

PPT-1
121.00

**DECLARATION OF
PROTECTIVE COVENANTS AND RESTRICTIONS**

THE MEADOWS FILING NO. 1

WOODLAND PARK, TELLER COUNTY, COLORADO

The Littlestar Corporation, a Colorado corporation, herein called "Declarant," is the owner of real estate in the City of Woodland Park, Teller County, Colorado, referred to as:

**THE MEADOWS FILING NO. 1
Lots 1 through 17**

according to the plat thereof recorded in the records of the Clerk and Recorder of the County of Teller, State of Colorado, as the same is more particularly described in Exhibit A attached hereto and incorporated herein by this reference ("Property").

In order to develop the Property as a high quality and attractive residential area and to promote and enhance the value, desirability and living environment of the Property, Declarant hereby declares that the Property shall be held, leased, sold and conveyed subject to the covenants, restrictions, conditions, terms, and provisions set forth in this Declaration, all of which are declared and agreed to be for the protection of the value of the Property and for the benefit of persons acquiring interests therein, shall be deemed to run with the land, and shall be a benefit and a burden to any person or entity acquiring an interest in the Property, their grantees, successors, heirs, legal representatives and assigns.

SECTION 1. DEFINITIONS:

1.1 Accessory Buildings. Garages, patios, and other buildings customarily used in connection with a single-family residence.

1.2 Architectural Review Committee. The committee formed pursuant to Section 6.2 hereof which has authority to review and approve or disapprove plans for improvements and alterations to the Property and to perform such other functions as may be set forth in this Declaration.

1.3 Articles of Incorporation. The Articles of Incorporation of the Association, as the same may be amended from time to time.

1.4 Association. The Meadows at Woodland Park Homeowners Association, Inc., a Colorado non-profit corporation.

1.5 Board of Directors or Board. The Board of Directors of the Association.

1.6 Building Site. Any area within a platted Lot and consisting of the portion of a Lot which is approved by the Architectural Review Committee as the location for a Dwelling Unit and its Accessory Buildings.

1.7 Common Elements. Any property within the Property which is devoted for the common use and benefit of the Owners. The initial Common Elements are the areas designated on the Plat as "Landscape Easement", and the common mailboxes and related structures.

1.8 Common Expenses. The expenses or financial liabilities of the Association, including, without limitation:

m.r

Elements;

- a. Expenses of administration, maintenance, repair or replacement of the Common

- b. Expenses declared Common Expenses by this Declaration or the Board; and

- c. Such reasonable reserves as may be established by the Association.

1.9 Common Expense Assessments. The funds required to be paid by each Owner in payment of a Common Expense liability.

1.10 Development Rights. Those rights reserved to the Declarant as set forth in this Declaration.

1.11 Dwelling Unit. The residence constructed on any Lot and any replacement thereof, including any additions thereto, including the patio, deck, basement, and garage, if applicable. Dwelling Unit shall include the Lot upon which such Dwelling Unit is constructed.

1.12 Guest. Any person who resides with an Owner or any guest or invitee of an Owner, or an occupant or tenant of a Dwelling Unit within the Property, and any member of his or her household.

1.13 Improvements. Any improvements constructed or made on any Lot, including, but not limited to: (a) the construction, installation, erection or expansion of any building, structure or other improvements, including utility facilities; (b) the grading, excavation, filling or similar disturbance to the surface of the Lot including, without limitation, change of grade, ground level or drainage pattern; (c) landscaping, planting, clearing or removing of trees, shrubs, grass or perennial plants; and (d) any change, alteration, modification, expansion, or addition to any previously approved Improvement, including any change of exterior appearance, finish material, color or texture.

1.14 Lot. Each platted lot within the Property which is designated for separate ownership, the boundaries of which are described on the Plat for the Meadows Filing No. 1.

1.15 Owner. The person or persons or any entity holding fee simple title to a Lot within the Property. Owner does not include the holder of a mortgage, deed of trust or other encumbrance.

1.16 Plat. The plat covering the real property subject to this Declaration which has been filed in the real estate records of the Clerk and Recorder of the County of Teller, Colorado.

1.17 Security Interest. An interest in real estate created by contract or conveyance which secures payment or performance of an obligation, including, without limitation, mortgages, deeds of trust, contract for deed, land sales contracts, assignment of leases or rents, and any other consensual lien or title retention contract intended as security for an obligation.

1.18 Special Declarant Rights. Rights reserved for the benefit of Declarant as set forth in Section 8 of this Declaration.

1.19 Structure. Structure shall mean any improvements, addition, or modification to a Lot, other than trees and landscaping, including, by way of illustration but not by way of limitation, any building, pool, tennis court, fence, or wall, or any hedge more than 2 feet in height, sign and any temporary or permanent living quarters. Structure shall also mean any excavation, fill, or other similar disturbance of the surface of the land, or any ditch, diversion dam or other thing or device which affects or alters the natural flow of any waters in any natural or artificial stream, wash or drainage area or channel upon or across any Lot.

SECTION 2. RESTRICTIONS ON PROPERTY

2.1 Residential Use. All Lots and Building Sites within the Property shall be used exclusively for residential living purposes and such purposes as are customarily incidental thereto. No Dwelling Unit erected or maintained within the Property shall be used or occupied for any purpose other than a single-family dwelling. No business, profession, or commercial enterprise of any type shall be carried on within any Lot or Building Site.

2.2 Types of Structures. No structure shall be erected within the Property except single-family dwellings and those Accessory Buildings or structures which have been approved by the Architectural Review Committee.

2.3 New Construction Only. All construction within each Lot shall be new. No building or Dwelling Unit may be moved onto a Lot or Building Site except as expressly hereinafter provided for temporary buildings or trailers used by the Declarant in connection with its sale, development, or marketing of the Property.

2.4 No Storage of Building Materials. No building materials shall be stored on any Lot except temporarily during continuous construction of a building or its alteration or improvement.

2.5 Occupancy of Dwelling Units. No structure shall be occupied during the period of original construction of a Dwelling Unit until a certificate of occupancy is obtained. All construction work shall be performed diligently and continuously from the time of commencement until fully completed.

2.6 Temporary Buildings. Temporary buildings and/or trailers for development, construction or administration purposes or for sales offices may be erected or maintained only by the Declarant with the permission of the Architectural Review Committee. Model homes may be used and exhibited by Declarant with the permission of the Architectural Review Committee. Temporary buildings permitted for development, construction or administration purposes or for sales offices shall be promptly removed when they cease to be used for these purposes. No structure other than a dwelling, no Accessory Building, trailer, tent or other similar or dissimilar temporary quarters may be used for living purposes. No other structure may be placed on any Building Site except with the permission of the Architectural Review Committee.

2.7 Further Subdivision. No Lot may be subdivided so as to create two or more parcels. Nothing herein shall be deemed to prohibit boundary adjustments in conformance with the above, so long as such adjustments are approved by the Architectural Review Committee and the City of Woodland Park.

2.8 No Build Areas. No Dwelling Unit or other structure of any kind may be constructed in any area designated on the Plat of The Meadows Filing No. 1 or designated by the Architectural Review Committee as a "No Build Area."

2.9 One Dwelling Unit Per Lot. No more than one single-family dwelling shall be erected or maintained within any Building Site or Lot.

2.10 Building Materials. Exterior building materials shall be wood, stone, masonite, stucco or an alternate approved by the Architectural Review Committee. Colors of all exterior materials shall be those which are compatible with natural woods, stones, and rocks or which are otherwise deemed acceptable by the Architectural Review Committee, and all such exterior colors must be approved in advance by the Architectural Review Committee. The Architectural Review Committee may establish, from time to time, design criteria for new construction, which may include minimum numbers of separate roof lines, minimum wall planes, and other design criteria the purpose of which is to promote and enhance the

desirability of the Property. Variances from the established design criteria may be approved by the Architectural Review Committee, in its sole discretion, pursuant to Section 6.24 of this Declaration.

