committee or its authorized agent. The Design Review Committee may require submission of additional plans, specifications, or other information prior to approving or disapproving the proposed Improvement to Property. Until receipt by the Design Review Committee, in its sole discretion, of all required materials in connection with the proposed Improvement to Property, the Design Review Committee may postpone review of any materials submitted for approval. If a Subassociation design review committee exists as to the Lot for which an application is submitted, the Design Review Committee may require that, as a condition to the review of the application, the application previously has been submitted to and approved by a Subassociation design review committee. If a Subassociation design review committee exists as to the Lot for which an application is submitted and has approved the application, and if the application is for a remodeling or renovation or addition to an existing Improvement, the Design Review Committee may waive the requirement of Design Review Committee approval of the Improvement.

9.6 Criteria for Approval. The Design Review Committee shall approve any proposed Improvement to Property only if it deems in its reasonable discretion that the Improvement to Property in the location indicated will not be detrimental to the appearance of the surrounding

areas of the Community Area as a whole; that the appearance, exterior design, materials and color of the proposed Improvement to Property will be in harmony with the surrounding areas of the Community Area and will be substantially consistent with the specific provisions or intent of the Design Guidelines; that the Improvement to Property will not detract from the beauty, wholesomeness, and attractiveness of the Community Area or the enjoyment thereof by Owners; that the proposed changes in topography properly relate to adjacent Lots and the Community Area as a whole; and that the upkeep and maintenance of the proposed Improvement to Property will not become a burden on the Association. The Design Review Committee may condition its approval of any proposed Improvement to Property upon the making of such changes therein as the Design Review Committee determines, in its judgment, reasonably exercised, are necessary to comply with this Section 9.6.

9.7 Design Guidelines; Design Procedures.

9.7.1 Design Guidelines. The Design Review Committee may, from time to time, issue, revise, and reissue guidelines (the "Design Guidelines") to be applicable to all subsequent Improvements to Property. The Design Guidelines may specify substantive standards for styles of architecture, colors, and features which are required to be followed for submissions to the Design Review Committee for approval of proposed Improvements to Property, appropriate landscaping materials and any additional factors which will be taken into consideration in connection with the approval of any proposed Improvement to Property. During the Special Declarant Rights Period, any revision or amendment and restatement of the Design Guidelines shall be subject to the approval of the Declarant.

9.7.2 Design Procedures. The Design Review Committee may, from time to time, issue, revise, and reissue standards or rules ("Design Procedures") relating to the procedures, materials to be submitted, and fees in connection with the approval of any proposed Improvement to Property. The Design Procedures may specify circumstances under which the strict application of limitations or restrictions under this Declaration will be waived or deemed waived in whole or in part because strict application of such limitations or restrictions would be unreasonable or unduly harsh under the circumstances. The Design Procedures may provide for the waiver, until such provision is revised, of the requirement for approval of certain Improvements to Property or provide for the exemption, until such provision is revised, of certain Improvements to Property from the requirement for approval, if the Design Review Committee determines for the time being that such approval may not be reasonably required to carry out the purposes of this Declaration.

9.8 Design Review Fee. The Design Review Committee may, in the Design Procedures, provide for the payment of a fee to accompany each request for approval of any proposed Improvement to Property. The Design Review Committee shall provide that the amount of such fee shall be uniform for similar types of any proposed Improvement to Property in accordance with a schedule of fees adopted by the Design Review Committee or that the fee shall be determined in any other reasonable manner, such as based upon the cost to the Association of the evaluation and response to the application.

9.9 Decision of Committee. The Design Review Committee shall approve or disapprove all requests for approval of any Proposed Improvement to Property within thirty (30) days after receipt by the Design Review Committee of all materials required by the Design Review

Committee in conjunction therewith. If the Design Review Committee fails to approve or disapprove any request within forty-five (45) days after complete submission of all materials and information with respect thereto, the Design Review Committee shall be deemed to have given its approval of such submission.

9.10 Prosecution of Work After Approval. After approval of any proposed Improvement to Property, the proposed Improvement to Property shall be accomplished promptly and diligently and in complete conformity with the description of the proposed Improvement to Property and any other materials submitted to the Design Review Committee in connection with the proposed Improvement to Property and with any conditions imposed by the Design Review Committee. If the Improvement to Property is not completed within twelve (12) months after the date of approval or such shorter period as is specified in Section 3.26 as to initial landscaping or another period approved in writing by the Design Review Committee in granting its approval, the approval granted shall automatically lapse.

9.11 Notice of Completion. Upon completion of the Improvement to Property, the Applicant shall give written "Notice of Completion" to the Design Review Committee; provided that the requirement of such notice shall be waived if the Applicant is the Declarant. Unless such notice is waived as or in the manner provided in this Section 9.11, until the date of receipt of such Notice of Completion, the Design Review Committee shall not be deemed to have notice of completion of such Improvement to Property.

9.12 Inspection of Work. The Design Review Committee or its duly authorized representative shall have the right to inspect any Improvement to Property prior to or after completion; provided that the right of inspection shall terminate thirty (30) days after the Design Review Committee has received a Notice of Completion from Applicant and the Design Review Committee has been provided access to inspect the Improvement to Property.

9.13 Notice of Noncompliance. If, as a result of inspections or otherwise, the Design Review Committee determines that any Improvement to Property has been made without obtaining the approval of the Design Review Committee or was not made in complete conformity with the description and materials furnished to, and any conditions imposed by, the Design Review Committee or was not completed within the time periods specified in Section 9.10, the Design Review Committee shall notify the Applicant in writing of the noncompliance (the "Notice of Noncompliance"), which shall be given, in any event, within thirty (30) days after the Design Review Committee receives a Notice of Completion from the Applicant. The Notice of Noncompliance shall specify the particulars of the noncompliance and such action to be taken to remedy the noncompliance, which may include demolition of the Improvement to Property or remodeling of the Improvement to Property to comply with the plans for such Improvement to Property, if any, approved by the Design Review Committee.

9.14 Appeal to Board of Directors; Finding of Noncompliance. If the Design Review Committee gives any Notice of Noncompliance, the Applicant may appeal to the Board of Directors by giving written notice of such appeal to the Board and the Design Review Committee within thirty (30) days after receipt of the Notice of Noncompliance by the Applicant. If, after a Notice of Noncompliance, the Applicant fails to submit a timely appeal to the Board or fails to commence diligently to remedy such noncompliance, the Design Review Committee shall request

a finding of noncompliance by the Board of Directors by giving written notice of such request to the Association and the Applicant within sixty (60) days after delivery to the Applicant of a Notice of Noncompliance from the Design Review Committee. In either event, the Board of Directors shall hear the matter in accordance with the provisions of the Bylaws, and the Board shall decide whether or not there has been such noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same.

9.15 Correction of Noncompliance. The Applicant shall remedy the noncompliance within thirty (30) days after notification thereof by the Design Review Committee, or, if a timely appeal to the Board was submitted by the Applicant or a request for a finding of noncompliance was submitted to the Board by the Design Review Committee, within a period of not more than forty-five (45) days from the date of receipt by the Applicant of the ruling of the Board of Directors requiring the Applicant to remedy the noncompliance. If the Applicant does not comply with the Board ruling within such period, the Board may, at its option, record a Notice of Noncompliance against the real property on which the noncompliance exists, may enter upon such property and remove the noncomplying Improvement to Property, and/or may otherwise remedy, cure, correct or repair the noncompliance, and the Applicant shall reimburse the Association, upon demand, for all expenses incurred therewith. If such expenses are not promptly repaid by the Applicant or Owner to the Association, the Board may levy a Specific Assessment against the Owner of the Lot for such costs and expenses. The right of the Association to remedy or remove any noncompliance shall be in addition to all other rights and remedies which the Association may have at law, in equity, or under this Declaration. The Applicant and Owner of the Lot shall have no claim for damages or otherwise on account of the entry upon the property and removal of the noncomplying Improvement to Property.

9.16 No Implied Waiver or Estoppel. No action or failure to act by the Design Review Committee or by the Board of Directors shall constitute a waiver or estoppel with respect to future action by the Design Review Committee or the Board of Directors with respect to any Improvement to Property. Specifically, the approval of the Design Review Committee of any Improvement to Property shall not be deemed a waiver of any right or an estoppel to withhold approval or consent for any similar Improvement to Property or any similar proposals, plans, specifications, or other materials submitted with respect to any other Improvement to Property.

9.17 Committee Power to Grant Variances. The Design Review Committee may authorize variances from compliance with any of the provisions of this Declaration or the Design Guidelines, including restrictions upon height, size, floor area, or placement of structures or similar restrictions, when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental conditions may require. Such variances must be approved by the Design Review Committee in accordance with its regular procedures and shall not be effective until so approved and evidenced in writing executed by a majority of the members of the Design Review Committee. If any such variance is granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular Lot, the particular Improvement to Property covered by the variance, and the particular provision hereof or of the Design Guidelines, covered by the variance, nor shall the granting of a variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the property concerned, including, but not

limited to, zoning ordinances and setback lines or requirements imposed by any governmental authority having jurisdiction.

9.18 Meetings of Committee. The Design Review Committee shall meet from time to time as necessary to perform its duties hereunder. The Design Review Committee may from time to time, by resolution in writing adopted by a majority of the members, designate a representative (the "Committee Representative") (who may but need not be one of its members) to take any action or perform any duties for or on behalf of the Design Review Committee, except the granting of approval of any Improvement to Property, determination of noncompliance, and granting of variances. The action of such Committee Representative within the authority of such Committee Representative or the written consent or the vote of a majority of the members of the Design Review Committee shall constitute action of the Design Review Committee.

9.19 Estoppel Certificates. The Board of Directors shall, upon the reasonable request of any interested Person (and the payment of any fee established by the Board of Directors or the Design Review Committee therefor) and after confirming any necessary facts with the Design Review Committee, furnish a certificate with respect to the approval or disapproval of any Improvement to Property or with respect to whether any Improvement to Property was made in compliance herewith. Any Person, without actual notice to the contrary, shall be entitled to rely on said certificate with respect to all matters set forth therein.

9.20 Nonliability of Committee Action. There shall be no liability imposed on the Design Review Committee, any member of the Design Review Committee, any Committee Representative, the Association, any member of the Board of Directors, or Declarant or any Builder for any loss, damage, or injury arising out of or in any way connected with the performance of the duties of the Design Review Committee unless due to the willful misconduct of the party to be held liable. In reviewing any matter, the Design Review Committee shall not be responsible for reviewing, nor shall its approval of an Improvement to Property be deemed approval of, any Improvement to Property from the standpoint of safety, whether structural or otherwise, or conformance with building codes, approved subdivision plats and development plans, or other governmental laws or regulations. Members of the Design Review Committee shall be indemnified by the Association to the same extent as the Board of Directors of the Association, as set forth in Section 6.27 of this Declaration and the Articles of Incorporation or Bylaws of the Association.

9.21 Construction Period Exception. During the course of actual construction of any permitted structure or Improvement to Property, so long as construction is being prosecuted with reasonable diligence, the Design Review Committee shall temporarily suspend the provisions contained in this Declaration as to the Lot upon which the construction is taking place to the extent determined by the Design Review Committee to be necessary to permit such construction to proceed in a reasonable manner. Any such temporary suspension may be revoked by the Design Review Committee upon its determination that construction is not being diligently prosecuted. No such temporary suspension shall permit anything to be done which will result in a violation of any of the provisions of this Declaration upon completion of construction or shall permit anything to be done which will constitute a nuisance or unreasonable interference with the use and enjoyment of other property within the Community Area.

9.22 General. No Improvement to Property shall be placed, erected, or installed upon any Lot, and no Improvements (including staking, clearing, excavation, grading and other site work, exterior alteration of existing Improvements, and planting or removal of landscaping materials) shall take place except in compliance with this Article 9 and the Design Guidelines and upon approval of the Design Review Committee under Sections 9.1 and 9.9 other than (a) any Improvement to a Lot or a Common Area made by Declarant, and (b) where prior approval of Improvements to a Lot or a Common Area may be waived or certain Improvements to a Lot may be exempted in writing or under written guidelines or rules promulgated in accordance with this Article 9.

