

Stagecoach Meadows Homeowners Association

SECOND AMENDED AND RESTATED
DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS

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SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR STAGECOACH MEADOWS HOMEOWNERS ASSOCIATION

This Second Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Stagecoach Meadows Homeowners Association (the "Association"), is made as of the date of recordation by the Association.

Recitals

A. The Declaration of Covenants, Conditions, and Restrictions for Stagecoach Meadows subdivision was recorded on September 12, 2000, at Reception No. 2000008390, et. Seq., Grand County Clerk and Recorder (as amended and supplemented by any instruments of record, hereinafter referred to as the "Original Declaration").

B. The Amended Declaration of Covenants, Conditions, and Restrictions for Stagecoach Meadows subdivision was recorded on December 05, 2016, at Reception No. 2016009215, et. Seq., Grand County Clerk and Recorder (as amended and supplemented by any instruments of record, hereinafter referred to as the "Amended Declaration").

C. Article 9, Section 9.2 of the Amended Declaration, as amended, provides that the Amended Declaration may be amended by Members of the Association holding at least fifty-one percent (51%) of the total allocated voting rights of the Association, and C.R.S. 38-33.3-217(1) requires the affirmative vote or agreement of at least a majority (51%) of the total allocated voting interests to amend the Declaration.

D. The purposes of the amendments in this Second Amended and Restated Declaration include, but are not limited to the following:

- furthering the common and general plan for the Community Area;
- to protect and enhance the quality, value, aesthetic, desirability, and attractiveness of the Community Area;
- to provide for an Association as a vehicle to hold, maintain, care for, and manage Association Properties, including internal landscaped areas to benefit all Owners of Lots;
- to clarify the duties, powers, and rights of the Association;
- to define certain duties, powers and rights of Owners of Lots within the Community Area; and
- to update the Amended Declaration to comply with current state law.

E. Owners holding fifty-one percent (51%) of the total voting power desire to amend the Amended Declaration, have approved this Second Amended and Restated Declaration.

F. Those approving this Declaration have determined it to be reasonable and not burdensome.

The following is a full and complete restatement and replacement of, and shall supersede in its entirety, the Original Declaration and the Amended Declaration.

Article I. GENERAL

1.1. Community Area. The Association and/or individual Owners are the owners(s) of certain property situated in the County of Grand, Colorado, more particularly described on Exhibit A attached hereto and incorporated herein by reference, which is defined in this Declaration as the "Community Area."

1.2. Declaration. 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 bind, be a charge upon and inure to the mutual benefit of: (a) all of the property which is now or becomes part of the Community Area and each part or parcel thereof, (b) the Association and its successors and assigns, and (c) all Persons having or acquiring any right, title or interest in any property which is part of the Community Area or any part or parcel thereof or any Improvement thereon and their heirs, personal representatives, successors and assigns.

1.3. Applicability of Colorado Common Interest Ownership Act. The Community Area constitutes a Planned Community under the Act. In accordance with the provisions of the Act and the terms and conditions contained herein the Association expressly declares that the Planned Community created by this Declaration shall be subject to the applicable terms and provisions of the Act.

Article II. DEFINITIONS

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

2.1. Act. "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.

2.2. Articles of Incorporation. "Articles of Incorporation" shall mean the Articles of Incorporation of Stagecoach Meadows Homeowners Association, which have been filed in the office of the Secretary of State of the State of Colorado, as the same may be amended from time to time.

2.3. Assessment. "Assessment" shall mean a Common Assessment, Special Assessment, or a Reimbursement Assessment.

2.4. Association. "Association" shall mean the Stagecoach Meadows Homeowners Association ("SMOA"), a Colorado non-profit Corporation, its successors and assigns.

2.5. Association Properties. "Association Properties" shall mean all the real property described in Exhibit B and all other real and personal property, if any, including Improvements, water rights and water stock transferred or conveyed to the Association and all Common Areas and Open Space as shown on the Plat, now or hereafter owned by the Association or with respect to which the Association holds an easement for the use, care, or maintenance thereof, or for which the Association has a right to maintain, held for the common use and enjoyment of certain of its Members as provided herein, and for other purposes as may be permitted by this Declaration.

Association Properties shall include any ponds and water wells constructed on any part of the Common Area.

2.6. Board of Directors. "Board of Directors" or "Board" shall mean the Board of Directors of the Association.

2.7. Budget. "Budget" shall mean a written itemized estimate of the expenses to be incurred by the Association in performing its functions under this Declaration and prepared pursuant to Section 8.4 of this Declaration.

2.8. Bylaws. "Bylaws" shall mean the Bylaws of the Association which have been adopted by the Board of Directors of the Association, as the same may be amended from time to time.

2.9. Common Assessment. "Common Assessment" shall mean the assessments made for the purpose of covering the portion of the annual costs of operating the Association, including expenses incurred in connection with repair, maintenance and operation of Association Properties and any other authorized function of the Association, which are to be paid by each Owner to the Association for purposes provided herein and charged to such Owner and to the Lot of such Owner.

2.10. Community Area. "Community Area" shall mean the real property which is subject to this Declaration.

2.11. County. "County" shall mean and refer to the County of Grand, State of Colorado.

2.12. Declaration / Covenants. "Declaration" and/or "Second Amended Declaration" and/or "Covenants" shall mean this instrument as it may be amended from time.

2.13. Deed of Trust. "Deed of Trust" shall mean a Mortgage.

2.14. Design Review Committee. "Design Review Committee" or "DRC" shall mean the Committee provided for in Article 4 of this Declaration.

2.15. Improvement. "Improvement" requiring approval of the DRC shall mean and include, without limitation: all construction, installation, erection or expansion of any building, structure and appurtenances thereto of every type or kind, including, but not limited to, outbuildings, patio covers, awnings, painting or coloring of any exterior surfaces of any visible structure, roofing, additions, outdoor sculptures or artwork, sprinkler pipes, garages, carports, landscaping, grading or similar disturbance to the surface of the land, change of drainage patterns or stream beds, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, fixtures, windbreaks, signs, exterior tanks, solar equipment, and exterior air conditioning.

2.16. Leases/Rentals. "Leasing" or "Renting" shall mean and refer to the regular, exclusive occupancy of a Lot by any persons other than the Owner; provided, however, that "Leasing" or "Renting" does not include the following: (i) use or occupancy by a roommate of an Owner who occupies the Lot as their primary residence full time, or (ii) use or occupancy by an Owner's family members, relatives, or guests without compensation to the Owner.

2.17. Lot. "Lot" shall mean any separately numbered lot or parcel of land shown on any recorded plat maps together with all appurtenances and improvements, with the exception of any Association Property.

2.18. Maintenance Funds. "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 the Declaration, Articles of Incorporation, or Bylaws.

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

2.20. Mortgage. "Mortgage" shall mean any mortgage or deed of trust or other such instrument, given voluntarily by the Owner of a Lot, encumbering the Lot to secure the performance of an obligation or the payment of a debt and which is required to be released upon performance of the obligation or payment of the debt. The term "Deed of Trust" when used herein shall be synonymous with the term "Mortgage."

2.21. Mortgagee. "Mortgagee" shall mean a mortgagee under a Mortgage or a beneficiary under a Deed of Trust, as the case may be, and the assignees of such Mortgage.

2.22. Mortgagor. "Mortgagor" shall mean the Person who mortgages their property to another (i.e., the maker or grantor of a Mortgage). The term "Mortgagor" shall include a trustor or grantor under a Deed of Trust.

2.23. Non-Disturbance Areas. "Non-Disturbance Areas" shall mean all wetlands, as defined pursuant to federal and state law, located on any part of the Community Area, including any Lots, and those areas identified as "Non-Disturbance Areas" on any subdivision Plat or development plan for the Community Area approved by the County Commissioners of Grand County, Colorado.

2.24. Notice of Completion. "Notice of Completion" shall mean written notice to the DRC of the completion of any Improvement pursuant to Article 4 of this Declaration.

2.25. Open Space. "Open Space" shall mean Tracts A-F & H-N as shown on the Plat.

2.26. Owner. "Owner" shall mean the Person, or, if more than one, all Persons collectively, who hold title of Record to a Lot, including sellers under executory contracts of sale and excluding buyers thereunder.

2.27. Person. "Person" shall mean a natural person, a corporation, a partnership, or any other entity.

2.28. Planned Community. "Planned Community" shall have the same meaning as set forth in the Act.

2.29. Plat. "Plat" or "Final Plat" shall mean the Final Plat for Stagecoach Meadows approved by the Board of County Commissioners for Grand County, Colorado, and recorded in the records of the Clerk and Recorder for Grand County, Colorado, on September 12, 2000, Reception No. 2000-008387, as it may be amended from time to time.

2.30. Public View. "Public View" shall mean observable or likely to be observable by a person from any road, neighboring Lot, or Open Space.

2.31. Record or Recorded. "Record" or "Recorded" shall mean the filing for record of any document in the office of the Clerk and Recorder of the County of Grand, Colorado, or any filing for record with the Secretary of State, within the state of Colorado.