2.11 Minimum Dwelling Unit Size. No Dwelling Unit shall be erected which, exclusive of porches, patios, covered but unenclosed areas, garages and attached Accessory Buildings, has less than 1,250 square feet of floor space above the basement level.

2.12 Garages. All Dwelling Units shall have an attached garage which shall include space for the storage of at least two (2) average-sized automobiles.

2.13 Height Restriction. No Dwelling Unit or other structure shall be more than thirty feet in height above ground level on the street side of the Lot except with the prior permission of the Architectural Review Committee.

2.14 Driveways and Walkways. Each drive and driveway and walkway to a front door will be paved with a material approved in advance by the Architectural Review Committee.

2.15 Roofing. Roof material and color shall be consistent with the architecture of the structure or improvement. All roofing materials shall be either cedar shakes, cedar shingles, Timberline shingles, or other material or style approved in advance by the Architectural Review Committee. Roof overhang shall extend a minimum of eighteen (18) inches beyond the structure.

2.16 Aerials, Antenna, and Satellite Dishes. No aerial, antenna or device for transmission of radio or television or other electronic signals may be maintained or erected on any Dwelling Unit, structure, or Accessory Building within the Property without the prior consent of the Architectural Review Committee. No aerial, antenna or device for reception of radio or television or other electronic signals shall be maintained on the roof of any structure nor shall any such structure be maintained at any location so as to be visible from neighboring property or adjacent streets. No satellite dishes or similar devices shall be permitted within the Property unless concealed from the view of neighboring properties and the street by a structure approved by the Architectural Review Committee. In any event, no satellite dish larger than twenty-four (24) inches in diameter shall be permitted within the Property.

2.17 Chimneys. All chimneys shall be equipped with a spark-arresting screen and facing shall be stone, wood, stucco, or other material approved in advance by the Architectural Review Committee.

2.18 Exterior Maintenance. Each Owner shall maintain the exterior of the Dwelling Unit, all Accessory Buildings and other structures, and any fencing in good condition, shall cause them to be repaired as the effects of damage or deterioration become apparent, and shall cause them to be repaired, painted, stained, sealed, and refinished periodically and before the surfaces of such structures becomes weather-beaten or worn.

2.19 Compatibility of Structures. Any Accessory Building or additional structure constructed on a Lot shall harmonize in appearance with the Dwelling Unit situated on the same Lot.

2.20 Damage or Destruction. Any Dwelling Unit, Accessory Building or other structure which may be destroyed in whole or in part by fire, windstorm, or for any other cause or act of God must be promptly rebuilt or all debris must be promptly removed and the Lot restored to a slightly condition. Any such rebuilding or restoration shall be completed with reasonable promptness and in any event within six (6) months.

2.21 Exterior Equipment. No heating, ventilating, air conditioning, or similar equipment or facilities shall be visible from any street or neighboring property unless approved in advance by the Architectural Review Committee.

2.22 Newspaper Boxes. No newspaper boxes or similar items may be maintained in the front yard of any Dwelling Unit.

SECTION 3. LIVING ENVIRONMENT STANDARDS

3.1 Garage Doors. Garage doors shall be kept closed at all times except when used to permit ingress or egress to or from the garage.

3.2 Clothes Lines. No outdoor clothes poles, clothes lines and other facilities for drying or airing of clothes or household goods shall be placed within a Lot unless screened by fence or shrubbery so as not to be visible from neighboring property or adjacent streets.

3.3 Garbage and Refuse. No ashes, trash, rubbish, garbage or other refuse shall be stored, accumulated or deposited outside or so as to be visible from any neighboring property or street, except during refuse collections. All refuse, garbage, and trash shall be kept at all times in a covered container which shall be kept within a garage or other structure approved in advance by the Architectural Control Committee.

3.4 Noxious, Hazardous, and Offensive Activities. No noxious, hazardous, or offensive activity shall be carried on upon any Lot nor shall anything be done or placed on any of the Property which is or may become a nuisance or cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. No annoying lights, sounds or odors shall be permitted to emanate from any Dwelling Unit. Habitually barking, howling or yelping dogs shall be deemed a nuisance. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Property and no open fires shall be lighted or permitted on any property except in a contained barbecue unit while attended and in use for cooking purposes or within a safe and well designed interior fireplace.

3.5 Storage on Decks. Patios, balconies, and decks shall not be used for storage other than of patio furniture, barbecue grills and other customary patio items.

3.6 Exterior Sound Devices. No exterior speakers, horns, whistles, bells or other sound devices except security devices used exclusively for security purposes shall be located, used or placed on any structure or within any Lot.

3.7 Lights, Sounds, and Odors. No light shall be emitted from any Lot which is unreasonably bright or causes unreasonable glare; no sound shall be emitted on any Lot which is unreasonably loud or annoying; and no odor shall be emitted from any Lot which is noxious or offensive to others. All exterior lights shall be erected or maintained on Lots only with the prior written approval of the Architectural Review Committee, which approval shall be given only if such signs or lights shall be of attractive design, shall be as small in size as is reasonably practicable, and shall be compatible in design with the Dwelling Unit on the Lot on which the light is to be installed.

3.8 No Mining or Underground Activities. No Lot shall be used for the purpose of mining, quarrying, drilling, boring or exploring for or removing water, oil, gas or other hydrocarbons, minerals, rocks, stones, gravel or earth.

3.9 Electronic or Radio Transmitters. No electronic or radio transmitter of any kind, other than garage door openers, shall be located or operated in or on any structure or within any Lot.

3.10 Animals and Pets. No animals except an aggregate of not more than two (2) domesticated dogs or cats and except domesticated birds and fish and other small domestic animals permanently confined indoors shall be maintained within a Lot and then only if kept as pets. No animal of any kind shall be permitted to be maintained on any Lot which, in the opinion of the Architectural Review Committee, makes an unreasonable amount of noise or odor or is a nuisance. No animals shall be kept, bred or maintained within the Property for any commercial purposes.

3.11 Restrictions on Parking of Boats, Trailers, Cars, Trucks, and Other Vehicles. No boat, trailer, camper (on or off supporting vehicle), commercial vehicle, mobile home, motor home, motorcycle, inoperable car or truck, unused car or truck, tractor, any towed trailer unit, or truck excepting only pickups solely for the non-commercial use of the residents of a Dwelling Unit shall be parked overnight on any street or within any Lot or Building Site except in a completely enclosed garage or other approved structure, or fully screened in a manner approved by the Architectural Review Committee so as not be visible from any neighboring property or street.

3.12 Repair of Vehicles. No maintenance, servicing, repair, dismantling or repainting of any type or part of a vehicle, boat, machine or device may be carried on except within a completely enclosed garage or structure which screens the sight and shields the activity from the street and from neighboring properties.

3.13 Sign Restrictions. No signs shall be permitted on any lot or structure, except for: one sign of not more than 2x3' in size for offering of the signed property for sale or for rent; one sign of customary size as established by the Architectural Review Committee for identification of the occupant and address of any Dwelling Unit; such multiple signs for sale, administration and directional purposes during development as are approved by Declarant or by the Architectural Review Committee, and such signs as may be necessary or appropriate to advise of rules and regulations or law. All permitted signs must be professionally painted, lettered and constructed.