9.23 Exclusions. Any Owner may remodel, paint or redecorate the interior of the Dwelling on such Owner's Lot without approval. However, modifications to the interior of screened porches, patios, and similar portions of a Lot visible from outside the structures on the Lot shall be subject to approval. No approval shall be required to repaint the exterior of a Dwelling in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. All Dwellings constructed on any portion of the Community Area shall be designed by and built in accordance with the plans and specifications of a licensed architect or licensed building designer. This Article 9 shall not apply to the activities of the Declarant during the Special Declarant Rights Period, nor to Improvements to the Common Area by or on behalf of the Association.

ARTICLE 10. DECLARANT'S RIGHTS AND RESERVATIONS

10.1 Period of Special Declarant Rights and Reservations. Declarant shall have, and Declarant hereby retains, and reserves, certain special declarant rights as hereinafter set forth in this Declaration and in the Act with respect to the Association and the Association Properties for a period of time (the "Special Declarant Rights Period") commencing on the date hereof and terminating automatically on the earlier of: (a) the date of conveyance by Declarant of the last Lot owned by Declarant to an Owner other than Declarant or a Builder, or (b) December 31, 2045. The rights and reservations hereinafter set forth in this Article 10, and in Sections 3.5.3, 3.6, 3.11, 3.14, 3.17, 3.29, 3.32, 6.18, 6.20, 6.26, 6.30, 9.3, 9.7, 9.11, 9.22, 9.23, 11.1, 11.3, 14.2, 14.14, and 14.15 (collectively, "Special Declarant Rights"), shall be deemed excepted and reserved in each conveyance of property by Declarant to the Association and in each deed or other instrument by which any property within the Community Area is conveyed by Declarant whether or not specifically stated therein. The Special Declarant Rights shall be prior and superior to any other provisions of this Declaration and may not, without Declarant's prior written consent, be modified, amended, rescinded, or affected by any amendment of this Declaration during the Special Declarant Rights Period. Declarant's consent to any one such amendment shall not be construed as consent to any other subsequent amendment.

10.2 Declarant's Right to Appoint Board of Directors. During the Declarant Control Period, Declarant shall have the right to appoint the members of the Board of Directors; provided that (a) not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Lots That May Be Created to Owners other than Declarant, at least one (1) member and not less than twenty-five percent (25%) of the members of the Board of Directors shall be elected by Owners other than the Declarant (acting through their Delegate), (b) not later than sixty (60) days after

conveyance of fifty percent (50%) of the Lots That May Be Created to Owners other than Declarant (acting through their Delegate), not less than thirty-three and one-third percent (33 1/3%) of the members of the Board of Directors must be elected by Owners other than the Declarant (acting through their Delegate), and (c) not later than sixty (60) days after conveyance of seventy-five percent (75%) of the Lots That May Be Created to Owners other than Declarant (acting through their Delegate), the Delegates representing the Owners shall elect a Board of Directors of at least three (3) members, at least a majority of whom shall be Owners other than the Declarant or designated representatives of Owners other than Declarant in accordance with Section 5.2. During the Declarant Control Period, the Articles of Incorporation and Bylaws and any amendment to either of them shall not be effective unless and until approved in writing by the Declarant.

10.3 Selection of Officers; Date for Taking Office. The Board of Directors shall elect the officers. The members of the Board of Directors and officers shall take office upon election.

10.4 Requirements for Turnover of Declarant Control. Within sixty (60) days after the Owners other than the Declarant elect a majority of the members of the Board of Directors, the Declarant shall deliver to the Association the property of the Owners that is specified under Section 38-33.3-303(9) of the Act.

10.5 Information to Owners After Turnover of Declarant Control.

10.5.1 On or before the date that is ninety (90) days after the end of the Declarant Control Period (and on or before the date that is ninety (90) days after a change of the Association's address, designated agent, or management company), the Association shall make available the information specified in Section 38-33.3-209.4(1) of the Act for review by the Owners on reasonable notice.

10.5.2 On or before the date that is ninety (90) days after the end of the Declarant Control Period (and on or before the date that is ninety (90) days after the end of each fiscal year of the Association thereafter), the Association shall make available the information specified in Section 38-33.3-209.4(2) of the Act for review by the Owners on reasonable notice.

10.5.3 The information described in this Section 10.5 shall be provided to the Owners by the Association either by (a) posting such information on an internet website with notice of the URL for such website delivered to the Owners by electronic mail or first-class mail; (b) placing such information on a literature table or in a binder in the Association's main office; (c) mail or personal delivery; or (d) such other method as may be permitted under the Act.

10.6 Right to Construct Additional Improvements on Association Properties. During the Special Declarant Rights Period, Declarant and Builders shall have and hereby reserve the right, but shall not be obligated to, convey Association Properties to the Association and construct additional Improvements on Association Properties at any time and from time to time in accordance with this Declaration for the improvement and enhancement thereof and for the benefit of the Association and Owners. Declarant and Builders may convey or transfer such Improvements to the Association if Declarant has elected to construct such Improvements. The Association shall be obligated to accept title to, care for, and maintain the same as Association Properties as elsewhere provided in this Declaration. Association Properties and Improvements

conveyed by Declarant or Builders to the Association shall be conveyed free and clear of any Mortgage or lien (other than a lien for any tax or assessment not yet due and payable) arising by reason of Declarant's or Builder's promise or failure to pay any monetary obligation of Declarant or Builder.

10.7 Declarant's Rights to Use Association Properties in Marketing of Community Area. During the Special Declarant Rights Period, until Dwellings have been constructed on all of the Lots and all of the Lots have been sold by Declarant or Builder to Owners for the purpose of occupancy of the Dwellings thereon, Declarant shall have and hereby reserves the right to reasonable use of the Association Properties and of services offered by the Association in connection with the promotion and marketing of the Community Area. Without limiting the generality of the foregoing, during the Special Declarant Rights Period, until Dwellings have been constructed on all of the Lots and all of the Lots have been sold by Declarant or Builders to Owners for the purpose of occupancy of the Dwellings thereon, Declarant and Builder may erect and maintain on any part of the Association Properties such signs, temporary buildings, and other structures as they may reasonably deem necessary or proper in connection with the promotion, development, and marketing of real property within the Community Area; may use vehicles and equipment on Association Properties for promotional purposes; may permit prospective purchasers of property within the boundaries of the Community Area who are not Owners or Members of the Association to use Association Properties at reasonable times and in reasonable numbers; and may refer to the Association Properties and to the Association and services offered by the Association in connection with the development, promotion, and marketing of property within the boundaries of the Community Area. Declarant, or Builder, as applicable, shall pay any costs and expenses arising from its use of Association Properties in accordance with this Section 10.7.

10.8 Declarant's Rights to Complete Development of Community Area. No provision of this Declaration shall be construed to prevent or limit Declarant's or a Builder's rights during the Special Declarant Rights Period to complete development of property within the boundaries of the Community Area or elect not to complete development of any part of the Community Area; to develop Association Properties or to construct Improvements to Property thereon, whether or not required by the Plat or any other requirements imposed by the County in connection with the approval of the Plat; to construct or alter Improvements on any property owned by Declarant or by a Builder within the Community Area, to maintain model homes and offices for construction, sales purposes, or similar facilities on any property owned by Declarant within the Community Area; or to post signs or do any other act or thing incidental to development, construction, promotion, marketing, or sales of property within the boundaries of the Community Area. Nothing contained in this Declaration shall limit the right of Declarant or require Declarant (or Builders who have obtained Declarant's approval) to obtain approvals during the Special Declarant Rights Period to: (a) excavate, cut, fill, or grade any property owned by Declarant or to construct, alter, demolish, or replace any Improvements on any property owned by Declarant (or a Builder), (b) use any structure on any property owned by Declarant (or a Builder) as a construction office, model home, or real estate sales office in connection with the sale of any property within the boundaries of the Community Area, (c) store construction materials, supplies, equipment, tools, waste or other items on property within the Community Area that is owned by Declarant (or a Builder), (d) require Declarant (or a Builder) to seek or obtain the approval of the Design Review Committee or of the Association for any such activity or Improvement to Property on any property owned by Declarant; or (e) to develop Association Properties or to construct Improvements to Property thereon, whether

or not required by the County in connection with the approval of the Plat, or to seek or obtain the approval of the Design Review Committee or the Association for any such activity or Improvement to Property. Nothing in this Declaration shall limit or impair the reserved rights of Declarant (or a Builder) as elsewhere provided in this Declaration.

10.9 Declarant's Approval of Conveyances or Changes in Use of Association Properties. During the Special Declarant Rights Period, the Association shall not, without first obtaining the prior written consent of Declarant, which consent shall not be unreasonably withheld, convey, change, or alter the use of Association Properties, mortgage Association Properties, or use Association Properties other than solely for the benefit of Members or as specifically allowed hereunder.

10.10 Declarant's Rights to Grant and Create Easements. During the Special Declarant Rights Period, until Dwellings have been constructed on all of the Lots and all of the Lots have been sold by Declarant or Builder to Owners for the purpose of occupancy of the Dwellings thereon, Declarant shall have and hereby reserves the right to grant or create temporary or permanent easements for access, utilities, drainage, water, and other purposes incident to development and sale of the Community Area located in, on, under, over, and across: (a) Association Properties, (b) the five (5) feet of each Lot adjoining each of the exterior boundaries of such Lot, and (c) the portions of the Community Area affected by the easements reserved on the recorded plats for the Community Area. Declarant may, at any time during the Special Declarant Rights Period, grant or create temporary or permanent easements on Lots owned by Declarant. Within these easements, including any easements previously granted under this Declaration, unless the consent of the holder of such easement rights is obtained, no structure, planting or other improvements or material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change or adversely affect Established Drainage Patterns or the direction and flow of drainage, or obstruct or retard the flow of water as contemplated by the Established Drainage Pattern. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot on which said easement is located, except for those improvements for which a public authority or private utility company is responsible.

10.11 Declarant's Rights to Convey Property to Association. During the Special Declarant Rights Period, Declarant shall have and hereby reserves the right, but shall not be obligated to, convey real property and Improvements thereon to the Association at any time and from time to time in accordance with this Declaration.

10.12 Declarant's Right to Annex Additional Property to Community Area. During the Special Declarant Rights Period, Declarant shall have, and hereby reserves the right, but shall not be obligated, from time to time, to annex to the Community Area all or any portion all of the Additional Property described on Exhibit C attached hereto and by this reference made part hereof, or any Phase of the Additional Property on a Lot-by-Lot basis and in any order, if at all; provided that Declarant shall not be entitled to annex portions of the Additional Property (other than those dedicated for public use) not owned by Declarant without the prior written consent of the Owner thereof. The foregoing right to annex by Declarant shall be in addition to any rights of annexation specified under the Act. Unless and until the Additional Property or any portion thereof is annexed to this Declaration (and not withdrawn), such property shall not be subject to this Declaration or

any provision hereof except the right of annexation provided in this Section. This Declaration does not and shall not affect the title of the Additional Property, nor constitute a cloud on title or exception to title, until the Additional Property or any portion or Phase thereof is annexed into this Declaration. In order to annex any Phase or all of the Additional Property owned by Declarant to the Community Area, the Declarant shall be required to execute and record a Supplemental Declaration which describes the real property being annexed, refers to this Declaration, including the date and reception number of the Recordation of this Declaration, and states that the Additional Property (or specified Phase thereof) is, by such Supplemental Declaration, being annexed to the Community Area, and shall include a designation of the Delegate District in which such Additional Property or Phase is located. If the Additional Property or Phase or portion thereof being annexed by such Supplemental Declaration is not owned by Declarant, the Supplemental Declaration shall be executed by the Owner thereof. Such annexation shall not require the consent of the Owners or Mortgagees of any other Lots but shall, if Declarant desires to attempt to obtain FHA or VA approval of the property being annexed, be subject to a determination by FHA or VA that the annexation is in accord with a general plan approved by it and that the structures to be located thereon will be of comparable style, quality, size and cost to the existing Improvements. Any portion of the Additional Property so annexed to the Community Area shall be subject to the terms and conditions of this Declaration from and after the date of the recording of the Supplemental Declaration annexing such portion of the Additional Property to the Community Area.