2.32. Reimbursement Assessment. "Reimbursement Assessment" shall mean a charge against a particular Owner and his or her Lot for the purpose of reimbursing the Association for expenditures and other costs of the Association (i) for providing services or facilities to fewer than all of the Owners or upon the request of Owners, or (ii) incurred in curing any violation of the Association Documents by an Owner or an Owner's residents, guests, tenants/lessees or renters, together with late charges and interest as provided for herein.

2.33. Responsible Governance Policies. "Responsible Governance Policies" means any instrument adopted by the Association, as required under Section 209.5 of the Act, and any other policies as may be required to be adopted by the Association under Colorado law. Responsible Governance Policies may, from time to time, be adopted, repealed, amended, or revised by the Board of Directors, to specifically address changes in the law.

2.34. Rules and Regulations. "Rules and Regulations" shall mean rules and regulations adopted by the Association as provided in Section 7.4 of this Declaration.

2.35. Special Assessment. "Special Assessment" shall mean assessment defined in Section 8.8.

2.36. Unfinished Lot / Vacant Lot. "Unfinished Lot" and/or "Vacant Lot" shall mean those Lots on which a Certificate of Occupancy has not been issued for all structures intended for human occupancy now or hereafter located on such Lot.

2.37. Written / Electronic Communication and Records. Throughout the document wherever written communication or record is required an electronic version of the communication or record will also suffice where allowable by law. All communication is subject to state and federal privacy law.

Article III. COVENANTS AND USE RESTRICTIONS APPLICABLE TO COMMUNITY AREA

All real property within the Community Area shall be held, used and enjoyed subject to the following limitations and restrictions, 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, if such strict application would be unreasonably or unduly harsh under the circumstances. Any such modification or waiver must be documented in writing or be contained in written guidelines or rules promulgated by the DRC.

3.1. Property Uses. All Lots shall be used for such residential purposes as may be allowed under the applicable county zoning regulations, but not including any mobile or modular homes or structures designed to be used with axles and wheels, except in connection with temporary construction trailers as permitted below. The foregoing restriction shall not prohibit the construction of structures that use modular construction techniques and/or off-site manufactured building components, if the structure is of original design, meets all the requirements of this Declaration, and is approved by the DRC. In granting an approval, the DRC will consider the customizing of the structure design in a site-specific manner.

3.2. Leases and Rentals. Leasing and/or Renting a Lot is allowed, provided that tenants/lessees are required to comply with the provisions of the Association Documents (Declaration, Articles of Incorporation, Bylaws and Rules and Regulations). Owners may not transfer their obligations under these covenants, the Articles, Bylaws or the Rules and Regulations to sub-lessors and/or renters and Owners are responsible for the actions of their tenants, lessees and guests.

3.3. Home Occupations. Permissible Home Occupations shall be limited to those which:

3.3.1. Are carried on by the inhabitants living on the premises and no others, with the exception of child care services, which are prohibited.

3.3.2. Are clearly incidental and secondary to the use of the dwelling for dwelling purposes and shall not change the character thereof.

3.3.3. Do NOT result in the physical presence of clients or customers at the Lot. (This does not prohibit the use of a Lot for a business where contact with clients or customers is by electronic means and does not result in their physical presence at the Lot.)

3.3.4. Comply with all the requirements of Grand County with respect to same.

3.3.5. There shall be no exterior advertising or other permanent evidence outside of the home, visible or audible, that a home occupation is being conducted therein.

3.4. 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 or may become a nuisance or cause an unreasonable embarrassment, disturbance, or annoyance to others.

3.5. No Harassment. Owners, Owner's residents and guests, tenants/lessees or renters shall not engage in any abusive or harassing behavior, either written, verbal, physical, or any form of intimidation or aggression directed at other Owners, Owner's residents and guests, tenants/lessees, renters, or directed at management, its agents, its employees, or vendors.

3.6. 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, and alarms such as those installed for septic systems shall be located or used on any property except with the prior written approval of the DRC. All materials located upon a Lot, including animal wastes, which create or cause an odor shall be disposed of by the Owner of the Lot in such a manner as will eliminate such odor.

3.7. No Hazardous Activities. No activity shall be conducted on and no Improvement shall be constructed on any property within the Community Area which is or might be unsafe or hazardous to any Person or property. Without limiting the generality of the foregoing, no firearms may be discharged within the Community Area. No open fires shall be lighted or permitted on any property within the Community Area except as provided for in the Grand County Open Burning Management Plan, Recreational Fires. Only one interior and one exterior wood burning fireplace, and one exterior fire pit shall be allowed, but gas-burning fireplaces are unrestricted.

3.8. No Unsightliness. All large or unsightly objects, facilities, equipment, and conditions, including, but not limited to, boats, snowmobiles, lawn mowers, off-the-road vehicles, recreational vehicles, motorcycles, snow removal equipment, and garden or maintenance equipment shall be kept within a structure or screened from view, except when in actual use. The Board may specify what conditions and other objects constitute "unsightliness" by Rules and Regulations duly adopted by the Board. No disabled, junked, or abandoned vehicles may be stored or parked on any Lot or street within the Community Area, unless within a garage or other approved enclosed structure.

3.9. Restrictions on Renewable Energy. All renewable energy installations require DRC and Board approval, as a variance. With respect to approval of; solar arrays, ground source heat pumps, and wind power, the authority of the DRC shall be subject to applicable requirements of state and federal law.

3.10. Restrictions on Mining or Drilling. No property within the Community Area shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals, rocks, stones, gravel, or earth, except drilling a domestic water well by SMOA or the Owner of a Lot. Any such well shall meet the requirements imposed by the State Engineer or under any Water Court Decree affecting the Community Area. Only the SMOA may drill a water well on any part of the Common Area.

3.11. Maintenance of Drainage. There shall be no interference with Non-Disturbance Areas or the existing drainage pattern over any property within the Community Area, except as approved in writing by the Board. Approval shall not be granted unless provision is made for adequate drainage and unless changes in a drainage pattern will not adversely affect any down gradient property. The Association and Owners shall not dam or otherwise redirect any water historically flowing through the Community Area and no construction within the Community Area shall violate any federal or state laws or regulations applicable to wetlands. No fill materials may be placed or discharged onto any wetlands, unless in compliance with federal and state laws and regulations and approved by the Board. There is hereby created a drainage easement across all of the Community Area for the benefit of each Lot, all Common Areas and private and public streets and roads as may be necessary to permit drainage to flow off a Lot in accordance with historic drainage patterns within the Community Area. Any construction on a Lot shall not interfere with such drainage flows, except to the extent the DRC allows an Owner to redirect flows around the developed portion of a Lot. No structures may be constructed or placed within the "100-year" flood plain as designated on the Plat.

3.12. Compliance with Insurance Requirements. Except as may be approved in writing by the Board of Directors, nothing shall be done or kept on property 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.

3.13. Compliance with Laws. Nothing shall be done or kept on any property within the Community Area in violation of any law, ordinance, rule, or regulation of any governmental authority having jurisdiction.

3.14. Subdivision of Lots. The Owner of a Lot may not further subdivide that Lot, (increase density) based on the definition of subdividing specified by Grand County governing agencies.

3.15 Combination of Lots and Building Envelope Modification. If any Owner acquires an adjoining Vacant Lot, the Owner will have the right to combine the Lots subject to the approval process required by Grand County. The combination of two (2) or more Lots will result in a proportional increase in the allocated interests of the newly combined Lot(s), effective immediately upon recording the updated plat with Grand County. The Board may record an amendment to Exhibit D which reflects the updated plat without the approval of the Members. The total allocated interests of the newly combined Lot(s) will be equal to the sum of the allocated interests of the original Lots prior to combination. In no event shall the action of an Owner to combine Lots change the allocated interests of any Lots which were not subject to combination. If an Owner wishes to merge the original platted building envelopes of the combined lots, in whole or in part, no portion of the expanded building envelope may extend beyond the original platted building envelope lines, in any direction, except to connect the existing building envelopes. The original building envelopes may be merged by vacating the two (2) adjacent building envelope lines and connecting the adjacent corners or the original building envelopes with straight lines. In the event that the merged lot only combines a portion of the adjacent lot, the modified building envelope must maintain a thirty (30) foot minimum setback from the newly created lot line of the divided lot. The provisions of this section shall not allow any expansion of a building envelope that includes or touches any portion of a Non-Disturbance Areas, wetlands, creek, ditch, lateral, or other waterway. Any changes in a building envelope, with or without a lot combination, shall be subject to DRC and Board approval as a variance pursuant to Section 4.30. The integrity of the original plat (recorded in the records of the Clerk and Recorder for Grand County, Colorado, on September 12, 2000, Reception No. 2000-008387) with respect to the distance from the original building envelope to any adjacent Open Space, and the separation to adjacent building envelopes on other Lots, shall be maintained. Nothing in this section allows an Owner to increase the number of Lots in the Community Area, reduce any Lot in area, or change the fifty-nine (59) total Community Area assessment allocation shown on Exhibit D.