3.14 Basketball Hoops. No basketball hoops may be installed which are visible from any neighboring property or any street or road.

SECTION 4. EASEMENTS

4.1 Easements for the Board of Directors. Each Lot shall be subject to an easement in favor of the Board of Directors (including its agents, employees and contractors) to perform its obligations pursuant to this Declaration.

4.2 Declarant's Easements. Anything to the contrary herein notwithstanding, Declarant hereby reserves for itself, and for builders, agents, employees, business invitees, successors and assigns reasonable easements and rights-of-ways over all Lots for the sole purpose of constructing improvements to the Property and making repairs pursuant to contracts of sale made with purchasers of Lots, but only if access thereto is otherwise not reasonably available, including the right to erect temporary buildings to store any and all materials. Such easements and rights-of-way, however, shall not unreasonably inhibit the use of Lots by Owners. Declarant and any builder shall be fully responsible for any damage to Lots caused by its use of such easements and rights-of-way.

4.3 Emergency Easements. A nonexclusive easement for ingress and egress is hereby granted to all police, sheriff, fire protection, ambulance, and other similar emergency agencies now or hereafter servicing the Property, to enter upon any part of the Property in the performance of their duties.

4.4 Easement for Encroachments. If any Lot or Common Element encroaches on any other Lot or Common Element, a valid easement for the encroachment exists. The easement does not relieve an Owner of liability in case of willful misconduct nor relieve Declarant or any other Person of liability for failure to adhere to the plans.

4.5 Easements for Drainage and Utilities. Easements for the installation and maintenance of utilities, drainage facilities, public or private improvements and access thereto are reserved as shown on the recorded plat affecting the Lots and any amendments of such plat or as established by any other instrument of record. Declarant hereby reserves, to itself and to the Association, easements for drainage or drainage facilities across the front, side and rear ten(10) feet of each Lot. Declarant reserves to itself and to the Association in and upon each ten (10) foot front, rear and side yard a drainage easement to construct, repair or replace drainage structures or to perform such grading, drainage or corrective work as Declarant or the Association may deem necessary or desirable in their sole discretion from time to time.

4.6 Easements Deemed Created. All conveyances of any Lot hereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve the easements contained in this Section even though no specific reference to such easements or to this Section appears in the instrument of such conveyance.

4.7 Utilities to be Underground. All utilities except lighting standards and customary service devices for access, control or use of utilities shall be installed underground.

SECTION 5. ASSOCIATION

5.1 Formation. The Association will be formed by Declarant as a Colorado non-profit corporation no later than upon Declarant's relinquishment of his Special Declarant Rights pursuant to Section 8 of this Declaration. Upon formation, the Association shall have the obligation of maintenance, repair, and replacement of the Common Elements, will have the right to assess and collect assessments pursuant to Section 10, and will have the other rights and obligations set forth herein.

5.2 Membership. Members of the Association shall be every record Owner of a Lot subject to this Declaration. Membership shall terminate on transfer of a fee simple title by the Owner, but may not be separated from the ownership of a Lot. The purposes and powers of the Association and the rights and obligations with respect to Members set forth in this Declaration shall be further defined by the Articles of Incorporation and Bylaws of the Association.

5.3 Voting Rights. Each Member is entitled to one vote for each Lot owned. If more than one person holds such interest, the vote for such Lot shall be exercised as the persons holding such interest shall determine between themselves, provided that in no event shall more than one vote be cast with respect to any Lot.

5.4 Authority of Board. Except as otherwise provided in this Declaration or the Bylaws, the Board of Directors may act in all instances on behalf of the Association.

5.5 One Class of Membership. The Association shall have one class of voting membership. The total number of votes which may be cast in connection with any matter shall be equal to the total number of Lots then existing within the Association.

5.6 Delivery of Documents by Declarant. Within sixty (60) days after the Owners other than the Declarant elect a majority of the Members of the Board of Directors, the Declarant shall deliver to the Association all property of the Owners and of the Association held by or controlled by the Declarant, including, without limitation, the following items:

(A) The original or a certified copy of the recorded Declaration, as amended, the Articles of Incorporation, Bylaws, minute books, other books and records, and any Rules and Regulations which may have been promulgated;

(B) All of the tangible personal property that has been represented by the Declarant to be the property of the Association or that is necessary for and has been used exclusively in the operation and enjoyment of the Common Elements, and inventories of these properties;

(C) A copy, for the nonexclusive use of the Association, of any plans and specifications used in the construction of improvements on the Property;

(D) All insurance policies, if any, then in force in which the Owners, the Association, or its directors and officers are named as insured persons;

(E) Any other permits issued by governmental bodies applicable to the Property and which are currently in force or which were issued within one (1) year prior to the date on which Owners other than the Declarant took control of the Association;

(F) Written warranties of any contractor, subcontractors, suppliers and manufacturers that are still effective; and

(G) A roster of Owners and Mortgagees and their addresses and telephone numbers, if known, as shown on the Declarant's records.

SECTION 6. ARCHITECTURAL APPROVAL/DESIGN APPROVAL

6.1 Written Approval of Plans and Design Required. Approval in writing by the Architectural Review Committee shall be required prior to commencement of the construction or addition of any Improvement on any portion of the Property. A purchase of any Lot within the Property does not grant any implied guarantee of approval of the Improvement to be located thereon by the Architectural Review Committee. The Declarant and the Board of Directors shall have the authority and standing on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the Architectural Review Committee established hereunder.

6.2 Membership of Committee. The Architectural Review Committee shall consist of three (3) or more persons appointed by the Board of Directors provided, however, that until all of the Lots have been conveyed to the first Owner thereof (other than Declarant), Declarant may at its option appoint the Architectural Review Committee, and during this period the Architectural Review Committee may be comprised of only one member appointed by Declarant. The sole initial member of the Architectural Review Committee shall be Mark Littlestar. The power to appoint, as provided herein, shall include without limitation the power to: constitute the initial membership of the Architectural Review Committee; appoint member(s) to the Architectural Review Committee on the occurrence of any vacancy therein, for whatever reason; and remove any member of the Architectural Review Committee, with or without cause, at any time, and appoint the successor thereof. Each such appointment may be made for such term(s) of office, subject to the aforesaid power of removal, as may be set from time to time in the discretion of the Board.

6.3 Submission of Plans. Prior to commencement of work to accomplish any proposed Improvement, the Owner ("Applicant") shall submit to the Architectural Review Committee at the address for the Committee, such descriptions, surveys, plot plans, drainage plans, elevation drawings, construction plans, specifications and samples of materials and colors as the Architectural Review Committee shall reasonably request, showing the nature, kind, shape, height, width, color, materials, and location of the proposed Improvement. The Architectural Review Committee may, at its discretion, charge a reasonable fee for the review process; and may require submission of additional plans, specifications or other information prior to approving or disapproving the proposed Improvement. Until receipt by the Architectural Review Committee of all required materials in connection with the proposed Improvement, the Architectural Review Committee may postpone review of any materials submitted for approval by a particular Applicant. No Improvement of any kind shall be erected, altered, placed, or maintained within the Property unless and until the final plans, elevations, and specifications therefor have received written approval by the Architectural Review Committee as herein provided.

6.4 Delegation/Waiver. The Architectural Review Committee may at its discretion delegate to the Board of Directors any of its powers granted to it by this Section by written notice to the Board of Directors indicating what powers and authority are granted to the Board. Such delegation shall be effective from the date such notice is recorded. The Architectural Review Committee may waive any provision of this Section, subject to the provisions of Section 6.24.