10.13 Declarant's Right to Withdrawal. The Community Area and Additional Property (as hereafter amended) or any Phase thereof, owned by Declarant shall each be subject to a right of withdrawal by the Declarant on a Lot-by-Lot basis. Such withdrawal may be accomplished, if at all, in accordance with the Act. The Declarant's right to withdraw any portion or Phase of the Community shall expire and terminate no later than termination of the Special Declarant Rights Period.

ARTICLE 11. SUPPLEMENTAL DECLARATIONS AND SUBASSOCIATIONS

11.1 Recordation of Supplemental Declarations. During the Special Declarant Rights Period, the Declarant and any Builder may execute and Record a Supplemental Declaration which encumbers a portion of the Community Area owned by the Declarant or such Builder, as applicable. Such Supplemental Declaration shall refer to this Declaration and may (a) create a Subassociation, and (b) may impose additional requirements on the Lots and Common Areas which are subject to such Supplemental Declaration (but shall have no effect on other property which is subject to this Declaration but not such Supplemental Declaration); provided, however, that no such additional requirements may amend the provisions of this Declaration, unless approved as an amendment to this Declaration pursuant to the provisions of Sections 14.3 and 14.4 of this Declaration. If necessary, such Supplemental Declaration will designate or redesignate the boundaries of the Delegate Districts in accordance with this Declaration. Any Supplemental Declaration may provide its own procedure for amendment of any provisions thereof. All Lots which are subjected to the provisions of any such Supplemental Declaration shall automatically be subject to the provisions of this Declaration and the Supplemental Declaration without the necessity of a specific reference to this Declaration in any deed, notice, Supplemental Declaration, or other instrument. In the event of any conflict between the provisions of this Declaration and the provisions of any Supplemental Declaration, the provisions of this Declaration shall control.

Lots may be annexed to, or withdrawn from, this Declaration through a Supplemental Declaration, as well as pursuant to the other provisions of this Declaration governing annexation and withdrawal of additional property.

11.2 Subassociations. Subject to Section 14.4, any Supplemental Declaration may create a Subassociation, the members of which are the Owners of Lots which are subject to such Supplemental Declaration. Any Subassociation shall be organized as a nonprofit corporation in accordance with the provisions of the Act and the Colorado Revised Nonprofit Corporation Act. Any Subassociation may be granted all of the powers granted to associations under the Act, including the power to impose and collect assessments from its members solely with respect to common areas to be owned solely by such Subassociation and used by and benefiting any of the members of such Subassociation. Any Subassociation shall have the power to regulate the use of any Subassociation Common Areas by Subassociation Members.

11.3 Declarant's Approval Required. During the Special Declarant Rights Period, any Supplemental Declaration or Subassociation created pursuant to the provisions of this Declaration or otherwise with respect to Lots that is not adopted and/or Recorded by Declarant or Builder and which also are subject to this Declaration shall be approved by the Declarant prior to Recording as provided in Section 3.33. Any Supplemental Declaration or Subassociation that has not been so approved by the Declarant shall be null and void and of no effect on any part of the Community Area or on any Owners. Except as provided in Section 14.4, upon the conveyance of all Lots that are or may be included within the Community Area by the Declarant to a Builder or other Owner (other than a successor Declarant), the provisions of this Section 11.3 shall terminate and any Supplemental Declaration or Subassociation or both may be created by a Builder or, if a Builder has conveyed all Lots to purchasers other than another Builder, by the vote of the Delegates representing Owners of at least sixty-seven percent (67%) of the Lots to be subject to such Supplemental Declaration.

11.4 Compliance with the Act. Nothing contained in this Article 11 shall be construed as limiting the rights of Owners to create a new Supplemental Declaration or Subassociation under the Act except as specifically permitted under the Act. Any Supplemental Declaration and any delegation of authority to a Subassociation or Subassociation design review committee (or similar body) shall not be deemed to be an amendment to this Declaration, as such authority has been granted herein.

ARTICLE 12. DISPUTE RESOLUTION

12.1 Intent of Article; Applicability of Article; and Applicability of Statutes of Limitation.

12.1.1 Each Party (as defined below) agrees to encourage the amicable resolution of disputes, without the emotional and financial costs of litigation. Accordingly, each Party covenants and agrees to submit all Claims (as defined below) to the procedures set forth in this Article and not to a court of law.

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

12.1.3 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.

12.2 Definitions Applicable to this Article.

For purposes of this Article only, the following terms have the meanings set forth in this Section:

12.2.1 “AAA” means the American Arbitration Association or any other Person subsequently agreed to by the Claimant and Respondent in writing for the purpose of performing the functions of the American Arbitration Association under this Declaration.

12.2.2 “Claimant” means any Party having or asserting a Claim.

12.2.3 “Claim” means, except as excluded or exempted by the terms of this Article, any claim, grievance or dispute between one Party and another, regardless of how the same may have arisen or on what it might be based, including without limitation those arising out of or related to (i) the interpretation, application or enforcement of any of the Governing Documents or the rights, obligations and duties of any Party under any of the Governing Documents; (ii) the design or construction of improvements; (iii) any statements, representations, promises, warranties, or other communications made by or on behalf of any Party. A Claim may be brought by lawsuit, counterclaim, cross-claim, mediation, arbitration, or in any other manner.

12.2.4 “Party” means each of the following: Declarant, its officers, directors, partners, members, employees and agents; the Association, its officers, directors and committee members; all Persons subject to this Declaration; any Builder or other builder or contractor, its officers, directors, partners, members, employees and agents, who construct buildings, residences or other Improvements within the Community Area; and any Person not otherwise subject to this Declaration who agrees to submit to this Article.

12.2.5 “Respondent” means any Party against whom a Claimant asserts a Claim.

12.2.6 “Termination of Mediation” means a period of time expiring forty-five (45) days after a mediator has been agreed upon by the parties (however, a mediator shall be selected no later than thirty (30) days after the Claimant has given notice to the Respondent of the Claim and if the Claimant and Respondent are unable to agree on a mediator, one shall be chosen by the AAA) and the matter has been submitted to mediation (or within such other time as determined by the mediator or agreed to by the Claimant and Respondent), and upon the expiration of which the Claimant and Respondent have not settled the Claim.

12.3 Approval Required for Association Actions. Unless otherwise specified by the Act, the approval of a majority of the Association votes cast by Delegates representing Members voting in person or by proxy at a meeting duly called for this purpose at which a quorum is present (with

the “quorum” in such cases to be set as provided in Section 12.4 of this Declaration), must be obtained before the Association shall have the power to institute action on any Claim, or to make any counterclaim or cross-claim in any lawsuit with respect to any Claim brought against the Association. Such approval must be obtained in accordance with the requirements of Section 12.4 of this Declaration. In addition to the foregoing, the Association shall seek to obtain the approval of sixty-seven percent (67%) of Mortgagees by written vote or proxy by written notice sent as provided in Section 14.12 or to the address specified in the applicable Mortgage.

12.4 Notice and Quorum for Association Actions. Written notice of any meeting of Delegates which includes a vote pursuant to Section 12.3 of this Declaration shall be sent to all Members not less than thirty (30) days nor more than fifty (50) days in advance of the meeting. Such written notice, or if the vote is to be by written ballot then such written ballot, shall include

12.4.1 the following information:

12.4.1.1 A statement regarding the nature of the Claim. Such statement shall include the name(s) of the proposed Claimant(s) and Respondent(s), the basis and reason for the Claim, and any other information necessary to adequately explain the nature of the proposed Claim; and

12.4.1.2 A good-faith estimate of the costs and fees, including court costs and other costs, the fees of consultants, expert witnesses and attorneys, reasonably anticipated to be incurred by or for the Association in prosecuting the Claim, with such estimate prepared by the primary attorney the Board proposes to have prosecute the Claim on its behalf; and

12.4.1.3 A good-faith estimate of the manner in which any monies reasonably anticipated to be recovered from the Claim will be distributed or paid to consultants, expert witnesses, the Association, its attorney(s) and any others, prepared by the primary attorney the Board proposes to have prosecute the Claim on its behalf; and

12.4.1.4 A good faith estimate of the projected time frame for resolution of the Claim; and

12.4.1.5 All terms and provisions of the agreement between the Association and the attorney(s) the Board proposes to have prosecute the Claim;

12.4.2 and, the following disclosures in capital letters and bold typeface (completed with applicable amounts and information):

12.4.2.1 The alleged construction defects may result in increased costs to the association in maintenance or repair and/or cause an increase in assessments or special assessments to cover the cost of repairs.

12.4.2.2 UNTIL THE ALLEGED DEFECTS ARE REPAIRED, SELLERS OF UNITS WITHIN THE COMMON INTEREST COMMUNITY MAY OWE UNIT BUYERS A DUTY TO DISCLOSE KNOWN DEFECTS.

12.4.2.3 THE EXECUTIVE BOARD INTENDS TO ENTER INTO A FEE ARRANGEMENT WITH THE ATTORNEYS REPRESENTING THE ASSOCIATION, UNDER WHICH (OF THE AMOUNT THE ASSOCIATION RECOVERS FROM THE DEFENDANT(S), THE ATTORNEYS WILL BE PAID A CONTINGENCY FEE EQUAL TO _____ PERCENT OF THE (NET) (GROSS) RECOVERY.) (THE ASSOCIATION'S ATTORNEYS WILL BE COMPENSATED AS FOLLOWS: _____).

12.4.2.4 IN ADDITION TO ATTORNEY FEES, THE ASSOCIATION MAY INCUR UP TO \$_____ FOR LEGAL EXPENSES, INCLUDING EXPERT WITNESSES, DEPOSITIONS, AND FILING FEES. THE AMOUNT WILL NOT BE EXCEEDED WITHOUT THE EXECUTIVE BOARD'S FURTHER WRITTEN AUTHORITY. IF THE ASSOCIATION DOES NOT PREVAIL ON ITS CLAIM, THE ASSOCIATION MAY BE RESPONSIBLE TO PAY THESE LEGAL EXPENSES.

12.4.2.5 IF THE ASSOCIATION DOES NOT PREVAIL ON ITS CLAIM, THE ASSOCIATION MAY BE RESPONSIBLE TO PAY ITS ATTORNEYS' FEES.

12.4.2.6 IF THE ASSOCIATION DOES NOT PREVAIL ON ITS CLAIM, A COURT OR ARBITRATOR SOMETIMES AWARDS COSTS AND ATTORNEYS' FEES TO THE OPPOSING PARTY. SHOULD THAT HAPPEN IN THIS CASE, THE ASSOCIATION MAY BE RESPONSIBLE TO PAY SUCH AWARD.

12.4.2.7 THERE IS NO GUARANTEE THAT THE ASSOCIATION WILL RECOVER ENOUGH FUNDS TO REPAIR THE CLAIMED CONSTRUCTION DEFECT(S). IF THE CLAIMED DEFECTS ARE NOT REPAIRED, ADDITIONAL DAMAGE TO PROPERTY AND A REDUCTION IN THE USEFUL LIFE OF THE COMMON AREAS MAY OCCUR.

12.4.2.8 UNTIL THE CLAIMED CONSTRUCTION DEFECTS ARE REPAIRED, OR UNTIL THE CONSTRUCTION DEFECT CLAIM IS CONCLUDED, THE MARKET VALUE OF THE UNITS IN THE ASSOCIATION MAY BE ADVERSELY AFFECTED.

12.4.2.9 UNTIL THE CLAIMED CONSTRUCTION DEFECT(S) ARE REPAIRED, OR UNTIL THE CONSTRUCTION DEFECT(S) CLAIM IS CONCLUDED, OWNERS IN THE ASSOCIATION MAY HAVE DIFFICULTY REFINANCING AND PROSPECTIVE BUYERS MAY HAVE DIFFICULTY OBTAINING FINANCING.

Unless otherwise specified in the Act, the presence of Delegates representing Members or of proxies, or if by ballot then receipt by the Association of written ballots, entitled to a majority of all of the Association votes, shall constitute a quorum at any meeting at which the Delegates representing Members vote on approval of any Claim the Association wishes to bring.