3.16. Restrictions on Sewage Disposal Systems. No cesspool, septic tank or other sewage disposal system shall be installed within the Community Area without the prior written consent of the DRC. Any sewage disposal system installed for property within the Community Area shall be subject to applicable laws, rules, and regulations of any governmental authority having jurisdiction. Septic systems may require additional design and construction costs for Lots. Each Owner shall be required to obtain a soils report regarding the adequacy of the soils on such Owner's Lot for a leach field and to determine whether an engineered septic system is required. All septic systems shall be approved by the Board and governmental agencies prior to installation.

3.17. Restrictions on Water Wells. All individual water wells on a Lot shall be installed by the Owner of that Lot at the time the principal building is constructed on the Lot and shall be designed, located, constructed, maintained and equipped in accordance with the requirements, standards, and recommendations of any applicable water and sanitation district, Water Court Decree, Grand County subdivision regulations, the state engineer or other governmental authority having jurisdiction. Water wells placed on any Lot shall conform to the provisions and requirements of the approved water augmentation plan of the Community Area, and shall provide sufficient water to meet the in-house water use requirements and any permitted outside watering requirements for such Lot. The first well drilled within Group A, consisting of lots 6-9, and within Group B, consisting of lots 20-26, will be subject to water quality monitoring by the East Grand

Water Quality Board and an easement for that purpose over and across that portion of the lots needed to access the wells has been granted to said Board.

3.18. Restoration in the Event of Damage or Destruction. In the event of damage or destruction of any Improvement on any Lot, the Owner thereof shall cause the damaged or destroyed Improvement to be restored or replaced in a timely manner to its original condition or such other condition as may be approved in writing by the DRC, or the Owner shall cause the damaged or destroyed Improvement to be demolished and the Lot be suitably landscaped, subject to the approval of the DRC, so as to present a pleasing and attractive appearance.

3.19. Maintenance of Private Roads. Any private roads constructed on Common Area shall be maintained by the Association. The Association is hereby granted an easement upon and across Lots for the purpose of maintaining such private roads.

3.20. Construction Activities. No fill material may be placed in any jurisdictional wetlands within the Community Area unless appropriate permits have been issued authorizing such work and the DRC has approved such work.

3.21. Setbacks; Placement of Structure on Lots. All structures, including decks and patios, must be located within the building envelope shown on the Plat. Irrespective of any building envelope shown no structure may be located within thirty feet of an irrigation ditch or other waterway or within fifty feet of a wetland and no septic system or leach field may be located within fifty feet thereof. The provisions of this section shall not preclude the placement or installation of a driveway as approved by the DRC.

3.22. Fire Prevention. The Association and all Owner's shall be responsible for implementing measures on the Common Area or the Lots, as appropriate, to minimize wildfire hazards, including the following to the extent appropriate for the particular portion of the Community Area, and shall comply with any adopted Grand County Wildfire Mitigation or Forest Management Plan:

3.22.1. Implement minimum defensible space standards on forested Lots as recommended by "The Home Ignition Zone: A guide to preparing your home for wildfire and creating defensible space" from the Colorado State Forest Service, while taking into consideration screening from neighbors, the types of trees on the Lot, and any Lot specific considerations;

3.22.2. Forested areas should be thinned from below by removing diseased trees, poorly-formed trees and smaller trees while still maintaining tree age diversity;

3.22.3. Dominant trees, with straight cylindrical tops and deep green color should be maintained to the maximum extent feasible;

3.22.4. Leaf trees should be pruned by removing lower branches;

3.22.5. Such work shall be performed by the Owner of a Lot which contains a forested area at the time a building Lot and driveway are cleared;

3.22.6. Create firebreaks in appropriate locations as specified in Colorado State Forest Service publication entitled, "Fuel break Guidelines for Forested Subdivisions & Communities";

3.22.7. Continuously dispose of slash and other dead and dying trees, tree limbs and plant materials resulting from tree thinning, right-of-way clearing and construction, to be cleared from a Lot by the Owner thereof. Acceptable disposal methods include, but are not limited to, piling and burning (with adequate snow cover and Grand County permit if required) or chipping;

3.22.8. The Colorado State Forest Service bulletins entitled, "The Home Ignition Zone: A guide to preparing your home for wildfire and creating defensible space" and "Fuel break Guidelines for Forested Subdivisions & Communities" may be replaced by the recommendations of any appropriate governmental agency if such recommendations are adopted by the Association by resolution in lieu of the named bulletin.

3.23. Live Tree Removal. No live trees growing on the Property shall be felled, nor shall any natural area be cleared, or landscaping performed which changes the character of the land on any Lot without the prior written approval of the DRC.

Subject to the written approval of the DRC, trees may usually be removed on any Lot as follows:

3.23.1. Actual land to be occupied for buildings, plus a twenty (20) foot clearance strip adjacent to the perimeter thereof;

3.23.2. One (1) entrance driveway and an off-street parking area no larger than required to accommodate eight (8) parking spaces;

3.23.3. A recreational area not to exceed ten percent (10%) of the total area of the Lot;

3.23.4. Other trees which interfere with utility lines may be removed by authorization of the DRC.

3.23.5 An Owner may apply to the DRC for removal of trees to allow sunlight to reach the improvements, provided such tree removal does not make the improvements or planned improvements more visible to the residential building Lot of an adjacent Owner's Lot. However, such tree removal between Lots may be permitted by the DRC pursuant to a mutually executed written agreement between the adjoining property Owners.

3.23.6 Notwithstanding the limitations of tree removal as provided above, Owners may remove trees to comply with any wildfire mitigation plan as adopted by the Association.

3.24. Dead Tree Removal. All dead trees must be removed from Lots. In the event any trees or brush are felled or trimmed, the Owner shall be required to remove all portions of the tree or brush from the Lot, including the slash. The cutting of trees into firewood and the same stacked neatly on a Lot shall be deemed to meet the requirement of removal from the Lot. Stumps may be left if cut off to ground level; otherwise they shall be removed and disposed of.

In the event an Owner does not properly remove dead trees and/or clean up any residual debris after tree removal, the Association is hereby authorized to cause the clean up to be done at the Lot Owner's expense following notice and an opportunity to cure and, if not timely paid, the Board may collect such unpaid sums in the same manner as an annual, reimbursement or special assessment.

Owners are permitted to remove dead and/or diseased trees, brush or lifeless limbs without DRC approval subject to the removal requirements set forth above.

Article IV. ARCHITECTURAL APPROVAL

4.1. Approval of Improvements Required. The approval of the DRC shall be required for any Improvement on any Lot. Procedures governing the operations of the DRC may be adopted by the DRC, and approved by the Board. DRC approval of final Improvement plans will be valid for one (1) year, except for a new residence which will be valid for two (2) years. Construction must begin within the one (1) year or two (2) years from final approval as determined by the Improvement type. If construction does not commence within that time, the approval shall be deemed withdrawn, and a new application must be submitted. A re-submittal fee may be required.

4.2. Construction Type. All construction shall be new. No building previously used at another location nor any building or structure originally constructed as a mobile dwelling or structure designed to be used with axles and wheels may be moved onto a Lot, except as expressly hereinafter provided for temporary buildings.

4.3. Minimum Building Size. Primary residential structures built on all Lots in the Community Area shall have a minimum first floor building footprint of one thousand six hundred (1600) square feet (excluding garage and porches) and a minimum total living area of two thousand (2000) square feet (excluding garage, porches, unfinished basements and attics).

4.4. Building Height. The building height shall not exceed thirty-five (35) feet or a lesser height if limited by the Grand County requirements. The building height standard is not intended to imply that all portions of a structure may be designed in relation to the maximum height allowed. Rather, the height of a building should be designed in relation to the overall proportion of the building and the natural characteristics of the site.

4.5. Exterior Walls and Finish. Wall planes should be stepped/offset to reduce the overall mass of the building. Large, unbroken planes are not desirable. Exterior siding and wall cladding shall fit with the natural setting. Wall claddings may include natural wood, board on board or board and batten siding, natural or high-quality artificial stone, brick, colored stucco, and textured concrete. Metal siding that looks like real wood, high-quality engineered wood and composite siding, and cement board siding is allowed if the DRC finds it acceptable for the Community Area. It is encouraged that there should be some variation in pattern and/or texture of siding to provide interest and relief. Standing seam metal siding and corrugated metal siding is not allowed except for accent features to complement the overall exterior design. When stone or brick is used and mortar joints are visible, the color of the mortar must blend with the color or colors of the material, unless otherwise approved by the DRC. Log homes which use full-length dimensionally-cut logs are acceptable. In a log construction, the selected color of chinking must blend with the approved finish color of the logs, unless otherwise approved by the DRC. The exteriors of all buildings and Improvements must be finished in earthen tone colors (including but not limited to facades of all sides, roofs, doors and trim). Stains and paints shall be muted greens, browns, gray tones or earth tones. White stucco is prohibited. The DRC may allow the use of other materials for wall surfaces, provided such materials are designed and located in harmony with surrounding structures and natural land features, and shall not be offensive in style or color in the opinion of the DRC. No

exterior color may be changed from the original approved color without the prior written approval of the DRC.