6.5 Criteria for Approval. The Architectural Review Committee shall have the right to disapprove any proposed Improvement which is not in accordance with the Design Guidelines adopted pursuant to Section 6.18 of this Declaration, if available, or is not suitable or desirable in the Architectural Review Committee's opinion for aesthetic or other reasons. In passing upon the Improvement the Architectural Review Committee shall have the right to take into consideration the suitability of the proposed Improvement and of the materials of which it is to be built, the color scheme, the site upon which it is proposed to erect the same, the harmony thereof with the surroundings, the topography of the land and the effect of the Improvement as planned on the outlook from the adjacent or neighboring properties, and if it is in accordance with all of the provisions of this Declaration. The Architectural Review Committee may disapprove the proposed Improvement if the plans and specifications submitted are incomplete, or in the event the Architectural Review Committee deems the materials submitted are contrary to the spirit or intent of this Declaration. The Architectural Review Committee may condition its approval of any proposed Improvement upon the making of such changes thereon as the Architectural Review Committee may deem appropriate.

6.6 Decision of the Architectural Review Committee. The decision of the Architectural Review Committee shall be made within forty-five (45) days after receipt by the Architectural Review Committee of all materials required by the Architectural Review Committee unless such time period is extended by mutual agreement. The decision shall be in writing and, if the decision is not to approve a proposed Improvement, the reasons therefor shall be stated. The decision of the Architectural Review Committee shall be promptly transmitted to the Applicant at the address furnished by the Applicant to the Architectural Review Committee.

6.7 Failure of Committee to Act on Plans. Any request for approval of a proposed Improvement shall be deemed approved, unless written denial or a request for additional information or materials is transmitted to the Applicant by the Architectural Review Committee within sixty (60) days after the date of receipt by the Architectural Review Committee of all necessary materials as determined by the Architectural Review Committee.

6.8 Prosecution of Work After Approval. After approval of any proposed Improvement, the proposed Improvement shall be accomplished as promptly and diligently as possible and in complete conformity with the description of the proposed Improvement; any materials submitted to the

Architectural Review Committee in connection with the proposed Improvement; and any conditions imposed by the Architectural Review Committee. All approved Improvements must be completed within one year from the date of deed from Declarant to the Owner, except that Improvement landscaping shall be completed and suitably landscaped (with grass, shrubs and trees) as provided in Section 7 of this Declaration. Failure to timely complete an Improvement in accordance with the description and materials furnished to, and the conditions imposed by, the Architectural Review Committee, shall constitute a violation of this Section.

6.9 Notice of Completion. Upon completion of the Improvement, the Applicant shall give written Notice of Completion to the Architectural Review Committee. Until the date of receipt of a Notice of Completion, the Architectural Review Committee shall not be deemed to have Notice of Completion of any Improvement.

6.10 Inspection of Work. The Architectural Review Committee or its duly authorized representative shall have the right to inspect any Improvement prior to, during or after completion; provided that the right of inspection shall terminate thirty (30) days after the Architectural Review Committee receives a Notice of Completion from the Applicant.

6.11 Notice of Noncompliance. If, as a result of inspections or otherwise, the Architectural Review Committee finds that any Improvement has been done without obtaining the approval of the Architectural Review Committee, or was not done in substantial compliance with the description and materials furnished to, and any conditions imposed by, the Architectural Review Committee, or in the case of the transfer of a Lot by Declarant, a Dwelling Unit was not completed within one year from date of delivery of deed by Declarant, the Architectural Review Committee shall notify the Applicant in writing of the noncompliance; which notice shall be given, in any event within thirty (30) days after the Architectural Review Committee has inspected the Improvement, but in no event no later than thirty (30) days after the Architectural Review Committee's receipt of such Applicant's Notice of Completion. The Notice shall specify the particulars of the noncompliance and shall require the Applicant to take such action as may be necessary to remedy the noncompliance.

6.12 Failure of Committee to Act after Completion. If, for any reason other than the Applicant's act or neglect, the Architectural Review Committee fails to notify the Applicant of any noncompliance within thirty (30) days after receipt by the Architectural Review Committee of written Notice of Completion from the Applicant, the Improvement shall be deemed to be in compliance if the Improvement was, in fact, completed as of the date of Notice of Completion.

6.13 Correction of Noncompliance. If the Architectural Review Committee determines that a noncompliance exists, the Applicant shall remedy or remove the same within a period of not more than thirty (30) days from the date of receipt by the Applicant of the ruling. If the Applicant does not comply with the Architectural Review Committee's ruling within such period, the Committee or Declarant may, at its option, record a "Notice of Noncompliance" against the Lot on which the noncompliance exists, or may remove the noncomplying Improvement or may otherwise remedy the noncompliance. The Board may levy Common Expense Assessments in accordance with Section 10 against the Owner of such Lot for fees, costs and expenses incurred. The right of the Declarant or Board of Directors to remedy or remove any noncompliance shall be in addition to all other rights and remedies which the Declarant or Board of Directors may have at law, in equity, or under this Declaration.

6.14 Meetings of the Architectural Review Committee. The Architectural Review Committee shall meet from time to time as necessary to perform its duties hereunder.

6.15 No Implied Waiver or Estoppel. No action or failure to act by the Architectural Review Committee or by the Board of Directors shall constitute a waiver or estoppel with respect to future action

by the Architectural Review Committee or the Board of Directors. Specifically, the approval by the Architectural Review Committee 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 similar proposals, plans, specifications of other materials submitted with respect to any other Improvement.

6.16 Estoppel Certificate. The Declarant or Board of Directors shall, upon the reasonable request of any interested party and after confirming any necessary facts with the Architectural Review Committee, furnish a certificate with respect to whether any Improvement was made in compliance herewith. Any person, without actual notice to the contrary, shall be entitled to rely on said certificate with respect to all matters set forth therein.

6.17 No Liability for Architectural Review Committee Action. There shall be no liability imposed up on the Architectural Review Committee, any member of the Architectural Review Committee, any authorized Architectural Review Committee representative, the Association, any member of the Board of Directors or Declarant for any loss, damage or injury arising out of or in any way connected with the performance of the duties of the Architectural Review Committee, if such party acted in good faith and without malice. In reviewing any matter, the Architectural Review Committee shall not be responsible for passing on safety, whether structural or otherwise, or conformance with building codes or other governmental laws or regulations, nor shall its approval of an Improvement be deemed approval of such matters.

6.18 Design Guidelines. The Architectural Review Committee may, from time to time, promulgate and amend rules and regulations to interpret and implement the provision of this Section. These rules and regulations shall be known as the "Design Review Guidelines for The Meadows Filing No. 1," and shall contain among other things, guidelines which will clarify the types of designs and materials that will be considered in design approval.

6.19 Exemption of Declarant. Declarant shall be exempt from seeking or obtaining Architectural Review Committee approval during Declarant's construction on, or sales of, any Lots.

6.20 Judgment of Committee. The Architectural Review Committee shall exercise its reasonable judgment to the end that all Improvements conform to and harmonize with the existing surroundings, residences, landscaping and structures.

6.21 Costs of Committee. The Architectural Review Committee may require that the Applicant(s) reimburse the Architectural Review Committee for the actual expenses incurred by the Committee in the review and approval process. Such amounts, if any, shall be levied in addition to the Common Expense assessment against the Lot for which the request for Architectural Review Committee approval was made, but shall be subject to all other rights of the Association for the collection of such assessments, as more fully provided in this Declaration.