12.5 Required Form of Proxy or Ballot. Each written proxy, and each ballot, which purports to vote on, or authorize a vote on, approval of the Association bringing a Claim shall contain the following statement with respect to any vote approving the Association to bring a Claim:

With full knowledge and understanding that my annual Assessments may be increased by the costs and fees associated with the proposed Claim, I/we APPROVE the authority of the Association to bring such Claim.

12.6 Exclusions from "Claim". Unless specifically exempted by this Article, all Claims between any of the Parties 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:

12.6.1 Any action by the Association to enforce any provision of Article 8 of this Declaration;

12.6.2 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 deem necessary in order to enforce any of the provisions of Article 3 or Article 9 of this Declaration;

12.6.3 Any action between or among Owners, which does not include Declarant, a Builder or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Governing Documents;

12.6.4 Any action in which any indispensable party is not a Party, as defined in this Article; and

12.7 Right to Inspect. Prior to any Party commencing any proceeding against another Party, including but not limited to an alleged defect of any Improvement, the Respondent shall have the right to be heard by the Claimant and, if any Claimant is the Association, by the Members, and to access, inspect, correct the condition of, or redesign any portion of any Improvement as to which a defect is alleged or to otherwise correct the alleged defect; provided, however, any correction to, or redesign of, an Improvement shall be made upon terms and conditions reasonably acceptable to all affected Parties. In the exercise of the inspection rights contained herein, the inspecting Party shall:

12.7.1 Be careful to avoid unreasonable intrusion upon, or harm, damage or costs to the affected Party including using its best efforts to avoid causing any damage to, or interference with, any Improvements to the subject property;

12.7.2 Minimize any disruption or inconvenience to any Person who occupies the subject property;

12.7.3 Remove daily all debris caused by the inspection and located on the subject property; and

12.7.4 In a reasonable and timely manner, at the sole cost and expense of the inspecting Party, promptly remove all equipment and materials from the subject property and repair and replace all damage, and restore the subject property to the condition of the subject property as of the date of the inspection unless the subject property is to be immediately repaired.

The inspecting Party shall not permit any lien, claim or other encumbrance arising from the exercise of its right to inspect to accrue against or attach to the subject property. The inspecting Party shall indemnify, defend, and hold harmless the affected Owners and their tenants, guests, employees and agents, against any and all liability, claims, demands, losses, costs and damages incurred, including court costs and attorneys' fees, resulting from any breach of this Section by the inspecting Party.

12.8 Mandatory Procedures.

12.8.1 Good Faith Negotiations. The Parties shall make every reasonable effort to meet in person and confer for the purposes of resolving the Claim by good faith negotiation. Any Party may be represented by attorneys and independent consultants to assist such Party in negotiations and to attend meetings.

12.8.2 Notice. Prior to proceeding with any claim against a Respondent, each Claimant shall give a notice to each Respondent, which notice shall state plainly and concisely:

12.8.2.1 the nature of the Claim, including all Persons involved and Respondent's role in the Claim;

12.8.2.2 the legal or contractual basis of the Claim (i.e., the specific authority out of which the Claim arises); and

12.8.2.3 the specific relief and/or proposed remedy sought.

12.8.3 Mediation.

12.8.3.1 If the Parties do not resolve the Claim through negotiations within thirty days after submission of the Claim to the Respondent(s), Claimant shall have an additional thirty (30) days to submit the Claim to mediation under the auspices of the AAA in accordance with the AAA's Commercial or Construction Industry Mediation Procedures, as appropriate.

12.8.3.2 If Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to any Person other than the Claimant.

12.8.3.3 Any settlement of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. If a Termination of Mediation occurs, the mediator shall issue a notice of Termination of Mediation. The

Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.

12.8.3.4 Each Party shall bear its own costs of the mediation, including attorneys' fees, and each Party shall share equally all charges rendered by the mediator.

12.8.3.5 If the Parties agree to a resolution of any Claim through negotiation or mediation in accordance with Section 12.8.3 and any Party thereafter fails to abide by the terms of such agreement, then any other Party may file suit or initiate arbitration proceedings to enforce such agreement without the need to again comply with the procedures set forth in Section 12.8 of this Declaration. In such event, the Party taking action to enforce the agreement shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement, including without limitation, attorneys' fees and court costs.

12.8.4 Binding Arbitration.

12.8.4.1 Subject to Section 12.8.3.2 above, upon Termination of Mediation, if Claimant desires to pursue the Claim, Claimant shall thereafter initiate final, binding arbitration of the Claim under the auspices of the AAA in accordance with the AAA's Commercial or Construction Industry Arbitration Rules, as appropriate by one arbitrator. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Claim. Unless otherwise mutually agreed to by the parties to the Claim, there shall be one arbitrator who, to the extent feasible, shall have expertise in the area(s) of dispute, which may include legal expertise if legal issues are involved who shall be selected as follows: each party shall select one arbitrator and such selected arbitrators shall select a single third arbitrator who shall decide the Claim.

12.8.4.2 Each Party shall bear its own costs and expenses and an equal share of the arbitrator's and administrative fees of arbitration. Notwithstanding the foregoing, if a Party unsuccessfully contests the validity or scope of arbitration in a court of law, the arbitrator or the court shall award reasonable attorneys' fees and expenses incurred in defending such contests, including those incurred in trial and on appeal, to the non-contesting Party. All decisions respecting the arbitrability of any Claim shall be decided by the arbitrator.

12.8.4.3 The award of the arbitrator shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration without the prior written consent of all Parties to the Claim.

12.9 Limitation; Liability for Failure of Association to Maintain an Action.

12.9.1 Limitation on Power to Bring Certain Claims. Notwithstanding anything to the contrary in this Declaration, the Association may not sue anyone or arbitrate Claims on behalf

of two or more Owners alleging defects in the design or construction of individual Dwellings that are single-family detached, paired home, or townhome residential dwelling units.

12.9.2 Liability for Failure of Association to Maintain and Action. 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 or arbitration for a Claim 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.

12.10 Binding Effect. BY TAKING TITLE TO ANY PORTION OF THE COMMUNITY, EACH OWNER THEREOF ACKNOWLEDGES AND AGREES THAT THE TERMS OF THIS ARTICLE 12 ARE A SIGNIFICANT INDUCEMENT TO DECLARANT'S WILLINGNESS TO DEVELOP THE COMMUNITY, CONSTRUCT IMPROVEMENTS AND SELL DWELLING UNITS, AND THAT IN THE ABSENCE OF THE PROVISIONS CONTAINED IN THIS ARTICLE 12, DECLARANT WOULD HAVE BEEN UNABLE AND UNWILLING TO DEVELOP AND SELL THE LOTS OR DWELLING UNITS FOR THE PRICES PAID BY THE ORIGINAL PURCHASERS. BY ACCEPTING TITLE TO SUCH PORTION OF THE COMMUNITY, EACH OWNER ACKNOWLEDGES AND AGREES THAT THE TERMS OF THIS ARTICLE 12 LIMIT HIS OR HER RIGHTS WITH RESPECT TO THE RIGHTS AND REMEDIES THAT MAY BE AVAILABLE IN THE EVENT OF A POTENTIAL OR ACTUAL CONSTRUCTION DEFECT AFFECTING THE IMPROVEMENTS OR ANY PORTION THEREOF, INCLUDING WITHOUT LIMITATION ANY DWELLING UNIT.

12.11 Inconsistencies Between Article 12 and C.R.S. § 38-33.3-303.5. In the event of any inconsistency between the requirements of this Article 12 and the requirements of C.R.S. § 38-33.3-303.5, as it may be amended from time to time, the required provision more restrictive requirement shall control, except to the extent the Act requires the applicable requirement of C.R.S. § 38-33.3-303.5 to control, in which case such requirement shall control.

12.12 Waiver of Jury Trial. IN THE EVENT THAT A COURT FINDS THAT THE DISPUTE RESOLUTION PROCEDURES SET FORTH IN THIS ARTICLE 12 ARE UNENFORCEABLE AND AS A RESULT A PARTY IS ALLOWED TO BRING A CLAIM IN COURT, ALL PARTIES AGREE THAT ANY LAWSUIT, WHETHER CLAIM, COUNTERCLAIM OR OTHERWISE, BROUGHT IN COURT SHALL BE TRIED ONLY BY A JUDGE AND NOT BY A JURY; AND EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND INTELLIGENTLY WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT.

ARTICLE 13. PARTY WALLS

13.1 General Rules of Law to Apply. To the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to Party Walls within the Community.

13.2 Use; Modification. The Owner of each Lot on either side of a Party Wall shall have the full right to use the Party Wall support joists, crossbeams, studs and other structural members as may be required for support of the improvements located upon such Lot, and for the reconstruction or remodeling of such improvements. Notwithstanding the foregoing sentence, however, no such use shall injure the improvements located on or within the adjacent Lot, impair the structural support to which any such improvements are entitled under this Declaration, nor impair the use of the Party Wall by the Owner of the adjacent Lot. Except with respect to the finished surface of a Party Wall located within a Dwelling on a Lot, no extension or modification of a Party Wall may be made by or for an Owner unless the prior consent to such extension or modification has been given, in writing, by the Owner of the adjacent Lot, and by all holders of first lien mortgages or first lien deeds of trust on both of such adjacent Lot.

13.3 Sharing of Repair and Maintenance Costs.

13.3.1 The costs of reasonable repair and maintenance of a Party Wall shall be paid equally by the Owner(s) of each of the Lots on either side of the Party Wall; provided that the cost of repairs and maintenance of the finished surface of a Party Wall located within a Lot shall be the sole expense of the Owner of the Lot in which the finished surface is located. If a Party Wall is damaged or destroyed, either Owner shall have the right to restore it. Except as otherwise provided in Section 13.3.2 below, the two Lots that share such Party Wall share equally the costs and expenses of such restoration. Without limiting the generality of the foregoing, any Owner may call for a larger contribution from the other Owner under any rule of law regarding liability for negligent or willful acts or omissions and as provided in Section 13.3.2 below. For purposes of this paragraph, “restore” and “restoration” means restoring the Party Wall to substantially the same condition in which it existed immediately prior to such damage or destruction. To the extent that such damage or destruction is covered by insurance, then the full insurance proceeds shall be used and applied to restoration. If the insurance proceeds are insufficient to fully pay for such restoration, then any such deficiency shall be paid equally by the two Lots that share the Party Wall (subject to a set off if the insurance proceeds for either Lot exceed the insurance proceeds for the other Lot, and subject to Section 13.3.2 below). The cost of any repair of a utility line shall be the responsibility of the Lot which is served by such utility line. In the event an Owner neglects or refuses to pay its share of costs as provided in this Section 13.3.1 and under Section 13.3.2 below for repair, maintenance and restoration within twenty (20) days after receipt of a written request for payment, then the Owner of the adjacent Lot may pay such share of the cost therefor, and the paying Owner shall have the right to record a lien against the non-paying Owner’s Lot and improvements for the amount of such payment, plus costs, reasonable attorneys’ fees, and interest at the rate of two percentage points above the prime rate as published in the *Wall Street Journal*, which may be foreclosed in the same manner as a mechanic’s lien in Colorado.

13.3.2 If the need for maintenance, repair, restoration or replacement of a Party Wall or any other property or improvements on an adjacent Lot or utility lines is caused by the willful or negligent act or omission of one of the Owners, any member of such Owner’s family, by a guest or invitee of such Owner, or by such Owner’s tenants or subtenants (collectively, the “Owner Parties”), the costs of the necessary maintenance, repair, restoration and reconstruction shall be the personal obligation of such Owner.

13.4 Repair to Monolithic Slabs and Monolithic Foundations. If any monolithic slab requires repair, the entire monolithic foundation shall be involved in the repair process. Subject to Section 13.3.2, the Owners and occupants of each of the two Lots on which such monolithic foundation is located shall cooperate regarding repairs to such foundation.

13.5 Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes a Party Wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

13.6 Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner of a Lot sharing a Party Wall under this Article shall be appurtenant to and run with the land and shall pass to such Owner's successors in title to the Lot to which such Owner's membership pertains.