4.6. Roofs. Rooflines of homes may not be of a continuous unbroken nature; they must be varied in design. The building plans must identify all roof pitches and ridge line lengths. Roof pitches will be evaluated by the DRC on a case-by-case basis. Roof surfaces shall be high-quality architectural asphalt shingles, artificial shake shingles, concrete tile or comparable, or raised metal seam sheeting provided they are of earth tone colors and non-reflective. All roof surface shall be non-combustible materials and wood shake roofs are prohibited. The DRC may allow the use of other materials for roof surfaces, provided such materials are designed and located in harmony with surrounding structures and natural land features, and shall not be offensive in style or color in the opinion of the DRC.

4.7. Windows and Doors. Cladding material and/or paint color for windows and doors shall be non-reflective and complement the color of the wall cladding. Recommended hues such as rust red, brown, black, bronze, ochre, gray, or green. This includes windows, doors, and skylights.

4.8. Lighting Plans. All exterior lighting plans shall be submitted to the DRC for approval. All exterior lighting shall be designed and installed to direct light inward and downward onto the Lot and away from adjoining properties and Public View. Allowable fixtures include those that are dark-sky rated, those for which the bulb is not visible below the bulb housing, and those that diffuse the light source, with frosted, milked or opaque glass. The DRC encourages lighting with a number of low intensity sources close to the area requiring illumination. This will, in nearly all cases, be more effective than lighting with a remote single source. When pole-mounted, the light source must be within eight feet from the ground. Prohibited lighting includes floodlights of any kind, any bulb/fixture with a temperature rating greater than three thousand Kelvin (3000K), and any single bulb/fixture with a lumen rating greater than seven hundred and fifty (750) lumens. Low lumen driveway lighting is permitted if it is integrated with the landscape design and does not exceed eighteen (18) inches in height. One downlight light near the end of the driveway adjacent to the road can be pole mounted provided it meets the provisions of this section. Light bulbs in any existing fixture must meet the color temperature and lumen provisions of this section.

Exterior lighting intended as holiday décor may be installed on the home and landscaping, and may be used during the period from November 15th to the following January 15th, so long as such lighting is lit only between the hours of 4:00pm and 11:00pm.

4.9. Fences. All fences require DRC approval. No fences shall be constructed along or adjacent to the boundary or lot line of any Lot without the prior approval of the DRC. Security fences and fences for screening purposes must also be approved by the DRC. Pet Enclosures within which pets may be maintained must be attached to or adjacent to the primary residence and also be approved by the DRC. Pet enclosures will not exceed sixty (60) inches in height, and four hundred (400) square feet in area. Fences may be split rail design, architecturally designed wrought iron, wood, or other materials that in the opinion of the DRC blends in or complements the residence and are in harmony with the surrounding area. Fences where primary materials are chain link, barbed wire, chicken wire, metal stake, welded wire, plain concrete, or block are prohibited. The interior side of the fencing for a pet enclosure may have an approved steel mesh not visible from a distance. Pet enclosures shall be installed in a

location that minimizes their impact and visibility to neighboring properties, and shall not be constructed adjacent to Open Space. Any such area shall be regularly cleaned and maintained in a sanitary and odor free condition.

Each Owner of a Lot shall be responsible for maintaining, repairing and replacing, in a reasonably attractive manner, any fence located on such Owner's Lot. If a fence, or portion thereof, is located on a lot line separating a Lot from an adjoining public right-of-way, street, Open Space area, Association Properties or other property which is not an adjoining Lot, then the Owner of such Lot shall be responsible for maintaining, repairing and replacing, such fence or portion thereof. The Association shall maintain any fence located on Association Properties or public rights-of-way.

4.10. Garages. All residences are required to have a two-car garage minimum attached to or part of the main dwelling. The DRC may permit a detached garage if it finds same to be reasonably required by Lot conditions and shall be considered an Outbuilding subject to the provisions of Section 4.11. The design of garage doors shall be in concert with the architectural design of the residence and in a style consistent with the exterior of the house.

4.11. Outbuildings. One outbuilding is allowed per lot upon approval from the DRC. In making a determination to approve or deny an outbuilding, the DRC shall assess the impacts to neighboring Lots as to size, location and design consistent with the main residence. If allowed, an outbuilding shall be constructed of the same exterior siding and roofing materials of the dwelling and match the dwelling in color, style, massing, roof lines, and other detail elements. All walls should contain windows and/or garage doors and should contain architectural elements to break up long wall planes. Outbuildings may not be used as a secondary dwelling and may not include bedrooms, sleeping areas or kitchens. No outbuilding is allowed outside of the building envelop and no commercial use is permitted. The maximum size of any outbuilding is one thousand two hundred (1,200) square feet provided Lot conditions and location allow the outbuilding to meet the provisions of this section and Section 4.21. The height of any outbuilding shall not exceed fourteen (14) feet from average grade to the eave line. Exceptions in size and height may be approved by the DRC and Board in accordance with the variance process (Section 4.30) taking into account the size of the Lot and visibility from Open Space, adjacent Lots and roads. Garage doors, if any, should match the doors on the main residence. Garage door height is limited to nine (9) feet except for one door, no greater than ten (10) feet wide by twelve (12) in height, for storage of tall vehicles. All structures on any Lot shall be properly maintained.

4.12. Signs and Advertising. All signs and location shall be approved by the DRC. No sign, flag, 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 real-estate for sale signs, address and/or owner identification signs, temporary construction signs, or signs as expressly permitted by law. All signs shall comply with the applicable requirements of the Grand County Zoning Regulations. Subject to the written approval of the DRC, signs may usually be allowed as follows:

4.12.1. Real-estate for sale signs shall not exceed four (4) square feet in size and are limited to one (1) street facing sign per lot. Real-estate signs shall be removed within ten (10) days of property closing.

4.12.2. Address and/or Owner identification signage is limited to contain only the address of the property and reference to the property Owner's name, and must be free standing. The sign shall be limited in size to a maximum of eight (8) square feet. The overall height of the sign, if placed on a frame or monument shall not exceed six (6) feet above the surrounding, undisturbed ground area. Said frame or monument design should be in harmony with the residence and surrounding area.

4.12.3. Temporary construction signs shall be limited to one area facing the street frontage of the Lot and shall not exceed six (6) square feet of total surface area. Construction signs must be approved by the DRC and removed when a Certificate of Occupancy is granted, construction activities are complete, or by the end of the approved construction duration, whichever comes first. Any sign installed during construction must be professionally made and installed to be at least semi-permanent; spray-painted unfinished signs and address markers are not permitted.

4.12.4. One 9-1-1 type reflective address sign, as recommended by the Grand County Wildfire Council, no larger than six (6) inches by eighteen (18) inches is permitted per lot.

4.12.5. Signs and flags outlined in C.R.S. 38-33.3-106.5 are subject to the provisions of this Section 4.12 and regulated as follows:

4.12.5.1. A maximum of one flag per lot may be mounted to the street facing side of the main residence on a flagpole not to exceed six (6) feet and no higher than ten (10) feet above grade, or displayed in a main residence window on the street facing side of the residence, or mounted on a silver or bronze residential flag pole with a maximum height of twelve (12) feet from the surrounding undisturbed ground. The flag pole location shall be within the building envelope and a maximum distance of thirty (30) feet from the residence's main street facing front door. Flags may be no larger than three (3) feet by five (5) feet.

4.12.5.2. A maximum of one sign, mounted in the yard or window, is allowed per lot. The sign may be displayed in a main residence street facing window, or be free standing three (3) feet or less in height from the surrounding undisturbed ground, and no greater than eighteen (18) inches by twenty-four (24) inches in size. The yard sign must be located within the building envelope a maximum distance of twenty (20) feet from the residence's main street facing front door. The sign may not be constructed of wood or metal, except to the extent necessary to provide a base or support for the sign.

4.12.5.3. No flag and/or sign displaying a commercial message is permitted, and the flag and/or sign may not be illuminated. The flag and/or sign must be professionally designed and lettered and must be maintained in a neat manner. For a Vacant Lot, all references to the residence's main street facing front door in this Section 4.12 shall mean the center of the building envelope.

4.13. Antennae, Satellite Dishes, and Transmitters. Exterior television or radio antennas, satellite reception dishes, and transmission devices must be screened from Public View. If a video or satellite reception dish or antenna must be located within Public View in order to receive a signal, all reasonable efforts to minimize the visibility of the dish or antenna will be required,

including, but not limited to, the placement and/or painting to match the mounting location of the same. Permitted satellite reception dishes will be limited to dishes not greater than one (1) meter in diameter. Location should be within the building envelope and included with plans and approved by the DRC.

4.14. Driveway. Driveway grades shall be limited to five percent (5%) for the first fifty (50) feet, and to ten percent (10%) thereafter and driveways shall enter public roads approximately at a ninety-degree (90°) angle for at least twenty-five (25) feet from the edge of the public road. Each lot may be accessed by a single Driveway intersecting the road in one location and shall not be wider than sixteen (16) feet. Driveways shall comply with the applicable requirements of the Grand County Road and Bridge Standards and may not be constructed until a Driveway Cut Permit has been issued by the Grand County Road and Bridge Department. It is recommended that driveways and parking areas should be laid out to facilitate snow removal, on-site snow storage, and provide access for fire and emergency vehicles.