6.22 Vote and Appeal. A majority vote of the Architectural Review Committee is required to approve a request for approval pursuant to this Section, unless the Committee has appointed a representative to act for it, in which case the decision of such representative shall control. If a representative acting on behalf of the Architectural Review Committee denies a request for architectural approval, any Owner shall have the right to an appeal of such decision to the full Architectural Review Committee, upon a request therefor submitted to the Architectural Review Committee within thirty (30) days after such denial by the Committee's representative. If an application for architectural approval is denied by the Architectural Review Committee, whether pursuant to an original request for approval or on appeal from a decision of the representative of the Architectural Review Committee, any Owner shall have the right to appeal such decision to the Board of Directors, if a written request for a hearing on an appeal of the same shall be submitted to the Board within thirty (30) days after such approval or denial by the Architectural Review Committee.

6.23 Records. The Architectural Review Committee shall maintain written records of all applications submitted to it and all actions taken by it, and such records shall be available to Members for inspection at reasonable hours.

6.24 Variance. The Architectural Review Committee may grant reasonable variances or adjustments from any conditions and restrictions imposed by this Declaration, in order to overcome practical difficulties or prevent unnecessary hardships or unnecessary or unreasonable restrictions arising by reason of the application of any such conditions and restrictions. Such variances or adjustments (1) shall be granted only in case the granting thereof shall not be materially detrimental or injurious to the other property or improvements in the neighborhood; (2) shall not violate the general intent and purpose hereof; and (3) shall not set a precedent for any other applicant.

6.25 Address of Architectural Review Committee. The address of the Architectural Review Committee is P.O. Box 90409, Woodland Park, Colorado 80866. The Architectural Review Committee may change its address from time to time by a duly acknowledged written instrument filed and recorded with the Clerk and Recorder of Teller County, Colorado.

SECTION 7. LANDSCAPING

7.1 Submission of Landscape Plans. Prior to commencing landscaping on any Lot, the Owner shall submit to the Architectural Review Committee a landscape plan, which shall include, among other things that may be required by the Architectural Review Committee, all proposed plantings of trees, shrubs, and grasses, the location of all fencing and other structures, and the location of all rock, bark, and other ground cover.

7.2 Initial Landscaping. Within one hundred eighty (180) days after the construction of a Dwelling Unit has been completed, all yards and open spaces shall be planted and thereafter maintained in lawn or landscape. All native disturbed soil shall be covered or restored. A minimum of four trees (Aspen, Fir, Spruce, Pine or other tree approved by the Architectural Review Committee) must be planted within such one hundred eighty (180) day period and thereafter maintained on that portion of the Lot that lies in front of the Dwelling Unit or is visible from the street. Aspen trees must be at least five (5) feet in height and all others must be at least three (3) feet in height upon planting. All yards and open spaces shall be kept free from plants or weeds infected with noxious insects or disease and from weeds which in the opinion of Declarant or the Architectural Review Committee are likely to cause the spread of infection or weeds to neighboring properties. No fencing, landscaping, mail box or other improvement shall be placed on the street frontage of a Lot except as approved by the Architectural Review Committee.

7.3 Maintenance of Yards and Open Space Areas. All yards and open space areas shall be kept and maintained in an attractive, healthy, live and growing condition. All dead or diseased grass areas, ground cover, shrubs and trees shall be promptly removed and replaced with suitable replacement landscaping.

7.4 Grading. No material change may be made in the grading, slope, ditch or drainage patterns of any Lot as fixed by the original finish grading except after first obtaining the prior written consent and approval of the Architectural Review Committee. Grading shall be maintained at all times so as to conduct irrigation and surface waters away from Dwelling Units and other structures so as to protect foundations and footings from excess moisture.

7.5 Fencing. No fencing is to be constructed within the Property, with the exception that dog runs may be constructed in accordance with guidelines established from time to time by the Architectural Review Committee, and only with the prior approval of the Architectural Review Committee.

SECTION 8. DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

8.1 Reservation of Development Rights. The Declarant reserves the following Withdrawal and Development Rights:

(A) The right to replat the Property as deemed desirable, and create Lots and common areas. The consent of the existing Owners or Mortgage Holders shall not be required for any such modification, and Declarant may proceed with such modification without limitation at its sole option.

(B) The right to construct underground utility lines, pipes, wires, ducts, conduits and other facilities across the Property for the purpose of furnishing utility and other services to Lots; notwithstanding anything herein to the contrary, Declarant does not reserve and specifically disclaims any right or easement hereunder to construct underground utility lines, pipes, wires, ducts, conduits and other facilities either above or below ground upon that portion of any Lot where improvements may be located as specified by the Architectural Review Committee.

(C) The right to withdraw any portion of the Property that is reserved for future development.

(D) If all or any part of the Property is submitted to this Declaration, this right to reserve property for future development shall apply to such property as well. Declarant expressly reserves the right to withdraw all or any portion of the Property that is reserved for future development in the Declaration or on the Plat from the terms of this Declaration by recording a document evidencing such withdrawal in the office of the County Clerk and Recorder of Teller County, Colorado; provided, however, that no portion of the Property may be withdrawn after a Lot in that portion of the Property has been conveyed to a purchaser.

(E) The right to annex additional property to this Declaration pursuant to Section 11 of this Declaration.

8.2 Limitations on Development Rights. The Development Rights reserved in the above section are limited as follows:

(A) The Development Rights may be exercised at any time, but not more than fifteen (15) years after the recording of the initial Declaration.

(B) Declarant shall not be obligated to extend the Property beyond the number of Lots initially submitted to this Declaration.

(C) All Lots and Common Elements created pursuant to this Section will be restricted to residential use in the same manner and to the same extent as the Lots created under this Declaration as initially recorded.

8.3 Phasing of Development Rights. No assurances are made by the Declarant regarding the Development Rights reserved as to whether the Declarant will exercise its Development Rights or the order in which such portions, or all of the areas, will be developed. The exercise of Development Rights as to some portions will not obligate the Declarant to exercise them as to other portions.

8.4 Special Declarant Rights. The Declarant reserves the following Special Declarant Rights, to the maximum extent permitted by law, which may be exercised, where applicable, anywhere within the Property:

- (A) To complete improvements indicated on the Plat for the Property;
- (B) To exercise any Development Right reserved herein;
- (C) To maintain sales offices, management offices, signs advertising the Lots and models, provided, that Declarant shall have the right to designate one or more builders to utilize the rights set forth in this subparagraph (C);
- (D) To use and to permit others to use easements through the Property for development and construction within the Property, and to discharge Declarant's obligations under the Act and this Declaration;
- (E) To appoint or remove any member of the Architectural Review Committee during the period of Declarant control subject to the provisions of this Declaration;
- (F) To merge or consolidate the Property with another common interest community or subject it to a Master Association;
- (G) To amend the Declaration and the Plat in connection with the exercise of any development rights; and
- (H) To exercise any other Declarant right created by any other provision of this Declaration.

8.5 Rights Transferable. Any expansion and Development Rights and Special Declarant Rights created or reserved under this Declaration for the benefit of Declarant may be transferred to any person by an instrument describing the rights transferred and recorded in Teller County, Colorado. Such instrument shall be executed by the transferor Declarant and the transferee.

8.6 Limitations on Special Declarant Rights. Unless terminated earlier by an amendment to this Declaration executed by the Declarant, any Special Declarant Right may be exercised by the Declarant until the earlier of the following: (a) the date upon which Declarant no longer owns any Lot or owns any security interest in any Lots; (b) fifteen (15) years have elapsed after recording of this Declaration; or (c) upon relinquishment of such rights by means of a document executed by Declarant and recorded in the real estate records of the Clerk and Recorder of Teller County, Colorado. Earlier termination of certain rights may occur by statute.

8.7 Interference with Special Declarant Rights. Neither the Association nor any Owner may take any action or adopt any rule that will interfere with or diminish any Special Declarant Right without the prior written consent of the Declarant.