13.7 Right of Owners. The Owners of each Lot with a Party Wall shall have the following rights:

13.7.1 A perpetual and reciprocal easement in and to that part of the adjacent Lot on which such Party Wall is located, for Party Wall purposes only, including mutual support, maintenance, repair and inspection. For the purposes of repairing or maintaining a Party Wall, the Owners of each Lot with a Party Wall are granted the right to enter onto the adjacent Lot which has the same Party Wall and to go inside any residence or other Improvements thereon to do work necessary in the exercise of rights provided herein at all reasonable times after reasonable notice to the occupants of such adjacent Lot, or immediately in the event of an emergency.

13.7.2 After reasonable notice to the occupants of the adjacent Lot on which a Party Wall is located, the Owner of a Lot which has such Party Wall thereon shall have the right to enter an appurtenant Party Wall for the purposes of repairing or restoring sewer, water, or other utilities located within such Party Wall, subject to the obligation to restore such Party Wall to its previous structural condition at the sole cost and expense of the Owner who effectuates such entry.

13.7.3 Each Owner of a Lot which has such Party Wall thereon shall maintain the exterior of the Dwelling on its Lot, or a Subassociation which includes the Lot which has such Party Wall therein shall maintain the exterior of the Dwelling on such Lot, in a manner that, in addition to complying with the requirements of this Declaration, is generally consistent and harmonious with the exterior appearance of the adjacent Lot with which it shares a Party Wall. This shall include consistent and harmonious exterior paint color and materials, and landscaping, and shall also require that repair, replacement, upkeep and maintenance of such items be handled in a consistent and uniform manner. Any exterior changes to an Improvement shall be governed by and subject to the terms and conditions of this Declaration.

ARTICLE 14. MISCELLANEOUS

14.1 Term of Declaration. The covenants, restrictions and obligations of this Declaration shall run with and bind the land in perpetuity until this Declaration is terminated in accordance with this Section 14.1. This Declaration may only be terminated upon the consent of Delegates representing Owners holding at least eighty percent (80%) of the vote in the Association

at a duly constituted meeting of the Delegates. The termination shall be effective on Recording of such instrument or on such later date as is specifically stated in such instrument. Notwithstanding the foregoing, no termination of this Declaration shall (a) affect the provisions of Section 6.27 above which shall survive any termination of this Declaration, and/or (b) affect the provisions of Article 12 above which shall survive any termination of this Declaration for a period of 50 years from the Recording of this Declaration.

14.2 Amendments by Declarant.

14.2.1 Amendments Before Conveyances. Until the first Lot subject to this Declaration is conveyed by Declarant to the first Owner (other than Declarant or a Builder), any of the provisions contained in this Declaration may be amended or terminated by Declarant by the Recordation of an amendment, executed by Declarant, setting forth such amendment or termination.

14.2.2 Technical Amendments. Declarant further reserves and is granted the right and power at any time during the Declarant Control Period to make and Record technical amendments of this Declaration, and the Articles of Incorporation and Bylaws of the Association. Such amendments shall be permitted for the purposes of correcting spelling, grammar, dates, cross references, or typographical errors or as may otherwise be required to clarify the meaning of any provision of any and all such documents. No such amendment shall be permitted to make any substantive change in the provisions of this Declaration.

14.2.3 Amendments for Exercise of Reserved Rights. During the Special Declarant Rights Period, the Declarant may make amendments to this Declaration as necessary and as required by applicable law in connection with the exercise of any rights reserved by the Declarant under this Declaration.

14.3 Amendment of Declaration by Members. Except as otherwise provided in this Declaration, and subject to the provisions elsewhere contained in this Declaration requiring the consent of Declarant or others, any provision of this Declaration, including, without limitation, any covenant, condition, restriction, or equitable servitude contained in this Declaration, may be amended or repealed at any time and from time to time by the Recording of a written statement of amendment or repeal executed by the Owners of at least sixty-seven percent (67%) of the Lots or by the vote of Delegates representing Members owning at least sixty-seven percent (67%) of the Lots at duly constituted meetings of the Delegates and the Recording of a certificate of such vote of amendment or repeal executed on behalf of the Association by the President of the Association or any member of the Board of Directors. The amendment or repeal shall be effective on Recording of such instrument or on such later date as is specifically stated in such instrument. No such instrument shall be required to be in any particular form.

14.4 Required Consent of Declarant. Notwithstanding any other provision in this Declaration to the contrary, any Supplemental Declaration or proposed amendment, modification or repeal of any provisions of this Declaration during the Special Declarant Rights Period shall not be effective unless Declarant has given its written consent to such amendment or repeal, which consent may be evidenced by the execution by Declarant of any certificate of amendment or repeal. The foregoing requirement for consent of Declarant to any amendment or repeal shall terminate

upon termination of the Special Declarant Rights Period, except that the requirement for Declarant consent shall not terminate until fifteen (15) years after termination of the Special Declarant Rights Period with respect to any amendment or repeal that operates or is effective to remove, revoke, limit, condition, or modify any right or privilege of the Declarant hereunder, including without limitation of Sections 6.27, 14.2, 14.4, and Article 10 and Article 12 of this Declaration, which provisions are both covenants and contractual in nature and may not be unilaterally amended by the Owners to affect or alter the Declarant rights and privileges or the contractual agreement without the written consent of the Declarant or the assignee of such right or privilege. Each amendment to this Declaration enacted by the vote or agreement of Delegates representing Owners of Lots shall be applicable only to disputes, issues, controversies, circumstances, events, claims or causes of action that arose out of acts, omissions, events or other circumstances that occurred after the date of recording of such amendment in the County, and no such amendment shall be applied retroactively (i) to any disputes, issues, controversies, circumstances, events, claims or causes of action that arose out of acts, omissions, events or other circumstances that occurred before the date of recording of such amendment in the County, or (ii) to impair the rights or obligations of any Person, including Declarant, as originally set forth in this Declaration.

14.5 Amendment of Articles and Bylaws. The Articles of Incorporation and Bylaws may be amended in accordance with the provisions set forth in such instruments or, in the absence of such provisions, in accordance with applicable provisions of the Colorado Revised Nonprofit Corporation Act.

14.6 Special Rights of First Mortgagees. The First Mortgagee as to any Lot in the Community Area, upon filing a written request therefor with the Association, shall be entitled to: (a) written notice from the Association of any default by the Mortgagor of such Lot in the performance of the Mortgagor's obligations under this Declaration, the Articles of Incorporation, the Bylaws, or the Rules and Regulations, which default is not cured within sixty (60) days after the Association learns of such default; and (b) examine the books and records of the Association during normal business hours.

14.7 First Mortgagee Exemption from Rights of First Refusal. Any First Mortgagee who obtains title to any Lot pursuant to the remedies provided in the Mortgage held by such First Mortgagee or pursuant to any foreclosure of Mortgage or by deed or assignment in lieu of foreclosure shall be exempt from any right of first refusal if any such right of first refusal is ever contained in this Declaration or any Supplemental Declaration.

14.8 Priority of First Mortgage Over Assessments. Subject to Section 38-33.3-316 of the Act, the First Mortgagee as to any Lot who obtains title to such Lot pursuant to the remedies provided in the Mortgage, by judicial foreclosure, or by deed or assignment in lieu of foreclosure shall take title to the Lot free and clear of any claims for unpaid Assessments or charges against such Lot which accrued prior to the time such holder acquires title to such Lot.

14.9 First Mortgagee Right to Pay Taxes and Insurance Premiums. Any First Mortgagee or any such First Mortgagees, jointly or singly, shall be entitled to pay any taxes or other charges which are in default and which may or have become a charge against any of the Association Properties and may pay any overdue premiums on hazard insurance policies for any Association

Properties, and the First Mortgagees making such payments shall be entitled to immediate reimbursement therefor from the Association.

14.10 Amendment Required by Government Mortgage Agencies. Notwithstanding anything to the contrary contained in this Declaration, if Declarant shall determine, during the Special Declarant Rights Period that any amendments to this Declaration or to the Articles of Incorporation or Bylaws of the Association shall be necessary in order for existing or future Mortgages to be acceptable to any Government Mortgage Agencies, such amendments may be made solely by Declarant. "Government Mortgage Agencies" shall mean the FHA, the VA, the FHLMC, the GNMA, the FNMA, 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 those currently performed by such entities. "FHA" shall mean the Federal Housing Administration of the United States Department of Housing and Urban Development ("HUD"), including such department or agency of the United States Government as shall succeed to the FHA in insuring notes secured by mortgages and deeds of trust on residential real estate. "VA" shall mean the Veterans Administration of the United States of America, including such department or agency of the United States Government as shall succeed to the VA in its present function of issuing guarantees with respect to notes secured by Mortgages on residential Lots. "FHLMC" shall mean the Federal Home Loan Mortgage Corporation or The Mortgage Corporation created by Title III of the Emergency Home Finance Act of 1970, including any successor thereto. "FNMA" shall mean the Federal National Mortgage Association, a governmental-sponsored private corporation established as such pursuant to Title VIII of the Housing and Urban Development Act of 1968, including any successor thereto. "GNMA" shall mean the Government National Mortgage Association administered by the United States Department of Housing and Urban Development, including any successor thereto. Declarant shall have and hereby specifically reserves the right and power to make and execute any such amendments without obtaining the approval of any Owners or First Mortgagees. Each such amendment shall be made, if at all, by Declarant prior to termination of the Special Declarant Rights Period and each such amendment shall be subject to the written approval of the VA or FHA.

14.11 HUD or VA Approval. During the Special Declarant Rights Period, the following actions shall require the prior approval of HUD, the FHA or the VA if, at the time any such action is taken, HUD has insurance or VA has a guarantee on one or more Mortgages encumbering a Lot and HUD, the FHA or VA requires prior approval to be given: (a) annexation of additional real property into the Association (other than Lots or the Additional Property), (b) material amendment of this Declaration or material amendment of the Articles of Incorporation or Bylaws of the Association, (c) termination of the Community Area, or (d) merger or consolidation of the Association.

14.12 Notices. Any notice permitted or required to be given under this Declaration or under the Bylaws, including any notice by the Association to any Member or Owner and any notice by any Member or Owner to another Member or Owner required by this Declaration or the Bylaws, shall, unless otherwise specified in this Declaration or in the Bylaws, be in writing and may be given either personally, by regular mail, certified mail, registered mail, local or national commercial courier or delivery service, successful and confirmed facsimile transmission, or by any other means that is then commonly in use in the United States as a means of giving important notices and which is designated by the Board of Directors as an appropriate means for giving

notices hereunder. All notices given by regular mail shall be deemed to have been received on the third business day after being mailed and all other notices shall be deemed to have been received on the date actually delivered unless the Board of Directors shall adopt a universally applicable rule as to any specific method of giving notices, in which case such rule shall be applicable to all notices given by such method. All notices shall be to any Person at the address given by such Person to the Association for the purpose of service of such notice or to the Lot of such Person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association; provided that all such notices shall be at addresses located in the United States and no more than two (2) Persons and addresses (other than the First Mortgagee) may be designated as being entitled to notices with respect to any Lot. If directions for notice are given to the Association that are inconsistent with the foregoing, the Association may ignore such directions.

14.13 Persons Entitled to Enforce Declaration. Subject to Article 12 above, the Association, acting by authority of the Board, and any Member of the Association shall have the right to enforce any or all of the provisions, covenants, conditions, easements, restrictions, and equitable servitudes contained in this Declaration against any property within the Community Area and the Owner thereof. Subject to Article 12, the right of enforcement shall include the right to bring an action for damages as well as an action to enjoin any violation of any provision of this Declaration.

14.14 Violations Constitute a Nuisance. Any violation of any provision, covenant, condition, restriction, and equitable servitude contained in this Declaration, whether by act or omission, is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action, by any Person entitled to enforce the provisions of this Declaration.

14.15 Enforcement by Self-Help. Subject to the provisions of Article 12 above, Declarant (for so long as Declarant as a Member of the Association is entitled to enforce this Declaration) or the Association, or any authorized agent of either of them, may enforce, by self-help, any of the provisions, covenants, conditions, restrictions, and equitable servitudes contained in this Declaration. Violation of the provisions contained in Article 3 by an Owner shall permit the Association to enter onto the Lot of the Owner and cure the violation or cause compliance with this provision and to levy and collect a Specific Assessment for the costs and expenses of the Association in so doing; provided, however, that there shall be no entry into the interior of a Dwelling without the consent of the Owner thereof or a court order unless a clear emergency exists.