4.15. Slope and Grade. Buildings shall not be constructed in drainages or on top of slopes with a grade of thirty percent (30%) or greater, unless a Building is set back at least thirty (30) feet from the top of a slope which exceeds a grade of thirty percent (30%) or greater. No Buildings may be constructed on any slope with a grade of thirty percent (30%) or greater.

4.16. Temporary Structures. No shack, storage shed, playhouse, temporary structure, trailers or temporary building shall be placed upon any property within the Community Area except with the prior written consent of the DRC obtained in each instance, subject to such conditions or restrictions as may be required by the DRC.

4.17. Continuity of Construction. The entire exterior of any building, including decking, shall be completed within eighteen (18) months from ground breaking unless an extension is approved in writing by the DRC and Board. All site work, including final grading, must be completed within the initial construction period. In the event there is a violation of this requirement, or if construction is abandoned for a period in excess of ninety (90) days, the DRC may assess a non-compliance assessment against the Owner in an amount not less than one hundred dollars (\$100) per day which may be enforced as in the case of any other assessment. Such an assessment may only be made after notice and hearing. At such hearing the only defense shall be that the failure to complete construction on a timely basis, or the abandonment, was caused by a circumstance beyond the Owner's control. The primary residential structure on a lot must be under a completed roof with siding and windows installed prior to any use of an outbuilding.

4.18. Membership of Committee. The DRC shall consist of a minimum of three (3) Owners, appointed by the Board of Directors. Members of the DRC may be removed at any time by the Board, and shall serve for such term as may be designated by the Board or until resignation or removal by the Board. The Association may at any time, and from time to time, change the authorized number of members of the DRC, but the number of members of the DRC shall not be less than three (3), and if more than three (3) must be an odd number. No two co-Owners of a Lot may serve on the DRC simultaneously, and no Owners or co-Owners of a lot may serve simultaneously on both the DRC and the Board. Any matter before the DRC can be approved with the agreement or affirmative vote of fifty-one percent (51%) of the DRC members, provided the committee has more than three (3) members voting. If committee consist of only three (3) members, or only three (3) members are voting on a matter, the vote must be unanimous. If the

vote is not unanimous, either approved or denied, the matter before the DRC will be voted on by the combined group of the DRC and Board, and may be approved by a fifty-one percent (51%) of the combined group. If any matter before the DRC would be voted on by less than three (3) members due to a conflict of interest, temporary vacancy, or any other circumstance, the matter will be referred for a vote to the combined group of the DRC and Board.

4.19. Address of DRC. The address of the DRC shall be at the principal office of the Association.

4.20. Submission of Plans. Prior to commencement of work to accomplish any proposed Improvement, the Person proposing to make such Improvement ("Applicant") shall submit to the DRC at its offices, or the Association website if so equipped, such descriptions, plans, and other materials as the DRC shall reasonably request showing the nature, kind, shape, height, width, color, materials, and location of the proposed Improvement and proposed fire prevention measures to be implemented on the Lot as described in Section 3.22 above. As it relates to the building of a residential structure, the Applicant shall submit a soils and foundation report and erosion control plan prepared by a qualified engineer for the Applicant's Lot. Until receipt by the DRC of all required materials in connection with the proposed Improvement, the DRC may postpone review of any materials submitted for approval.

4.21. Criteria for Approval. The DRC shall approve any proposed Improvement only if it deems in its reasonable discretion that the Improvement 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 colors of the proposed Improvement will be in harmony with the surrounding areas of the Community Area; that the Improvement will not detract from the beauty, wholesomeness, and attractiveness of the Community Area or the enjoyment thereof by Owners; that the proposed construction is appropriate in light of the soils, slopes and other physical aspects or conditions of the Lot; that the design and location of the Improvement will minimize the visibility of such Improvement from County Road 5 (CR5); and that the proposed changes in topography, if any, do not adversely impact adjacent Lots and the Community Area as a whole. The DRC may condition its approval of any proposed Improvement upon the making of such changes therein or satisfaction of such conditions as the DRC may deem appropriate.

4.22. Design Standards. The DRC, with approval of the Board and fifty-one percent (51%) of the total allocated Member voting rights referenced in Exhibit D, may issue standards or rules ("Design Standards") relating to approval criteria, recommended materials and designs, submittal and approval procedures, materials to be submitted, fees, and additional factors which will be taken into consideration in connection with the approval of any proposed Improvement. The Design Standards 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.

4.23. Design Review Fee. A design review fee of four hundred dollars (\$400) is required with submittal for approval of any proposed new residential construction. The DRC can impose an additional fee if engineers, architects, or other outside personnel are required to evaluate an Improvement request, at the discretion of the DRC. A supplementary fee for review of subsequent submittals for any substantive change, remodel, addition, or Improvement may be assessed by the

DRC. The fee shall be set by the DRC according to the scope of review and will not exceed four hundred dollars (\$400) unless outside personnel are engaged for the review.

4.24. Decision of Committee. Any decision of the DRC shall be made within forty-five (45) days after receipt by the DRC of all materials required by the DRC, unless such time period is extended by mutual agreement. The decision shall be in writing. The decision of the DRC shall be promptly transmitted to the Applicant at the address furnished by the Applicant to the DRC.

4.25. Failure of Committee to Act on Plans. Any request for approval of a proposed Improvement shall be deemed approved, unless disapproval or a request for additional information or materials is transmitted to the Applicant by the DRC within forty-five (45) days after the date of receipt by the DRC of all required materials.

4.26. Prosecution of Work After Approval. After approval of any proposed Improvement, the proposed Improvement shall be accomplished in complete conformity with the description of the proposed Improvement, any materials submitted to the DRC in connection with the proposed Improvement, and any conditions imposed by the DRC. All Improvements shall be completed within one (1) year after approval or issuance of a building permit if required, or in the case of a new building the entire exterior must be completed within eighteen (18) months of ground breaking, unless an extension is granted by the DRC and Board. If the Improvement is not completed within the allotted time period the Association may complete such Improvements at the Owner's expense, including interest on all sums expended by the Association at the rate equal to the current statutory limit allowed, per annum until paid in full. Such funds shall be deemed a Reimbursement Assessment as provided in Section 8.9 below.

4.27. Failure of Committee to Act After Completion. Failure of the DRC to inspect the work shall not relieve the Applicant from its obligations to comply with this Declaration or all conditions of approval or prevent the DRC from pursuing all remedies available to it in the event of any non-compliance.

4.28. Correction of Non-Compliance. If the DRC determines that an Owner has constructed Improvements that do not comply with the Improvements approved by the DRC, or any conditions of such approval, the Owner shall remedy or remove the same within a period of not more than forty-five (45) days from the date of mailing to the Owner of notice of non-compliance from the DRC. If the Applicant does not comply with the DRC Committee request within such period, and the DRC Committee does not consent to an extension, the DRC Committee, with Board approval, may correct such noncompliance at the Association's expense and assess the Owner thereof and/or initiate the Alternative Dispute Resolution Policy, referenced in the Association's Rules & Regulations, in order to require correction of such non-compliance or removal of the non-complying Improvement.

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

4.30. Committee Power to Grant Variances. The DRC may authorize variances from compliance with any of the provisions of this Declaration, pertaining to Improvements, including restrictions upon height, size, floor area, or placement of structures or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental consideration may require. Such variances must be evidenced in writing and shall become effective when approved in writing by a majority of the members of the DRC and the Board. Variances which the DRC would like to grant require notification to all Owners ten (10) days prior to final review and approval. The DRC and the Board retain the right of final decision to grant a variance after the ten (10) day review period expires. 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 Improvement 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.

4.31. Non-Liability of Committee Action. There shall be no liability imposed on the DRC, any member of the DRC, any Committee or subcommittee, Representative, the Association, or any member of the Board of Directors, for any loss, damage, or injury arising out of or in any way connected with the performance of the duties of the DRC in reviewing any matter. The DRC shall not be responsible for reviewing, nor shall its approval of an Improvement be deemed a determination of the DRC, approval of the Improvement from the standpoint of safety, whether structural or otherwise, or conformance with building codes or other governmental laws or regulations. Members of the DRC shall be indemnified by the Association to the same extent as the Board of Directors of the Association, as set forth in the Articles of Incorporation or Bylaws of the Association.

4.32. Construction Period Exception. During the course of actual construction of any permitted structure or Improvement, and provided construction is proceeding with due diligence, the DRC shall temporarily suspend the provisions contained in this Declaration as to the Lot upon which the construction is taking place to the extent necessary to permit such construction, provided that, during the course of any such construction, nothing is done which will result in a violation of any of the provisions of this Declaration upon completion of construction and nothing is done which will constitute a nuisance or unreasonable interference with the use and enjoyment of other Lots or Owners. Nothing in this section will be considered a waiver of the time frame required for completion of the work.

4.33. Additional Building Permit Requirements. The following materials must be submitted to the DRC with any architectural request:

4.33.1. An individual soils report, engineered foundation plan and an under drain plan. In addition, all foundation excavations must be inspected by the engineer prior to any footing structures being placed within the excavation and the engineer must certify that the foundation has been correctly designed for the existing soils. If the inspection indicates that the foundation plans should be revised, then the engineer shall provide a modified foundation plan and an amended building permit shall be obtained. No request for a

Footing Inspection shall be made to the Grand County Building Department until such certification has been made.