8.8 Models, Sales Offices and Management Offices. As long as the Declarant is an Owner, the Declarant, its duly authorized agents, representatives and employees or any builder designated by Declarant may maintain any Lot owned by the Declarant as a model Lot, sales office or management office.

8.9 Construction; Declarant's Easement. Declarant reserves the right to perform warranty work, and repairs and construction work on Lots, to store materials in secure areas, and to control and have the

right of access to work and repairs until completion. All work may be performed by Declarant without the consent or approval of the Owners. Declarant has an easement through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising Development or Special Declarant Rights. This easement includes the right to convey utility and drainage easements to public utilities or municipalities to fulfill the plan of development.

8.10 Signs and Marketing. The Declarant reserves the right for Declarant and any builder to post signs and displays on the Property in order to promote sales of Lots. Declarant also reserves the right for Declarant and any builder to conduct general sales activities in a manner which will not unreasonably disturb the rights of Owners.

8.11 Declarant's Personal Property. The Declarant reserves the right to retain all personal property and equipment used in the sales, management, construction and maintenance of the Common Elements that has not been represented as property of the Association. The Declarant reserves the right to remove from the Property (promptly after the sale of the last Lot) any and all goods and improvements used in development, marketing and construction, whether or not they have become fixtures.

8.12 Reciprocal Easements. If all or part of the Property is withdrawn from the property covered by this Declaration ("Withdrawn Property").

(A) The Owner(s) of such Withdrawn Property shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the Property; and

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

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

SECTION 9. COMMON ELEMENTS AND MAINTENANCE

9.1 Common Elements. The areas designated in Lots 1 and 17 of the Plat as "Landscape Easement" and the common mailbox facilities and related structures shall be deemed "Common Elements." So long as Declarant has the right to exercise its Special Declarant Rights pursuant to Section 8, Declarant shall be responsible for the initial landscaping and maintenance of the Common Elements.

9.2 Maintenance of Common Elements. Upon termination of the Special Declarant's Rights, the Owners or the Association (upon formation) shall manage, operate, insure, maintain, repair and replace all of the Common Elements.

9.3 Right of Access. The Declarant and any person authorized by the Board of Directors of the Association shall have the right of access to all portions of any Lot for the purpose of performing emergency repairs or to do other work reasonably necessary for the proper maintenance of the Property, or for the purpose of reading, repairing and replacing utility meters and related pipes, valves, wires and

equipment, provided that requests for entry are made in advance and that any entry is at a time reasonably convenient to the affected Owner. In case of any emergency, no request or notice is required and the right of entry shall be immediate, and with as much force as is reasonably necessary to gain entrance, whether or not the Owner is present at the time.

9.4 Repairs Resulting from Negligence. Each Owner will reimburse the Declarant or Association, as applicable, for any damages to the Common Elements caused intentionally, negligently or by the failure to properly maintain, repair or make replacements to a Lot.

SECTION 10. ASSESSMENT AND COLLECTION OF COMMON EXPENSES

10.1 Apportionment of Common Expenses. Except as provided for otherwise in this Declaration, commencing upon formation of the Association by Declarant all Common Expenses shall be assessed against all Lots on a uniform and equal basis. If additional Lots are added to the Property, then the Common Expense liability shall be reallocated and any Common Expense Assessment not yet due shall be recalculated.

(A) **Initial Annual Assessment.** Until the effective date of an Association budget ratified by the Owners with a different amount for the Common Expense Assessments, the amount of the annual Common Expense Assessment against each Lot shall not exceed Fifty and no/100 Dollars (\$50.00) per Lot per annum. Until the Association makes a Common Expense Assessment, the Declarant shall pay all Common Expenses.

(B) **Annual Assessment.** Annual Common Expense Assessments shall be fixed at a uniform rate for all Lots sufficient to meet the expected needs of the Association; provided, that in no event shall the annual average Common Expense liability of such Lot exceed three hundred dollars (\$300.00). The Annual Common Expense Assessments shall include an adequate reserve fund for the maintenance, repair and replacement of those items that must be maintained, repaired or replaced on a periodic basis, and for the payment of insurance deductibles.

(C) **Levy of Assessments.** The annual Common Expense Assessment shall be levied on an annual basis against all Lots and shall be based upon the Association's advance budget of the cash requirements needed by it to provide for the administration and performance of its duties during such assessment year. Common Expense Assessments may be collected in monthly, quarterly, or annual Installments, or in any other manner as determined by the Board of Directors. Common Expense Assessments may begin on the first day of the month in which the Association is formed. The assessments shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Dwelling Units, and for all of those purposes and activities which may be required of the Association or which the Association may be empowered to pursue pursuant to this Declaration or the Articles of Incorporation or Bylaws, or by law.

Special Assessments shall be levied in accordance with Subsection (D) of this Section.

The omission or failure of the Board of Directors to levy the Assessment for any period shall not be deemed a waiver, modification or a release of the Owners from their obligation to pay. No assessment may be levied retroactively.

Common Expenses attributable to fewer than all Lots may be levied at any time, shall be due and payable as established by the Board, and are exempt from any voting requirements by the membership required for Special Assessments called for under the Declaration.

(D) **Special Assessments.** In addition to annual Common Expense Assessments authorized in this Article, but subject to the limitations set forth herein, the Association, with the approval of the votes of sixty-seven percent (67%) of its members voting in person or by proxy at a meeting duly called for this purpose, may levy, in any fiscal year, a Special Assessment applicable to that year only, for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement upon any portion of the Common Elements including fixtures and personal property related thereto, or for repair or reconstruction of any damaged or destroyed improvements located on said Common Elements, or for the funding of any operating deficit incurred by the Association. Any Special Assessment shall be levied against each Lot in a uniform and equal manner. A meeting of the Members called for the purpose of considering the establishment of a special assessment shall be held in conformance with Subsection (E) of the Section.

(E) **Notice and Quorum for any Special Assessments.** Written notice of any meeting called for the purpose of taking any action authorized under Subsection (D) of this Section shall be sent to all Members not less than fifteen (15) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the Membership votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

10.2. Common Expenses Attributable to Fewer than all Lots.

(A) Any insurance premium increase attributable to a particular Lot by virtue of activities in or construction of the Lot shall be assessed against that Lot.

(B) If a Common Expense is caused by the misconduct of any Owner or as Owner's guest or occupant, the Association may assess that expense exclusively against that Owner's Lot.

(C) Fees, including attorney fees, charges, taxes, impositions, late charges, fines, collection costs and interest charged against an Owner pursuant to this Declaration may be assessed against that Lot as Common Expense Assessments.

(D) Any common expense benefiting fewer than all of the Lots may be assessed exclusively against the Lots benefitted.

10.3 Lien.

(A) The Association has a lien on a Lot for a Common Expense Assessment levied against the Lot under this Section 10 and all other charges and fees established under this Declaration, or fines imposed against its Owner, from the time the Common Expense Assessment or fine becomes due. If a Common Expense Assessment is payable in installments, each installment is a lien from the time it becomes due, including the due date set by any valid acceleration of installment obligations.