14.16 Remedies Cumulative. Each remedy provided under this Declaration is cumulative and not exclusive.

14.17 Costs and Attorneys' Fees. In any action or proceeding under this Declaration (except as otherwise provided in Article 12) the substantially prevailing party shall recover its costs and expenses in connection therewith including reasonable attorneys' fees.

14.18 Limitation on Liability. The Association, the Board of Directors, the Design Review Committee, Declarant, each Delegate, and any member, agent, or employee of any of the

same shall not be liable to any Person for any action or for any failure to act if the action or failure to act was in good faith and without malice.

14.19 Mechanics Liens. Upon completion of the construction to be performed by Declarant, no labor performed or materials furnished and incorporated in a Lot at the request or with the consent of the Owner thereof or the Owner's agent, contractor, or subcontractor shall be the basis for the filing of a lien against the Lot of any other Owner not expressly consenting to or requesting the same, or against the Common Area. Each Owner shall indemnify and hold harmless the other Owners and the Association from and against all liability arising from the claim of any lien against the Lot of any other Owner or against the Common Area for construction performed or for labor, materials, services, or other products incorporated in or otherwise attributable to the Owner's Lots at such Owner's request.

14.20 No Representations or Warranties. Neither Declarant nor any of the agents or employees of any of them makes any representation regarding views, the future use, appearance or height of improvements on any adjacent property, or the selling price of homes, or the desirability of any particular location, zoning and subdivision regulations, or taxes. Declarant makes no warranty or representation as to the presence or non-presence of radon or other naturally occurring hazardous environmental conditions on the Community Area, or to the effect of any such condition on the Lots or Improvements, or the Association or Owners.

14.21 Liberal Interpretation. The provisions of this Declaration shall be liberally construed as a whole to effectuate the purpose of this Declaration.

14.22 Conflict of Provisions. Except to the extent any provision of this Declaration is inconsistent with the Act, in case of any conflict between this Declaration, the Articles of Incorporation, or Bylaws 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.

14.23 Governing Law. The validity and effect of this Declaration shall be determined in accordance with the laws of the State of Colorado.

14.24 Severability. Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability or partial validity or partial enforceability of the provisions or portion thereof shall not affect the validity or enforceability of any other provision.

14.25 Number and Gender. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular, and the masculine, feminine, or neuter genders shall each include the masculine, feminine, and neuter genders.

14.26 Use of the Words "Hess Ranch" and "Looking Glass". No Person shall use the words "Hess Ranch" or "Looking Glass" or any derivative or any other term which Declarant may select as the name of this development or any component thereof in any printed or promotional material without the Declarant's prior written consent during the Special Declarant Rights Period, or the Association's prior written consent thereafter. However, Builders may use the words "Hess Ranch" and "Looking Glass" in printed or promotional matter solely to specify that particular

property is located within the Community Area, and the Association shall be entitled to use the words "Hess Ranch" and "Looking Glass" in its name.

14.27 Third-Party Beneficiary. Declarant is hereby designated to be a third-party beneficiary under this Declaration, and from a period of eight (8) years after the later of: (i) termination of Special Declarant Rights Period; or (ii) the Occupancy Date of all Lots owned by Declarant, Declarant shall have the right, but not the obligation, to attend meetings of the Members and Board and to receive copies of minutes or notices of action from meetings of the Board, Members or any permanent or standing committee of the Board. In addition, during such period of time, Declarant shall have standing to enforce Article 12 of this Declaration and any violation of that adversely affects Declarant's rights specified in this Declaration.

[signature page follows]

20th IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration this day of December, 2020.

DECLARANT:

JEN Colorado 18 LLC,
a Colorado limited liability company

By: *[Signature]*
Name: Matthew P. Osborn
Its: Vice President

STATE OF COLORADO)
)ss.
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this day 21 of December, 2020, by Matthew P. Osborn, as Vice President of JEN Colorado 18 LLC, a Colorado limited liability company.

Witness my hand and official seal.

(S E A L)

PATRICK JOHN SCHMITZ
NOTARY PUBLIC
STATE OF COLORADO
Notary ID 20154049532
My Commission Expires December 31, 2023

Notary Public *[Signature]*
My Commission Expires: 12/31/23

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

None Initially.

EXHIBIT B
COMMON AREAS

None Initially.

EXHIBIT C

**LEGAL DESCRIPTION OF
ADDITIONAL PROPERTY**

A PARCEL OF LAND BEING A PART OF SECTION 33, TOWNSHIP 6 SOUTH, RANGE 66 WEST AND AP ART OF SECTIONS 4, 5 AND 6, TOWNSHIP 7 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 4, THENCE SOUTH 89 DEGREES 14 MINUTES 11 SECONDS WEST, A DISTANCE OF 72.69 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF CROWFOOT VALLEY ROAD, AS RECORDED IN THE DOUGLAS COUNTY SURVEYOR'S LAND SURVEY PLATS/RIGHT-OF-WAY SURVEYS, SURVEY NO. LSP-2474, SAID POINT ALSO BEING THE POINT OF BEGINNING;

THENCE ALONG THE WESTERLY RIGHT-OF-WAY OF SAID CROWFOOT VALLEY ROAD THE FOLLOWING TEN (10) COURSES;

- 1) SOUTH 00 DEGREES 11 MINUTES 51 SECONDS WEST, A DISTANCE OF 83.90 FEET TO A POINT OF NON-TANGENT CURVATURE;
- 2) ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 01 DEGREES 21 MINUTES 48 SECONDS, A RADIUS OF 885.12 FEET, AND AN ARC LENGTH OF 21.06 FEET, (CHORD BEARS SOUTH 00 DEGREES 54 MINUTES 22 SECONDS WEST, A DISTANCE OF 21.06 FEET);
- 3) SOUTH 13 DEGREES 45 MINUTES 00 SECONDS WEST, A DISTANCE OF 317.67 FEET TO A POINT OF NON-TANGENT CURVATURE;
- 4) ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 05 DEGREES 25 MINUTES 44 SECONDS, A RADIUS OF 787.50 FEET, AND AN ARC LENGTH OF 74.62 FEET, (CHORD BEARS SOUTH 17 DEGREES 06 MINUTES 29 SECONDS WEST, A DISTANCE OF 74.59 FEET) TO A POINT OF COMPOUND CURVATURE;
- 5) ALONG THE ARC OF SAID COMPOUND CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 10 DEGREES 11 MINUTES 52 SECONDS, A RADIUS OF 885.00 FEET, AND AN ARC LENGTH OF 157.52 FEET, (CHORD BEARS SOUTH 32 DEGREES 17 MINUTES 16 SECONDS WEST, A DISTANCE OF 157.31 FEET);
- 6) SOUTH 52 DEGREES 36 MINUTES 46 SECONDS EAST, A DISTANCE OF 15.00 FEET TO A POINT OF NON-TANGENT CURVATURE;
- 7) ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 15 DEGREES 50 MINUTES 42 SECONDS, A RADIUS OF 900.00 FEET, AND AN ARC LENGTH OF 248.89 FEET, (CHORD BEARS SOUTH 45 DEGREES MINUTES 33 SECONDS WEST, A DISTANCE OF 248.10 FEET);
- 8) SOUTH 53 DEGREES 13 MINUTES 54 SECONDS WEST, A DISTANCE OF 1,098.00 FEET TO A POINT OF CURVATURE;
- 9) ALONG THE ARC OF SAID CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 27 DEGREES 17 MINUTES 25 SECONDS, A RADIUS OF 1,010.00 FEET, AND AN ARC

LENGTH OF 481.07 FEET, (CHORD BEARS SOUTH 39 DEGREES 35 MINUTES 12 SECONDS WEST, A DISTANCE OF 476.53 FEET)

10) THENCE SOUTH 25 DEGREES 56 MINUTES 29 SECONDS WEST, A DISTANCE OF 433.56 FEET TO A POINT ON THE NORTH LINE OF THE PARCEL OF LAND RECORDED AT RECEPTION NO. 9123329 OF THE AFOREMENTIONED RECORDS;

THENCE ALONG THE NORTH LINE OF SAID PARCEL THE FOLLOWING TWO (2) COURSES:

1) SOUTH 79 DEGREES 17 MINUTES 10 SECONDS WEST, A DISTANCE OF 645.52 FEET;

2) NORTH 78 DEGREES 59 MINUTES 45 SECONDS WEST, A DISTANCE OF 197.27 FEET TO A POINT ON THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 4;

THENCE SOUTH 00 DEGREES 18 MINUTES 30 SECONDS WEST, ALONG SAID WEST LINE, A DISTANCE OF 314.72 FEET TO THE SOUTHWEST CORNER OF SAID NORTHEAST QUARTER;

THENCE SOUTH 00 DEGREES 15 MINUTES 45 SECONDS WEST, ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 4, A DISTANCE OF 1,041.48 FEET TO A POINT OF NON-TANGENT CURVATURE ON THE WESTERLY RIGHT-OF-WAY OF SAID CROWFOOT VALLEY ROAD;

THENCE ALONG THE WESTERLY RIGHT-OF-WAY OF SAID CROWFOOT VALLEY ROAD THE FOLLOWING SEVEN (7) COURSES:

1) THENCE ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 01 DEGREES 48 MINUTES 42 SECONDS, A RADIUS OF 3,761.00 FEET, AND AN ARC LENGTH OF 118.92 FEET, (CHORD BEARS SOUTH 41 DEGREES 10 MINUTES 38 SECONDS WEST, A DISTANCE OF 118.92 FEET);

2) SOUTH 40 DEGREES 41 MINUTES 00 SECONDS WEST, A DISTANCE OF 245.65 FEET;

3) SOUTH 42 DEGREES 04 MINUTES 59 SECONDS WEST, A DISTANCE OF 958.65 FEET TO A POINT OF CURVATURE;

4) ALONG THE ARC OF SAID CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 03 DEGREES 07 MINUTES 22 SECONDS, A RADIUS OF 7,692.00 FEET, AND AN ARC LENGTH OF 419.24 FEET, (CHORD BEARS SOUTH 40 DEGREES 31 MINUTES 18 SECONDS WEST, A DISTANCE OF 419.18 FEET)

5) SOUTH 51 DEGREES 02 MINUTES 23 SECONDS EAST, A DISTANCE OF 3.00 FEET TO A POINT OF NON-TANGENT CURVATURE;

6) ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 02 DEGREES 17 MINUTES 09 SECONDS, A RADIUS OF 7,689.00 FEET, AND AN ARC LENGTH OF 306.76 FEET, (CHORD BEARS SOUTH 37 DEGREES 49 MINUTES 02 SECONDS WEST, A DISTANCE OF 306.71 FEET);

7) SOUTH 38 DEGREES 40 MINUTES 28 SECONDS WEST, A DISTANCE OF 79.41 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 4;

THENCE NORTH 89 DEGREES 43 MINUTES 01 SECONDS WEST, ALONG SAID SECTION LINE, A DISTANCE OF 1,275.59 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 4 MONUMENTED BY A 2 1/2" ALUMINUM CAP STAMPED: LS 6935;

THENCE SOUTH 89 DEGREES 30 MINUTES 19 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 5, A DISTANCE OF 5,281.90 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 5 MONUMENTED BY A 2" ALUMINUM CAP STAMPED LS 33202;

THENCE SOUTH 89 DEGREES 08 MINUTES 14 SECONDS WEST, ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 6, A DISTANCE OF 2,644.91 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 6 MONUMENTED BY A STONE MATCHING MONUMENT RECORDS;

THENCE NORTH 00 DEGREES 07 MINUTES 39 SECONDS EAST, ALONG THE CENTERLINE OF SAID SECTION 6, A DISTANCE OF 5,240.51 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 6 MONUMENTED BY A 2 1/2" ALUMINUM CAP STAMPED LS 22088;

THENCE NORTH 89 DEGREES 24 MINUTES 48 SECONDS EAST, ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 6, A DISTANCE OF 2,484.13 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 11 DEGREES 18 MINUTES 24 SECONDS, A RADIUS OF 1335.23 FEET, AND AN ARC LENGTH OF 263.49 FEET, (CHORD BEARS SOUTH 57 DEGREES 41 MINUTES 21 SECONDS EAST, A DISTANCE OF 263.06 FEET);