4.33.2. A Lot specific survey depicting, at a minimum, the lot, the intended driveway access to a public road, the building envelope, the intended location of the home, well and septic system, any waterways or irrigation ditches within the lot and the natural water drainage channels.

4.34. Security Deposit. To ensure the protection of the Community, the DRC may request, as a condition to approval of an Improvement, a security deposit payable prior to the commencement of any work approved by the DRC. Such security deposit shall reflect an amount determined by the DRC, to be necessary to assure that such Improvement is completed according to the plans approved by the DRC and to assure that any damage done to the roads, easements or common areas will be properly repaired and revegetated. In the event such damage or revegetation has not been accomplished within thirty (30) days following the issuance of a Certificate of Occupancy for the dwelling or, in the event there is no dwelling involved, within thirty (30) days after substantial completion of Improvements, as determined by the DRC, then the deposited funds may be used by the DRC to repair the damage or complete the revegetation. Prior to the use of such funds, however, the DRC shall give the depositor ten days' notice of its intention to make use of the security deposit. Notice shall be given by certified mail to the address or any address shown on the Improvement plans and shall be posted on the Lot. Should the deficiency be remedied during the ensuing ten days, then the deposit shall be refunded. A deposit of at least two thousand dollars (\$2,000) shall be required for approval of any new residential construction and the DRC may adopt a greater or lesser amount, or may adopt a formula to determine an amount, as experience dictates. The DRC may retain a deposit for a period not to exceed sixty (60) days following the satisfactory completion of the work, as determined by the DRC. In the event the Improvement is not completed within the construction period provided in Section 4.26, and any approved extensions, the entire deposit may be forfeited or refunded on a reduced basis, provided the Owner has had an opportunity to correct any non-compliance pursuant to Section 4.28.

Article V. ASSOCIATION PROPERTIES

5.1 Member's Rights of Use and Enjoyment Generally. Unless otherwise provided in this Declaration, all Members have a right and non-exclusive easement of ingress and egress, and use and enjoyment in and to the Association Properties. Underground utilities may be placed within any Association Property only with the prior written approval of the DRC.

5.2 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 the public to further enhance the overall rights of use and enjoyment of all Members and to do all things necessary or appropriate to maintain, repair, or replace Association Properties and all Improvements located thereon.

5.3 Liability of Owners for Damage by Owner. Each Owner shall be liable to the Association for any damage to Association Properties or for any expense or liability incurred by the Association, which may be sustained by reason of the negligence or willful misconduct of such

Owner, or any Person using the Association Properties through such Owner and for any violation by such Owner or any such Person of this Declaration or any Rule and Regulation adopted by the Association. The Association shall have the power, as elsewhere provided in the Association Documents, to levy and collect a Reimbursement Assessment against an Owner, 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.

5.4 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 private 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 Fund 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.

5.5 Easement for Encroachment and Maintenance of Association Properties. There is hereby created a blanket easement across all Lots for the benefit of the Association for the purpose of entering upon the portion of any Lot not within an enclosed structure to maintain, repair, replace, or remove any Association Properties, drainage facilities, or private roads; to inspect and read well meters and inspect septic systems for proper operation. In the event any fence or other Association Properties encroach upon any Lot, a valid easement is hereby created and does exist for the encroachment and for the maintenance, repair, replacement, or removal of such encroachment as long as it exists. Such encroachments or easements shall not be considered or determined to be encumbrances on any Lot for the purposes of marketability of title.

5.6 Easement for Satellite Reception. Each Lot shall have an easement over the lands of any one adjoining Lot for the purpose of establishing a clear line of sight from a television satellite reception dish to the location of the desired satellite in the sky. This easement shall only exist if the Owner is unable, after the exertion of reasonable efforts, to establish such line of sight over his or her own property. The Board of Directors is empowered to enforce this provision by rendering a decision as to whether the easement shall be enforced and, if so, how it will be enforced. Prior to requesting the Board of Directors to enforce such an easement the Owner shall make reasonable efforts to acquire a consensual easement from the adjacent Owner. The enforcement of this easement shall be at the sole expense of the Owner seeking enforcement. The Board of Directors may establish additional rules for dealing with and enforcing this section including, but not limited to, provisions for the removal of intervening trees, maintenance of the easement, payment of reasonable compensation and protection against mechanics' liens.

5.7 Easements Deemed Created. All conveyances of Lots or Association Properties hereafter made shall be construed to grant and reserve the easements, reservations and rights of Owners contained in this Declaration, even though no specific reference to such easements or to this Declaration appears in the instrument for such conveyance.

Article VI. ASSOCIATION OPERATION

6.1. Association. The Stagecoach Meadows Homeowners Association has been formed as a Colorado Corporation under the Colorado Non-Profit Corporation Act. The Association shall have the duties, powers, and rights set forth in this Declaration and in its Articles of Incorporation and Bylaws, Rules and Regulations.

6.2. Association Board of Directors. The affairs of the Association shall be managed by a Board of Directors. The number, term and qualifications of the Board of Directors shall be fixed in the Articles of Incorporation and/or Bylaws.

6.3 Membership in Association. Every Person who is a record Owner of a fee interest in any Lot subject to this Declaration is a Member of the Association. Membership is appurtenant to and may not be separated from ownership of any Lot. Ownership of a Lot is the sole qualification for membership. No Owner, whether one or more Persons, will have more than one membership per Lot owned. Membership does not include Persons who hold an interest as security for the performance of an obligation, but granting a security interest will not terminate the Owner's membership.

6.4 Voting Rights of Members. Lot Owners are entitled to one vote weighted in accordance with the Lot's percentage interest (voting allocation) as more particularly shown on Exhibit D. The Bylaws shall provide for the manner, time, place, conduct and voting procedures for Member meetings.

6.5 Allocated Interests in Common Expenses. Except as provided elsewhere in the Association Documents, the amount of all Common Assessments will be assessed against all Lots in accordance with the Lot's assessment allocation as more particularly shown on Exhibit D.

Article VII. DUTIES AND POWERS OF ASSOCIATION

7.1. General Duties and Powers of Association. The Association has been formed to further the common interests of the Members. The Association, acting through the Board or Persons to whom the Board has delegated such powers, shall have the duties and powers hereinafter set forth and set forth elsewhere in the Association Documents and, in general but subject to the 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, recreational use, and desirability of the Community Area, including recreational use of the reservoir located on Association Properties, Tract B. The Association shall maintain all portions of the Community Area required to be maintained by the Association under any plat, Lot plan, or other development approval granted by government officials, including, but not limited to, all Association Properties and landscaping, the traffic island within Stagecoach Drive and other improvements on public rights-of-way. The Association shall pay all fees, expenses, charges and other obligations incurred in connection with any and all water rights or water stock transferred or conveyed to the Association. The Association is responsible for the execution and implementation of the annual obligations of Scott C. Shirley set forth in the plan

for augmentation decreed by the District Court for Water Division 5 in case number 99CW046 on June 5, 2000.

7.2. Power to Manage and Care for Association Properties. The Association shall have the power to manage, operate, care for, maintain, pay taxes on, pay utility expenses incurred in connection with, and repair all Association Properties and to keep the same in an attractive and desirable condition for the use and enjoyment of the Members.

7.3. Power to Maintain Insurance. The Association shall have the power to obtain and keep in full force and effect, property insurance on all insurable Improvements and common property owned by the Association. The Association also shall have the power and the obligation 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, including, but not limited to, the reservoir located on Association Properties, Tract B, and administration and enforcement of this Declaration and covering public liability for bodily injury and property damage, and if the Association owns and operates motor vehicles, public liability for bodily injury and property damage arising as a result of the ownership and operation of motor vehicles. 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.

7.4. Power to Adopt, Amend, Repeal Rules and Regulations. By obtaining fifty-one percent (51%) approval of the total allocated voting rights referenced in Exhibit D, by the Members, the Board may adopt, amend, repeal and enforce Rules and Regulations as may be deemed necessary or desirable with respect to the interpretation, clarification 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. 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.

7.5. 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 Person claiming by, through, or under such Member.

7.6. Power to Grant Easements / Convey Property. The Association shall have the power to grant access, utility, drainage, water facility, water storage and other easements in, on, over, or under Association Properties. The Association, with a fifty-one percent (51%) approval of the total allocated voting rights referenced in Exhibit D, by the Members, shall have the power to convey Association Property but only to another nonprofit tax exempt entity and only to the extent that such entity has as its stated purpose to maintain the conveyed property for charitable, educational, or historic purposes and in a manner consistent with this Declaration.

7.7. Power to Engage Employees, Agents and Consultants. The Association, by action of its Board, shall have the power to hire and discharge employees and agents and to retain and pay

for legal, management, architectural, engineering, 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 the Association Documents.

7.8. General Corporate Powers. The Association shall have all of the ordinary powers and rights of an Association created pursuant to the Act, and those of a Colorado corporation formed under the Colorado Non-Profit Corporation Act, 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.