(B) A lien under this Section is prior to all other liens and encumbrances on a Lot except: (1) liens and encumbrances recorded before the recordation of the Declaration; (2) a Security Interest on the Lot which has priority over all other Security Interests on the Lot and recorded before the date on which the Common Expense Assessment sought to be enforced became delinquent; and (3) liens for real estate taxes and other governmental assessments or charges against the Lot. A lien under this Section is also prior to all Security Interests described above to the extent of any amount equal to the Common Expense Assessments based on the periodic budget adopted by the Association pursuant to the following Section which would have become due, in the absence of acceleration, during the six (6) months

immediately preceding institution by either the Association or the holder of a First Security Interest of an action or a nonjudicial foreclosure either to enforce or extinguish either the Association's lien or a Security Interest described above. This Subsection does not affect the priority of mechanics' or materialmen's liens or the priority of a lien for other assessments made by the Association. A lien under this Section is not subject to the provision of Section 38-41-201 or 15-11-201, C.R.S. The Association's lien on a Lot for any assessment shall be superior to any homestead exemption now or hereafter provided by the laws of the State of Colorado or any exemption now or hereafter provided by the laws of the United States. The acceptance of a deed to a Lot subject to this Declaration shall constitute a waiver of the homestead and any other exemption as against said assessment lien.

(C) Recording of this Declaration constitutes record notice and perfection of the lien. Further recording of a claim of lien for a Common Expense Assessment is not required. However, the Board of Directors or Manager of the Association may prepare and record in Teller County a written notice setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot, and a description of the Lot. If a lien is filed, the costs and expenses thereof shall be added to the assessment for the Lot against which it is filed and collected as part and parcel thereof.

(D) A lien for unpaid Common Expense Assessments is extinguished unless proceedings to enforce the lien are instituted within six (6) years after the full amount of the Common Expense Assessment becomes due.

(E) This Section does not prohibit an action to recover sums for which Subsection (A) of this Section creates a lien or to prohibit the Association from taking a deed in lieu of foreclosure.

(F) A judgment or decree in any action brought under this Section shall entitle the Association to costs and reasonable attorney fees, which shall be additional Common Expense Assessments, and is enforceable by execution.

(G) The Association's lien may be foreclosed by the same procedure by which a mortgage or deed of trust on real estate is foreclosed. The Board shall have the power to bid at the foreclosure sale, and if title is obtained, hold, lease, mortgage, and encumber or convey the same.

(H) In any action by the Association to collect Common Expense Assessments or to foreclose a lien for unpaid Common Expense Assessments, the court may appoint a receiver for the Owner to collect all sums alleged to be due from that Owner prior to or during the pendency of the action. The court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the action to the extent of the Association's Common Expense Assessments.

(I) If a holder of a first or second Security Interest in a Lot forecloses that Security Interest, the purchaser at the foreclosure sale is not liable for any unpaid Common Expense Assessments against that Lot which became due before the sale, other than the assessments which are prior to that Security Interest under Subsection (B) of this Section of the Declaration. Any unpaid Common Expense Assessments not satisfied from the proceeds of sale become Common Expenses collectible from all the Owners, including the purchaser.

(J) Any payments received by the Association in the discharge of an Owner's obligation may be applied to fees first, and then the oldest balance due.

(K) Sale or transfer of any Lot shall not affect the lien for said assessments or charges except that sale or transfer of any Lot pursuant to foreclosure of any First Security Interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture shall relieve

any Lot from continuing liability for any assessment charges thereafter becoming due, nor from the lien thereof.

10.4 Budget Adoption and Ratification. Within thirty (30) days after adoption of any proposed budget for the Property, the Board of Directors shall mail first class or deliver a summary of the budget to each Owner and shall set a date for a meeting of the Owners to consider ratification of the budget. The meeting shall be not less than fourteen (14) or more than sixty (60) days after mailing or other delivery of the summary. Unless at that meeting at least sixty-seven percent (67%) of all Owners vote to reject the budget, the budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the Owners continues until the Owners ratify a new budget proposed by the Board of Directors.

10.5 Certificate of Payment of Common Expense Assessments. The Association, upon written request, shall furnish an Owner or their designee, or a holder of a Security Interest or its designee, a written Statement setting out the amount of unpaid Common Expense Assessments against the Lot. Said request shall be delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's registered agent. The Statement shall be furnished within fourteen (14) calendar days after receipt of the request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, and is binding on the Association, the Board of Directors and each Owner, or the Association shall have no right to assert a lien upon the Lot for unpaid assessments which were due as of the date of the request.

10.6 Effect of Non-Payment of Assessments; Remedies of the Association. Any assessment not paid within ten (10) days after the due date thereof shall be delinquent, subject to fees authorized by this Declaration, including interest from the due date at the rate of twenty-one percent (21%) per annum, or at such lesser rate as may be set from time to time by the Board of Directors. Fees, including attorney fees, charges, late charges, fines and interest may be charged pursuant to this Declaration due to late payment of assessments under this Section. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against such Lot. If a judgment or decree is obtained, including without limitation in a foreclosure action, such judgment or decree shall include interest on the assessment and attorney's fees, together with the costs of the action, and other fees.

10.7 Acceleration of Common Expense Assessments. If any Owner does not make the payment of any Common Expense Assessment levied against his Lot within ten (10) days of the date due, the Board of Directors shall have the right to declare all unpaid Common Expense Assessments for the pertinent fiscal year immediately due and payable for that Lot.

10.8 No Waiver of Liability for Common Expenses. No Owner may become exempt from liability for payment of the Common Expense Assessments by waiver of the use or enjoyment of the Common Elements, by abandonment of the Lot against which the Common Expense Assessments are made, or because of dissatisfaction with the Association's performance.

10.9 Personal Liability of Owners. Each Owner, including Declarant, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is personally liable for Common Expense Assessments made against such Owner's Lot during the period of ownership of such Lot, at the time a Common Expense Assessment or portion of the assessment is due and payable. Personal liability for the Common Expense Assessment shall not pass to a successor in title to the Lot unless the successor agrees to assume the obligation. All Owners of each Lot shall be jointly and severally liable to the Association for the payment of all assessments, including fees described in Section 10. The obligation for such payments by each Owner to the Association is an independent covenant with all amounts due and payable in full when due without notice or demand (except as otherwise expressly provided in this Declaration), and without set-off or deduction.

10.10 Surplus Funds. Any surplus funds of the Association remaining after payment of or provision for Common Expenses and any repayment of or provision for reserves shall be retained by the Association as unallocated reserves and need not be paid to the Owners in proportion to their Common Expense liability or credited to them to reduce their future Common Expense Assessments.

SECTION 11. DURATION, ANNEXATION, AMENDMENTS AND MERGER

11.1 Declarant Annexation and Amendment.

(A) **Annexation.** Declarant may annex additional property described on **Exhibit B** attached and made part hereof, to this Declaration, in whatever increments deemed desirable by Declarant, without consent of the Owners. This annexation right shall run for a period of fifteen (15) years from the date this Declaration is recorded by the County Clerk and Recorder of Teller County, Colorado; and shall be exercised by recording an Annexation Agreement and new plats in the office of the Clerk and Recorder of Teller County, Colorado, describing therein the land being annexed; and all rights, duties and covenants of this Declaration shall be binding upon said annexed land from the moment an Annexation Agreement is recorded.

(B) **Amendment.** Declarant declares and reserves the right to amend without the consent of Owners this Declaration, or the Plat any time within fifteen (15) years from the date this Declaration is recorded, or before Declarant conveys the last Lot to a purchaser other than Declarant or a successor Declarant, whichever first occurs, as follows:

(1) To make non-material changes, such as the correction of a technical, clerical, grammatical or typographical error or clarification of a statement.

(2) To comply with any requirements of law or amendments thereto, or to induce any of the agencies to make, purchase, sell, insure or guarantee First Security Interests.

11.2 Amendment and Termination. From time to time, any one or more of the covenants, restrictions or provisions of this Declaration may be amended or this Declaration terminated by an instrument signed and acknowledged by the record Owners of at least 75% of the Lots above described as subject to this Declaration and filed for record with the County Clerk and Recorder of Teller County, Colorado.