THENCE SOUTH 52 DEGREES 02 MINUTES 09 SECONDS EAST, A DISTANCE OF 651.65 FEET; THENCE SOUTH 55 DEGREES 15 MINUTES 32 SECONDS EAST, A DISTANCE OF 412.26 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 62 DEGREES 35 MINUTES 02 SECONDS, A RADIUS OF 1,265.85 FEET, AND AN ARC LENGTH OF 1382.68 FEET (CHORD BEARS SOUTH 79 DEGREES 28 MINUTES 34 SECONDS EAST, A DISTANCE OF 1,314.97 FEET);

THENCE NORTH 81 DEGREES 02 MINUTES 05 SECONDS EAST, A DISTANCE OF 1,141.54 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 50 DEGREES 07 MINUTES 52 SECONDS, A RADIUS OF 1142.75 FEET, AND AN ARC LENGTH OF 999.85 FEET, (CHORD BEARS SOUTH 81 DEGREES 36 MINUTES 30 SECONDS EAST, A DISTANCE OF 968.27 FEET);

THENCE SOUTH 71 DEGREES 26 MINUTES 34 SECONDS EAST, A DISTANCE OF 415.03 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 25 DEGREES 57 MINUTES 29 SECONDS, A RADIUS OF 2408.42 FEET, AND AN ARC LENGTH OF 1,091.14 FEET (CHORD BEARS SOUTH 88 DEGREES 01 MINUTES 55 SECONDS EAST, A DISTANCE OF 1,081.84 FEET);

THENCE NORTH 74 DEGREES 13 MINUTES 58 SECONDS EAST, A DISTANCE OF 480.67 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 20 DEGREES 01 MINUTES 18 SECONDS, A RADIUS OF 1,374.23

FEET, AND AN ARC LENGTH OF 480.22 FEET (CHORD BEARS NORTH 79 DEGREES 53 MINUTES 13 SECONDS EAST, A DISTANCE OF 477.78 FEET);
THENCE NORTH 89 DEGREES 32 MINUTES 44 SECONDS EAST, A DISTANCE OF 543.29 FEET;
THENCE SOUTH 89 DEGREES 40 MINUTES 01 SECONDS EAST, A DISTANCE OF 307.11 FEET TO A POINT OF NON-TANGENT CURVATURE;
THENCE ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 02 DEGREES 43 MINUTES 59 SECONDS, A RADIUS OF 11,639.30 FEET, AND AN ARC LENGTH OF 555.20 FEET, (CHORD BEARS NORTH 85 DEGREES 41 MINUTES 11 SECONDS EAST, A DISTANCE OF 555.17 FEET) TO A POINT OF NONTANGENT CURVATURE;
THENCE ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 24 DEGREES 24 MINUTES 53 SECONDS, A RADIUS OF 2,197.49 FEET, AND AN ARC LENGTH OF 936.39 FEET, (CHORD BEARS NORTH 66 DEGREES 58 MINUTES 35 SECONDS EAST, A DISTANCE OF 929.33 FEET); THENCE NORTH 52 DEGREES 19 MINUTES 22 SECONDS EAST, A DISTANCE OF 242.53 FEET;
THENCE NORTH 54 DEGREES 06 MINUTES 08 SECONDS EAST, A DISTANCE OF 556.22 FEET TO A POINT OF NON-TANGENT CURVATURE;
THENCE ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 32 DEGREES 01 MINUTES 27 SECONDS, A RADIUS OF 1,070.97 FEET, AND AN ARC LENGTH OF 598.59 FEET, (CHORD BEARS NORTH 74 DEGREES 28 MINUTES 22 SECONDS EAST, A DISTANCE OF 590.83 FEET);
THENCE SOUTH 89 DEGREES 30 MINUTES 54 SECONDS EAST, A DISTANCE OF 314.70 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF MOTSENBOCKER ROAD;
THENCE SOUTH 00 DEGREES 12 MINUTES 58 SECONDS WEST, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 21.60 FEET TO THE POINT OF BEGINNING.

EXHIBIT D

RECORDED EASEMENTS AND TITLE EXCEPTIONS

1. ANY RIGHTS OR INTERESTS OF THIRD PARTIES WHICH EXIST OR ARE CLAIMED TO EXIST IN AND OVER THE PRESENT AND PAST BED, BANKS OR WATERS OF ARAPAHOE CANAL.
2. RIGHT OF PROPRIETOR OF A VEIN OR LODE TO EXTRACT AND REMOVE HIS ORE THEREFROM SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES AS RESERVED IN UNITED STATES PATENT RECORDED MAY 16, 1891, IN BOOK M AT PAGE 5 (N/2 SW/4 SECTION 4), JANUARY 6, 1878 IN BOOK H AT PAGE 447 (S/2 SW/4 SECTION 4), FEBRUARY 20, 1899 IN BOOK 12 AT PAGE 105 (NE/4 SECTION 6), FEBRUARY 6, 1904 IN BOOK 12 AT PAGE 239 (N/2 SE/4, SW/4 SE/4 SECTION 6).
3. RESERVATION OF ALL COAL THAT MAY BE UNDERNEATH THE SURFACE OF THE LAND AND EXCLUSIVE RIGHT TO PROSPECT AND MINE FOR SAME. ALSO SUCH RIGHT OF WAY AND OTHER GROUNDS AS MAY BE NECESSARY FOR THE PROPER WORKING AT ANY COAL MINES THAT MAY BE DEVELOPED UPON SAID PREMISES AND FOR THE TRANSPORTATION OF THE COAL FROM THE SAME, AS RESERVED IN DEEDS FROM THE UNION PACIFIC LAND COMPANY TO JOHN BARNES RECORDED APRIL 29, 1891 IN BOOK 1 AT PAGE 267 (SE 1/4 SECTION 5); TO HERMAN F. DREYER RECORDED AUGUST 15, 2001 IN BOOK 26 AT PAGE 192 (N1/2 AND SW1/4 SECTION 5); AND TO POLLY ANN ROWLEY RECORDED APRIL 18, 1899 IN BOOK 23 AT PAGE 290 (W1/2 AND SE1/4 OF SECTION 33), AND ANY AND ALL ASSIGNMENTS THEREOF OR INTERESTS THEREIN.
4. RIGHT OF PROPRIETOR OF A VEIN OR LODE TO EXTRACT AND REMOVE HIS ORE THEREFROM SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES AS RESERVED IN UNITED STATES PATENT RECORDED AUGUST 18, 1918, IN BOOK 12 AT PAGE 420 (NW 1/4 SECTION 4).
5. RIGHT OF WAY FOR DITCHES OR CANALS CONSTRUCTED BY THE AUTHORITY OF THE UNITED STATES AS RESERVED IN UNITED STATES PATENTS RECORDED AUGUST 18, 1918 IN BOOK 12 AT PAGE 420 AND RECORDED FEBRUARY 6, 1924 IN BOOK 50 1/2 AT PAGE 106 (NW 1/4 SECTION 4).
6. AN UNDIVIDED 1/2 INTEREST IN ALL OIL, GAS AND MINERALS AS RESERVED IN A DEED FROM WILLIAM M. SWINNEY AND RICHARD M. SWINNEY TO DONALD E. STROH AND EVELYN L. STROH WHICH WAS RECORDED ON DECEMBER 11, 1959 IN BOOK 130 AT PAGE 294, AND ANY AND ALL ASSIGNMENTS THEREOF OR INTERESTS THEREIN.

(AFFECTS W1/2 NE1/4, SE1/4 NE1/4, SE1/4 NW1/4, NE1/4 NE1/4 SECTION 4)

7. ALL RIGHT, TITLE AND INTEREST IN AND TO ALL MINERALS AND MINERAL RIGHTS ON, IN OR UNDER OR APPURTENANT TO SUCH LAND INCLUDING BUT NOT LIMITED TO ALL GRAVEL, SAND, OIL, GAS AND OTHER LIQUID HYDROCARBON SUBSTANCES, CASINGHEAD GAS, COAL, CARBON DIOXIDE, HELIUM, GEOTHERMAL RESOURCES AND ALL OTHER NATURALLY OCCURRING ELEMENTS, COMPOUNDS AND SUBSTANCES WHETHER SIMILAR OR DISSIMILAR, ORGANIC OR INORGANIC, METALLIC OR NON-METALLIC IN WHATSOEVER FORM AND WHETHER OCCURRING, FOUND, EXTRACTED OR REMOVED IN SOLID, LIQUID OR GASEOUS STATE OR IN COMBINATION, ASSOCIATION OR SOLUTION WITH OTHER MINERAL OR NON-MINERAL SUBSTANCES REGARDLESS OF THEIR INTENDED USE OR CURRENT COMMERCIAL VALUE AS RESERVED BY RESOURCE EXPLORATION AND MINING, INC., IN DEED RECORDED SEPTEMBER 25, 1984 IN BOOK 540 AT PAGE 549.

(AFFECTS SECTION 33)

8. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE WATER STORAGE AGREEMENT BY AND BETWEEN THE TOWN OF PARKER, COLORADO, A COLORADO HOME RULE MUNICIPAL CORPORATION, THE PARKER WATER AND SANITATION DISTRICT, THE CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 1 AND 2 AND STROH RANCH DEVELOPMENT LIMITED PARTNERSHIP, A DELAWARE LIMITED PARTNERSHIP RECORDED MARCH 30, 1990 IN BOOK 904 AT PAGE 432.
9. FINDINGS OF FACT, CONCLUSIONS OF LAW, JUDGMENT AND DECREE CONCERNING THE APPLICATION FOR WATER RIGHTS OF STROH RANCH DEVELOPMENT RECORDED DECEMBER 31, 1985 IN BOOK 616 AT PAGE 727, 754 AND 780.
10. NOTICE REGARDING THE ORGANIZATION OF CHERRY CREEK BASIN AUTHORITY RECORDED MAY 6, 1988 IN BOOK 790 AT PAGE 718.
11. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN SERVICE AGREEMENT RECORDED AUGUST 24, 1992 IN BOOK 1081 AT PAGE 492 AND ASSIGNMENT AND ASSUMPTION AGREEMENT RECORDED AUGUST 2, 2016 UNDER RECEPTION NO. 2016051397, AND FIRST ADDENDUM TO 1992 SERVICE AGREEMENT FOR HESS PROPERTY (SOUTHERN PROPERTY) RECORDED JULY 18, 2016 UNDER RECEPTION NO. 2016046751.

NOTE: ASSIGNMENT AND ASSUMPTION AGREEMENT IN CONNECTION THERETO RECORDED MARCH 1, 2018 UNDER RECEPTION NO. 2018012184.

12. TERMS, CONDITIONS, PROVISIONS AND OBLIGATIONS AS SET FORTH IN RULING OF THE WATER REFEREE AND JUDGMENT AND DECREE OF THE COURT, DISTRICT COURT, WATER DIVISION NO. 1, STATE OF COLORADO, CASE NO. 98CW264, RECORDED AUGUST 17, 2000 IN BOOK 1883 AT PAGE 1283.

NOTE: QUIT CLAIM DEED IN CONNECTION THERETO RECORDED NOVEMBER 4, 2014 UNDER RECEPTION NO. 2014064212 AND BARGAIN AND SALE DEED RECORDED NOVEMBER 4, 2014 UNDER RECEPTION NO. 2014064213.

13. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN SRD 1, LLC AND THE PARKER WATER AND SANITATION DISTRICT RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 51 AND FIRST AMENDMENT TO EASEMENT AGREEMENTS (EAST/WEST ROUTE) RECORDED OCTOBER 23, 2017 UNDER RECEPTION NO. 2017071723.

14. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN STROH RANCH DEVELOPMENT, LLC AND THE PARKER WATER AND SANITATION STREET RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 61.

(AFFECTS NE1/4 OF SECTION 6)

15. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN THE EASEMENT AGREEMENT BY AND BETWEEN SRD 2, LLC AND THE PARKER WAGER AND SANITATION DISTRICT RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 71.