Article VIII. ASSESSMENTS

8.1. Obligation and Lien for Assessments. Each Owner is deemed to covenants and agrees to pay to the Association: (i) Common Assessments, (ii) Special Assessments, and (iii) Reimbursement Assessments, together with any applicable interest, late charges, cost of collection, and attorneys' fees as provided herein. Notwithstanding the foregoing, such unpaid Assessments, interest, late charges, cost of collection, and attorneys' fees shall, as long as unpaid and in accordance with the provisions herein, also be a continuing lien upon the Lot against which each Assessment is made a personal obligation of the Owner.

8.2. Allocation of Assessments/Working Capital. Upon the Closing of the sale of each Lot to a purchaser, the purchaser shall pay the remaining portion of the annual assessment prorated for the Lot(s) purchased as set forth in a pro forma budget adopted by the Association. Such assessment payment may be used by the Association for proper Association purposes and shall not be returned to an Owner upon sale of the Owner's Lot. Under no circumstances may an Owner obtain repayment of any prepaid assessment from the Association.

8.3. Common Assessments and Capital Assessments. For each calendar year, the Association shall levy Common Assessments against Owners of the Lots, based uniformly on the allocated interests of the Owners, referenced in Exhibit D. The Association shall assess a sufficient amount to maintain a separate Capital Fund set aside in an interest bearing account for the specific purpose of maintaining, repairing and resurfacing the private roads within the Common Areas. Each Owner shall be obligated to pay the Common Assessments levied against and allocated to such Owner.

8.4. Annual Budgets. The Board of Directors shall cause to be prepared, prior to imposing any assessments, a Budget for such calendar year. The Budget shall include an amount for contingencies and amounts deemed necessary or desirable for deposits to create, replenish, or add to the reserve fund for major capital repairs, replacements, and improvements to the Association Properties in such amounts as the Board of Directors deems appropriate.

8.5. Ratification of Budget. Within thirty (30) days after adoption of any proposed budget, the Board of Directors shall mail, by ordinary first-class mail or electronic mail, or otherwise deliver

a summary of the budget to all Owners and shall set a date for a meeting of Owners to consider ratification of the budget not less than ten (10) nor more than fifty (50) days after mailing or other delivery of the summary. Unless at that meeting the budget is rejected by the Owners of at least fifty-one percent (51%) of the total allocated voting rights referenced in Exhibit D, by the Owners the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners shall be continued and assessments shall be based thereon until such time as the Owners ratify or fail to reject a subsequent budget proposed by the Board of Directors.

8.6. Payment of Assessments. Common Assessments shall be due and payable in advance to the Association by the assessed Member during the calendar year in one installment, on or before January 31st 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. Notice of the amount of the Common Assessments shall be given to each Member on or before January 1st of each year.

8.7. Failure to Fix Assessment. If the Board of Directors fails to levy an Assessment for any year in accordance with the procedures set forth above, the Assessment levied in the preceding year shall be deemed continued and the Board's inaction 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 or offset of any Assessment shall be claimed or allowed unless specifically approved by the Board of Directors.

8.8. Special Assessments. In addition to Common Assessments, the Board of Directors may, subject to the provisions of this section, levy Special Assessments for the purpose of raising funds not otherwise provided under the Budget for Common Assessments to construct or reconstruct, repair, or replace Improvements upon Association Properties; to add to the Association Properties; to cover unforeseen expenses, to provide for necessary facilities and equipment to offer the services authorized in this Declaration; or to repay any loan made to the Association to enable it to perform the duties and functions authorized in this Declaration. The Board of Directors shall not levy Special Assessments without the approval of the Members representing at least fifty-one percent (51%) of the total allocated voting rights referenced in Exhibit D. 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. Members shall be liable for Special Assessments in the same manner as Common Assessments and such Assessments shall be subject to the same collection rights of the Association.

8.9. Reimbursement Assessments. The Board of Directors may levy a Reimbursement Assessment against any Member for any expense or liability the Association incurs as a result of the willful, negligent, or wrongful act of a Member, his or her family, guests, or other residents of the Lot, or any breach of the Association Documents by any of these parties. The Board of Directors may also levy a Reimbursement Assessment against any Member for the provision of services and/or facilities (including transportation facilities and services) provided to fewer than all of the Members or provided at the request of such Members. The amount of the Reimbursement 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 Reimbursement Assessment is owed.

Members shall be liable for, Reimbursement Assessments in the same manner as Common Assessments and such Assessments shall be subject to the collection rights of the Association.

8.10. Notice of Default and Acceleration of Assessments. If any Common Assessment, Special Assessment, or Reimbursement 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 Member. If the delinquent Assessment or installment and any late charges, legal fees or interest thereon are not paid in full within thirty (30) day after notice of default has been provided, the Board, at its option, may 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 by this Declaration, subject to the protection afforded to the Mortgagees under this Declaration.

8.11. Remedies to Enforce Assessments. Each Assessment levied hereunder shall be a separate, distinct, and personal debt and obligation of the Member against whom the same is assessed. In the event of a default in payment of any Assessment or installment thereof, whether Common, Special, or Reimbursement, 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.

8.12. Action to Enforce Assessments. The Board will follow the adopted Alternative Dispute Resolution Policy (referenced in the Association's Rules & Regulations) 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 arbitrator and/or court may determine, against the defaulting Member.

8.13. Lien to Enforce Assessments. As provided in the Act, 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: (a) tax and special assessment liens in favor of any assessing authority; (b) liens and encumbrances recorded prior to recordation of this Declaration; and (c) all sums unpaid under a Mortgage encumbering a Lot ("First Mortgage") that has first priority over any other Mortgage encumbering such Lot but only if the Assessments were assessed after the First Mortgage is recorded. Fees, charges, late charges, attorney fees, fines, and interest charged pursuant to this Declaration or the Act are enforceable as assessments. By acceptance of a deed for a Lot, the Owner or Owners agree that the Assessment lien shall be superior to any homestead exemption or right and such Owners irrevocably waive(s) any and all rights to claim a homestead exemption against enforcement of the Assessment lien.

8.14. Limited Priority Over First Mortgagees. Notwithstanding the foregoing, the statutory lien for Assessments is also superior to the lien of a First Mortgage to the extent of an amount equal to the Assessments based on a periodic budget adopted by the Association which would have become due, in the absence of any acceleration, during the six (6) months immediately preceding institution of an action to enforce or extinguish the statutory lien or the lien of the First Mortgage.

8.15. Notice of Lien. The recording of this Declaration constitutes record notice and perfection of the Assessment lien, and no further recordation of any claim of lien or assessment is required. However, to evidence such lien, the Association may 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 of the Board of Directors, an officer of the Association or an agent appointed by the Board and may, if prepared, be recorded. The recording of a notice of lien shall not be a condition precedent to nor delay the attachment of a lien which shall attach as of the first day of any period for which any Assessment is levied. 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 to the matters described in subparagraphs (a) and (b) above. The Association shall have the power to bid at the foreclosure sale and to acquire and hold, lease, mortgage and convey the Lot.

8.16. No Offsets. The payment of Assessments is an independent covenant and all Assessments shall be payable in the amounts specified in the levy thereof without notice or demand (except as may be specifically required in this Declaration), 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.

8.17. Other Liens. The Association may obtain such other liens as are permitted by law against any Lot.

8.18. Estoppel Certificates. Upon payment of a reasonable fee and upon written request of any Owner or any person with any right, title or interest in a Lot, the Association shall furnish a written statement of the amount of all Assessments, charges, fines or penalties, if any, due or accrued and then unpaid and the amount of the Assessments for the current fiscal period of the Association payable with respect to the Lot. This statement shall, with respect to the party to whom it is issued, be conclusive against the Association and all parties, for all purposes, that no greater or other amounts were then due or accrued and unpaid. If a prospective purchaser of a Lot wishes to obtain such information, the request to the Association must be made by or on behalf of the Owner or other person with an existing right, title or interest in such Lot. Such statement shall, with respect to the Person to whom it is issued, be sent to the requesting person within fourteen (14) days after receipt of the written request and, if sent within such time period, shall be conclusive against the Association and all Persons for all purposes, that no greater or other amounts were then due or accrued and unpaid and that no other Assessments have been levied.

Article IX. MISCELLANEOUS

9.1. Term of Declaration. Unless amended as herein provided, each provision contained in this Declaration shall continue in perpetuity unless terminated by the vote, by written ballot, of Members holding at least fifty-one percent (51%) of the total allocated voting rights of the Members of the Association as referenced in Exhibit D.

9.2. Amendment of Declaration by Members. Except as otherwise provided in this Declaration, any provisions, covenant, condition, restriction, or equitable servitude contained in this Declaration may be amended or repealed at any time and from time to time upon approval of the amendment or repeal by Members of the Association holding at least fifty-one percent (51%)

of the total allocated voting rights referenced in Exhibit D. The approval of any such amendment or repeal shall be evidenced by the certification by the Board of Directors of the Association of the votes of Members. The amendment or repeal shall be effective upon the Recordation of a document, executed by the President or a Vice-President and the Secretary or an Assistant Secretary of the Association setting forth the amendment or repeal in full and certifying that the amendment or repeal has been approved by the required vote of the Members. Any Amendment to the Declaration made hereunder shall be effective only when recorded.