(AFFECTS EAST HALF OF SECTION 6)

16. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN SRD 2, LLC AND THE PARKER WATER AND SANITATION DISTRICT RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 56.

(AFFECTS NW1/4 OF SECTION 5 & NE1/4 OF SECTION 6)

17. TERMS, CONDITIONS, PROVISIONS AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN SRD 4, LLC AND THE PARKER WATER AND SANITATION DISTRICT RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 66.

(AFFECT E1/2 OF SECTION 6)

18. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN SRD 5, LLC AND THE PARKER WATER AND SANITATION DISTRICT RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 21.

NOTE: FIRST AMENDMENT TO SAID EASEMENT AGREEMENT RECORDED OCTOBER 23, 2017 UNDER RECEPTION NO. 2017071723.

(AFFECTS NE1/4 OF SECTION 5)

19. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN SRD 3, LLC AND THE PARKER WATER AND SANITATION DISTRICT RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 36.

NOTE: FIRST AMENDMENT TO SAID EASEMENT AGREEMENT RECORDED OCTOBER 23, 2017 UNDER RECEPTION NO. 2017071723.

(AFFECTS NE1/4 OF SECTION 5)

20. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN SRD 2, LLC AND HTE PARKER WATER AND SANITATION DISTRICT RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 26.

NOTE: FIRST AMENDMENT TO SAID EASEMENT AGREEMENT RECORDED OCTOBER 23, 2017 UNDER RECEPTION NO. 2017071723.

(AFFECTS N1/2 OF SECTION 5)

21. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN SRD 2, LLC AND THE PARKER WATER AND SANITATION DISTRICT RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 41.

NOTE: FIRST AMENDMENT TO SAID EASEMENT AGREEMENT RECORDED OCTOBER 23, 2017 UNDER RECEPTION NO. 2017071723.

(AFFECTS NE1/4 OF SECTION 5)

22. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN SRD 1, LLC AND THE PARKER WATER AND SANITATION DISTRICT RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 46.

NOTE: FIRST AMENDMENT TO SAID EASEMENT AGREEMENT RECORDED OCTOBER 23, 2017 UNDER RECEPTION NO. 2017071723.

(AFFECTS NW1/4 OF SECTION 5)

23. EASEMENT GRANTED TO U.S. WEST COMMUNICATIONS, INC., A COLORADO CORPORATION FOR TELECOMMUNICATIONS FACILITIES AS CONTAINED IN INSTRUMENT RECORDED JULY 8, 1992 IN BOOK 1068 AT PAGE 639.

(AFFECTS SW1/4 OF SECTION 4)

24. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN STROH

RANCH DEVELOPMENT, LLC AND THE PARKER WATER AND SANITATION DISTRICT RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 16.

NOTE: FIRST AMENDMENT TO SAID EASEMENT AGREEMENT RECORDED OCTOBER 23, 2017 UNDER RECEPTION NO. 2017071723.

(AFFECTS N1/2 OF SECTION 4)

25. REQUEST FOR NOTIFICATION OF SURFACE DEVELOPMENT BY RME PETROLEUM COMPANY BY INSTRUMENT RECORDED MAY 16, 2002 IN BOOK 2330 AT PAGE 1448 AND PAGE 1488.

(AFFECTS SECTIONS 5 AND 33)

26. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN ASCENTPOINTE DEVELOPMENT, LLC AND PARKER WATER AND SANITATION DISTRICT RECORDED SEPTEMBER 10, 2002 AT RECEPTION NO. 2002092203 AND FIRST AMENDMENT THERETO RECORDED OCTOBER 9, 2017 UNDER RECEPTION NO. 2017068649.

(AFFECTS SE1/4 OF SECTION 6)

27. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN ASCENTPOINTE DEVELOPMENT, LLC AND PARKER WATER AND SANITATION DISTRICT RECORDED SEPTEMBER 10, 2002 AT RECEPTION NO. 2002092205 AND FIRST AMENDMENT THERETO RECORDED OCTOBER 9, 2017 UNDER RECEPTION NO. 2017068649.

(AFFECTS NE1/4 OF SECTION 4)

28. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN SRDI, L.L.C. AND PARKER WATER AND SANITATION DISTRICT RECORDED JULY 25, 2003 AT RECEPTION NO. 2003111059.

(AFFECTS E1/2 OF SECTION 6)

29. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN ASCENTPOINTE DEVELOPMENT LLC AND SRD2, LLC AND THE PARKER WATER AND SANITATION DISTRICT RECORDED JULY 25, 2003 AT RECEPTION NO. 2003111060.

(AFFECTS S1/2 SECTION 6)

30. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN SRD1, LLC AND SRD2, LLC AND THE PARKER WATER AND SANITATION DISTRICT RECORDED JULY 25, 2003 AT RECEPTION NO. 2003111061.

(AFFECTS E1/2 OF SECTION 6)

31. CONVEYANCE OF WATER RIGHTS AS SET FORTH IN SPECIAL WARRANTY DEED TO PARKER WATER AND SANITATION DISTRICT, RECORDED AUGUST 12, 2003 AT RECEPTION NO. 2003121048.

32. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE AMENDED EASEMENT AGREEMENT BY AND BETWEEN ASCENTPOINTE DEVELOPMENT, LLC, AND SRD2, LLC, AND THE PARKER WATER AND SANITATION DISTRICT RECORDED AUGUST 14, 2003 AT RECEPTION NO. 2003122710.

(AFFECTS SE1/4 OF SECTION 6)

33. TERMS, CONDITIONS, PROVISIONS, AGREEMENTS AND OBLIGATIONS SPECIFIED UNDER THE EASEMENT AGREEMENT BY AND BETWEEN ASCENTPOINTE DEVELOPMENT, LLC AND THE PARKER WATER AND SANITATION DISTRICT RECORDED AUGUST 27, 2003 AT RECEPTION NO. 2003129373.

(AFFECTS SE1/4 OF SECTION 33)

34. TERMS, CONDITIONS, PROVISIONS, BURDENS, OBLIGATIONS AND EASEMENTS AS SET FORTH AND GRANTED IN GENERAL RIGHT-OF-WAY EASEMENT RECORDED JUNE 02, 2005 UNDER RECEPTION NO. 2005049290.

(AFFECTS NW 1/4 OF SECTION 5 AND THE E 1/2 OF SECTION 6)

35. TERMS, CONDITIONS, PROVISIONS, BURDENS, OBLIGATIONS AND EASEMENTS AS SET FORTH AND GRANTED IN EASEMENT AGREEMENT RECORDED SEPTEMBER 25, 2001 IN BOOK 2138 AT PAGE 16.

(AFFECTS N 1/2 OF SECTION 4)

36. NOTICE OF RIGHT TO USE SURFACE OF LAND BY ANADARKO LAND CORP. RECORDED FEBRUARY 21, 2008 UNDER RECEPTION NO. 2008012255.

(AFFECTS SECTION 33)

37. NOTICE OF RIGHT TO USE SURFACE OF LAND BY ANADARKO LAND CORP. RECORDED FEBRUARY 21, 2008 UNDER RECEPTION NO. 2008012256.

(AFFECTS SECTION 5)

38. TERMS, CONDITIONS, PROVISIONS, BURDENS, OBLIGATIONS AND EASEMENTS AS SET FORTH AND GRANTED IN EASEMENT AGREEMENT RECORDED NOVEMBER 17, 2008 UNDER RECEPTION NO. 2008076491 AND FIRST AMENDMENT THERETO RECORDED OCTOBER 23, 2017 UNDER RECEPTION NO. 2017071724.

(AFFECTS PORTIONS OF SECTIONS 5 AND 6)

39. EASEMENT GRANTED TO INTERMOUNTAIN RURAL ELECTRIC ASSOCIATION, FOR ELECTRIC TRANSMISSION AND/OR DISTRIBUTION LINE OR SYSTEM, AND INCIDENTAL PURPOSES, BY INSTRUMENT RECORDED JUNE 17, 2009, UNDER RECEPTION NO. 2009047130.

(AFFECTS PORTION SECTION 6)

40. ORDER GRANTING STIPULATED MOTION TO ENTER STIPULATED ORDER RECORDED OCTOBER 17, 2014 UNDER RECEPTION NO. 2014060134.

41. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN EASEMENT AGREEMENT (WATER LINE) RECORDED JULY 17, 2014 UNDER RECEPTION NO. 2014039220 AND FIRST AMENDMENT RECORDED MARCH 9, 2016 UNDER RECEPTION NO. 2016013953.

42. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN EASEMENT AGREEMENT (SEWER LINE) RECORDED JULY 17, 2014 UNDER RECEPTION NO. 2014039222 AND FIRST AMENDMENT RECORDED MARCH 9, 2016 UNDER RECEPTION NO. 2016013952.

43. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN ORDINANCE NO. 3.315, SERIES OF 2015 RECORDED DECEMBER 16, 2015 UNDER RECEPTION NO. 2015089335 AND ORDINANCE NO. 3.315.1, SERIES OF 2017 RECORDED NOVEMBER 07, 2017 UNDER RECEPTION NO. 2017076073.

44. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN PD DEVELOPMENT GUIDE RECORDED DECEMBER 16, 2015 UNDER RECEPTION NO. 2015089336.

45. ALL MATTERS AS DISCLOSED ON THE PLAT OF HESS RANCH PLANNED DEVELOPMENT RECORDED DECEMBER 16, 2015 UNDER RECEPTION NO. 2015089337.

46. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN TOP AGREEMENT RECORDED DECEMBER 16, 2015 UNDER RECEPTION NO. 2015089338.

NOTE: ASSIGNMENT AND ASSUMPTION AGREEMENT IN CONNECTION THERETO RECORDED AUGUST 5, 2016 UNDER RECEPTION NO. 2016052345.

NOTE: ASSIGNMENT AND ASSUMPTION AGREEMENT IN CONNECTION THERETO RECORDED FEBRUARY 28, 2018 UNDER RECEPTION NO. 2018011608.

47. CERTIFICATION OF THE REGIONAL TRANSPORTATION DISTRICT (RTD) CURRENT DISTRICT AREA RECORDED MARCH 3, 2016 UNDER RECEPTION NO. 2016012841.
48. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN ORDERS CREATING DISTRICTS RECORDED MAY 23, 2016 UNDER RECEPTION NO. 2016032316, 2016032317, 2016032318, 2016032319, 2016032321, 2016032322, 2016032323, 2016032324, 2016032325, 2016032326, 2016032327, 2016032328, 2016032329, 2016032330, AND 2016032331.
49. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN RUETER HESS INUNDATION EASEMENT AGREEMENT (OPEN SPACE PORTION- PARCEL 1) RECORDED MAY 27, 2016 UNDER RECEPTION NO. 2016033844.
50. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN REUTER HESS INUNDATION EASEMENT AGREEMENT (OPEN SPACE PORTION - PARCEL 2) RECORDED MAY 27, 2016 UNDER RECEPTION NO. 2016033845.
51. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN 50 FOOT NONEXCLUSIVE EASEMENT AGREEMENT RECORDED OCTOBER 09, 2017 UNDER RECEPTION NO. 2017068650.
52. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN DRAINAGE EASEMENT AGREEMENT RECORDED FEBRUARY 22, 2018 UNDER RECEPTION NO. 2018010380.
53. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN EASEMENT AGREEMENT RECORDED FEBRUARY 22, 2018 UNDER RECEPTION NO. 2018010385.
54. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN IMPACT AREA AGREEMENT RECORDED MARCH 09, 2018 UNDER RECEPTION NO. 2018013943.
55. EASEMENT GRANTED TO THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, FOR ROADWAY AND DRAINAGE, AND INCIDENTAL PURPOSES, BY INSTRUMENT RECORDED JANUARY 20, 1998, IN BOOK 1503 AT PAGE 809.
56. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN HESS RANCH PLANNED DEVELOPMENT AMENDMENT NO. 2 RECORDED SEPTEMBER 04, 2019 UNDER RECEPTION NO. 2019055890.

57. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN ORDINANCE NO. 3.315.2 AMEND THE HESS RANCH DEVELOPMENT PLAN AMENDING ZONING ORDINANCE AND MAP RECORDED AUGUST 22, 2019 UNDER RECEPTION NO. 2019052295.

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