9.3. Persons Entitled to Enforce Declaration. 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, restrictions, and equitable servitudes contained in this Declaration against any Lot within the Community Area and the Owner thereof. 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; however, all such actions shall be subject to the Alternative Dispute Resolution Policy, referenced in the Association's Rules & Regulations.

9.4. Violations of Law. Any violation of any federal, state, municipal, or local law, ordinance, rule, or regulation, pertaining to the ownership, occupation, or use of any property within the Community Area is hereby declared to be a violation of this Declaration and shall be subject to any and all enforcement procedures set forth in this Declaration.

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

9.6. Costs and Attorneys' Fees. In any action or proceeding under this Declaration, the prevailing party shall be entitled to recover its costs and expenses in connection therewith including reasonable attorneys' fees.

9.7. Limitation on liability. The Association, the Board of Directors, the DRC, 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.

9.8. Liberal Interpretation. The Board shall have full and broad discretion to interpret, apply and enforce this Declaration and to effectuate the purpose of this Declaration.

9.9. Governing Law. This Declaration shall be construed and governed under the laws of the State of Colorado.

9.10. Recorded Easements. In addition to all easements and rights-of-way of record at or before recordation of this Declaration, the Community Area, and all portions thereof, shall be subject to the easements shown on any Recorded plat or map of the Community Area, or any portion thereof. Further, the Community Area, or portions thereof, is now or may hereafter be subject to the easements, licenses, and other recorded documents, or any of them, set forth on Exhibit C attached hereto and incorporated herein by this reference.

Article X. GENERAL PROVISIONS

10.1. Member Approval. Notwithstanding any other provisions of this Declaration to the contrary, unless it has obtained prior written consent of at least fifty-one percent (51%) of the Members voting rights referenced in Exhibit D, the Association shall not:

10.1.1. seek to abandon or terminate the Declaration, whether by act or omission;

10.1.2. change the pro rata interest or obligations of any individual Lot for the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards;

10.1.3. by act or omission, seek to abandon, subdivide, encumber, sell, or transfer the Association Properties (excluding the granting of permits, licenses, and easements for public utilities, roads or other purposes reasonably necessary or useful for the proper maintenance or operation of the Association Properties);

10.1.4. subdivide any Lot; or

10.1.5. use hazard insurance proceeds for losses to any part of the Association Properties for other than the repair, replacement, or reconstruction of such part of the Association Properties.

10.1.6. change voting rights;

10.1.7. eliminate reserves for maintenance, repair, and replacement of those elements of the Association Properties which must be maintained, repaired, or replaced on a periodic basis;

10.1.8. cancel insurance, including but not limited to fidelity bonds;

10.1.9. alter the right to use of the Association Properties;

10.1.10. eliminate the responsibility for maintenance and repair of any portion of the Community Area;

10.1.11. take any action of expansion or contraction of the Community Area or the addition, annexation or withdrawal of property to or from the Community Area;

10.1.12. alter the boundaries of any Lot other than for the combination of lots;

10.1.13. take any action to terminate the legal status of the Community Area after substantial destruction or condemnation occurs;

10.1.14. create imposition of any right of first refusal or similar restriction on the right of any Owner to sell, transfer, or otherwise convey its Lot;

10.1.15. effectuate any decision to utilize and/or terminate professional management;

10.1.16. restore or repair the Association Properties, or any portion thereof, including but not limited to improvements located thereon, after a partial condemnation or damage due to an insurable hazard, other than substantially in accordance with this Declaration and the

most recent plans and specifications for the Community Area and the construction of improvements thereon;

10.1.17. terminate the legal status of the Community Area after substantial destruction or a substantial taking in condemnation of Association Properties.

10.2. Association Books and Records. The Association shall make available to Members, current copies of this Declaration, and the Articles of Incorporation, Bylaws, Rules and Regulations, books, records, and financial statements of the Association, or any other record specified by CCIOA, copies of which shall be maintained by the Association. The Association shall make available to prospective purchasers of Lots current copies of this Declaration, and the Articles of Incorporation, Bylaws, Rules and Regulations, and the most recent annual financial statement, if such is prepared, of the Association. The Association shall not be required to prepare audited financial statements. However, if there is no audited financial statement available, any First Mortgagee shall be allowed to have an audited financial statement prepared, at its expense, three (3) copies of which shall be provided to the Association. "Available" shall mean available for inspection, upon request, during normal weekday business hours or under other reasonable circumstances. The Association may charge a fee for the reasonable copying costs of any materials provided pursuant to this section.

SIGNATURE PAGE

IN WITNESS WHEREOF, we being the President, Vice President, Secretary and Treasurer of THE STAGECOACH MEADOWS HOMEOWNERS ASSOCIATION have hereunto set our hands this _____ day of _____, 2022.

The undersigned hereby declare under penalty of perjury that the foregoing is true and correct. We are the duly elected and acting President, Vice President, Secretary and Treasurer of THE STAGECOACH MEADOWS HOMEOWNERS ASSOCIATION, a Colorado Corporation; and the foregoing is a true copy of the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions which have been properly approved by the required percentage of Owners of THE STAGECOACH MEADOWS HOMEOWNERS ASSOCIATION on or about the _____ day of _____, 2022.

Signature:

Board of Directors, President (Printed name & signature)

Signature:

Board of Directors, Vice-President (Printed name & signature)

Signature:

Board of Directors, Secretary & Treasurer (Printed name & signature)

NOTARY PAGE

STATE OF COLORADO

SS.

COUNTY of GRAND

This declaration of Covenants, Conditions, and Restrictions for the Stagecoach Meadows Homeowners Association is acknowledged before me this _____ day of _____, 2022, by Chris Koerner, President of the Stagecoach Meadows Homeowners Association.

Witness my hand and official seal:

NOTARY PUBLIC

Printed Name _____

My Commission Expires:

EXHIBITS

EXHIBIT 'A'

LEGAL DESCRIPTION OF COMMUNITY AREA

The following-described real property located in Section 11, Township 1 South Range 76 West of the 6th Principal Meridian, Grand County, Colorado:

Stagecoach Meadows subdivision, according to the Final Plat thereof recorded on September 12, 2000, at Reception Number 2000-008387, which may be amended from time-to-time.

EXHIBIT 'B'

ASSOCIATION PROPERTIES

The following-described real property as shown on the Final Plat of Stagecoach Meadows subdivision:

Tracts A-F and H-Q

Stagecoach Drive

Strongbox Drive

Buckboard Court

Shotgun Drive

EXHIBIT 'C'

RECORDED EASEMENTS, LICENSES, AND OTHER DOCUMENTS NOT SHOWN ON PLAT

None

EXHIBIT 'D' (See page 33)

VOTING & ASSESSMENT ALLOCATIONS (allocated interests – page 33)

Lot #	Assessment Allocation	Percentage Interest	Voting Allocation
1	1/59th	1.6949%	1.0
2	1/59th	1.6949%	1.0
3	1/59th	1.6949%	1.0
4	1/59th	1.6949%	1.0
5	1/59th	1.6949%	1.0
6	1/59th	1.6949%	1.0
7	1/59th	1.6949%	1.0
8	1/59th	1.6949%	1.0
9	1/59th	1.6949%	1.0
10	1/59th	1.6949%	1.0
11	1/59th	1.6949%	1.0
12	1/59th	1.6949%	1.0
13	1/59th	1.6949%	1.0
14	1/59th	1.6949%	1.0
15B	3/118th	2.5424%	1.5
17A	3/118th	2.5424%	1.5
19	1/59th	1.6949%	1.0
20	1/59th	1.6949%	1.0
21	1/59th	1.6949%	1.0
22	1/59th	1.6949%	1.0
23	1/59th	1.6949%	1.0
24	1/59th	1.6949%	1.0
25	1/59th	1.6949%	1.0
26	1/59th	1.6949%	1.0
27	1/59th	1.6949%	1.0
28	1/59th	1.6949%	1.0
29	1/59th	1.6949%	1.0
30	1/59th	1.6949%	1.0
31	1/59th	1.6949%	1.0
32	1/59th	1.6949%	1.0
33	1/59th	1.6949%	1.0
34	1/59th	1.6949%	1.0
35	1/59th	1.6949%	1.0
36	1/59th	1.6949%	1.0
37	1/59th	1.6949%	1.0
38	3/118th	2.5424%	1.5
40	3/118th	2.5424%	1.5
41	1/59th	1.6949%	1.0
42	1/59th	1.6949%	1.0
43	1/59th	1.6949%	1.0
44	1/59th	1.6949%	1.0
45	1/59th	1.6949%	1.0
46	1/59th	1.6949%	1.0
47	1/59th	1.6949%	1.0
48	1/59th	1.6949%	1.0
50A	3/59th	5.0847%	3.0
52	1/59th	1.6949%	1.0
53	1/59th	1.6949%	1.0
54	1/59th	1.6949%	1.0
55	1/59th	1.6949%	1.0
56	1/59th	1.6949%	1.0
57	1/59th	1.6949%	1.0
58	1/59th	1.6949%	1.0
59	1/59th	1.6949%	1.0
60	1/59th	1.6949%	1.0
TOTAL	59	100%	59

EXHIBIT "D" - Voting & Assessment Allocations (allocated interests)