11.3 Duration. Unless sooner terminated or amended as above described, the covenants, restrictions and provisions of this Declaration shall remain in full force until December 31, 2005, and thereafter it shall be automatically extended for successive periods of ten (10) years each unless this Declaration is terminated in accordance with Section 11.2, or unless before the end of any ten-year extension there is filed for record with the County Clerk and Recorder of Teller County, Colorado, an instrument stating that extension is not desired, signed and acknowledged by a majority of the then record owners of the Lots in the Property.

SECTION 12. MISCELLANEOUS

12.1 Captions. The captions contained in this Declaration are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision thereof.

12.2 Gender. The use of the masculine gender refers to the feminine gender, and vice versa, and the use of the singular includes the plural, and vice versa, whenever the content of this Declaration so require.

12.3 Waiver. No provision contained in this Declaration is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.4 Invalidity. The invalidity of any provision of this Declaration does not impair or affect in any manner the validity, enforceability or effect of the remainder, and if a provision is invalid, all of the other provisions of this Declaration shall continue in full force and effect.

12.5 Conflict. If there is any conflict between this Declaration and the provision of the Colorado statutes, the provision of the statutes shall control. In the event of any conflict between this Declaration and any other document affecting the Property, this Declaration shall control.

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

12.7 Assignment of Declarant's Rights. The rights and powers of the Declarant under this Declaration shall pass to the successors and assigns of Declarant. Declarant may, by written instrument of assignment, transfer in whole or in part any or all of its rights and powers under this Declaration to any such successor or assign, or may terminate the rights and obligations of Declarant under this Declaration. Any such assignment or termination of rights and obligations of Declarant may be recorded in the real estate records of the Clerk and Recorder of the County of Teller, State of Colorado.

12.8 Registration of Mailing Address. Each Owner and each Security Interest Holder, insurer or guarantor of a Security Interest shall register their mailing address with the Declarant or the Association, as applicable, and except for assessment statements and other routine notices, all other notices or demands intended to be served upon an Owner, or upon a Security Interest Holder, insurer or guarantor of a Security Interest, shall be either delivered to them or sent by first-class mail, postage prepaid, addressed in the name of such person or entity at such registered mailing address. However, if any Owner fails to notify the Declarant or the Association of a registered address, then any notice or demand may be delivered or sent, as aforesaid, to such Owner at the address of such Owner's Lot. All notices, demands, or other notices intended to be served upon the Declarant, Board or the Association shall be sent by registered or certified mail, postage prepaid, to the Declarant or Association's Manager or Registered Agent.

12.9 Enforcement. Enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in this Declaration, the Articles of Incorporation, Bylaws, Architectural and Design Guidelines, or Rules and Regulations of the Association, as amended, may be by any proceeding at law or in equity against any person or persons (including, without limitation, the Association) violating or attempting to violate any such provision. The Declarant, Association and any aggrieved Owner shall have the right to institute, maintain and prosecute any such proceedings, and the Declarant or Association shall further have the right to levy and collect fines and enforce other established penalties for the violation of any provision of any of the aforesaid documents. In any action instituted or maintained for enforcement, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees incurred pursuant thereto, as well as any and all other sums awarded by the Court. Failure by the Declarant, Association or any Owner to enforce any covenant, restriction or other provision herein contained, or any other provision of any of the aforesaid documents, shall in no event be deemed a waiver of the right to do so thereafter.

12.10 Indemnification. The Association shall indemnify every present and former Director, Officer, agent or employee against loss, costs, and expense, including attorneys' fees reasonably incurred in connection with any action, suit, or proceeding in which such person may be made a party by reason of being, or having been such Director, Officer, agent or employee of the Association, except for wanton or

willful acts or omissions or if such person shall be finally adjudged to be liable for: any breach of the Director's duty of loyalty to the Association or its members; acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; acts specified in Section 7-24-111 of the Colorado Revised Statutes, as now in effect or hereafter amended; or any transaction from which the Director derived an improper personal benefit. Any such indemnification may be limited to and paid out of the insurance proceeds provided by an insurer furnishing Officers and Directors Errors and Omissions insurance coverage or similar protection and any other insurance protecting the Association from liability because of the negligent acts of its servants, including insurance covering motor vehicles or public liability, property damage, medical and other similar coverage. In the event of an insurance settlement, the settlement shall be approved by the Board of Directors and paid for by the insurance carrier out of the insurance proceeds.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed this 19th
day of July, 1995.

Attest:

THE LITTLESTAR CORPORATION,
a Colorado corporation

By: Debbie J. Littlestar
Secretary

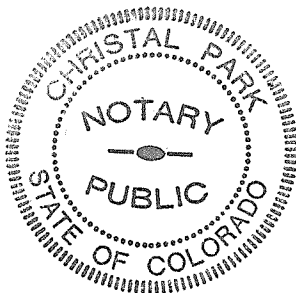
By: Mark L. Littlestar President

STATE OF COLORADO)
COUNTY OF Teller) SS.

The foregoing instrument was signed and acknowledged before me this 19 day of
July, 1995, by Debbie J. Littlestar, as Secretary of
The Littlestar Corporation. Mark L. Littlestar as President

Witness my hand and official seal.

My Commission Expires: 2/3/99



Christal Park
Notary Public

EXHIBIT "A"

A TRACT OF LAND CONTAINING 9.71 ACRES MORE OR LESS LOCATED IN THE SE 1/4 OF THE SW 1/4 OF SECTION 24, AND THE NE 1/4 OF THE NW 1/4 OF SECTION 25 ALL IN TOWNSHIP 12 SOUTH RANGE 69 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF WOODLAND PARK, TELLER COUNTY, COLORADO MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TO WIT

BEGINNING AT THE NORTH CORNER OF LOT 1 BLOCK 2 SUNNY SLOPE ACRES, INCORPORATED FILING NUMBER 1, TELLER COUNTY, COLORADO, SAID POINT BEING ON THE EASTERLY RIGHT OF WAY LINE OF COUNTY ROAD 231 AND THE TRUE POINT OF BEGINNING:

1. THENCE NORTHEASTERLY ALONG THE EAST RIGHT-OF-WAY LINE OF COUNTY ROAD 231 N 20° 09' 57" E, A DISTANCE OF 130.00 FEET TO A POINT OF CURVATURE OF A NON TANGENT CURVE.
2. THENCE ALONG A CURVE TO THE RIGHT WHOSE LONG CHORD BEARS N 32° 15' 00" E A DISTANCE OF 6.70 FEET WITH A RADIUS OF 16.00 FEET, DELTA ANGLE 24° 10' 00" AND CURVE LENGTH OF 6.75 FEET.
3. THENCE ALONG A CURVE TO THE RIGHT WHOSE LONG CHORD BEARS N 56° 55' 00" E, A DISTANCE OF 241.11 FEET WITH A RADIUS OF 553.37 FEET, DELTA ANGLE 25° 10' 00" AND CURVE LENGTH IS 243.06 FEET.
4. THENCE NORTHEAST N 69° 30' 00" E, A DISTANCE OF 221.52 FEET.
5. THENCE NORTHEAST N 64° 16' 55" E, A DISTANCE OF 71.63 FEET TO THE NORTHEAST CORNER OF A PARCEL AS DESCRIBED IN BOOK 283 PAGE 589 OF THE TELLER COUNTY RECORDS.
6. THENCE SOUTHEASTERLY ALONG THE WEST LINE OF THE TRACT AS DESCRIBED IN BOOK 283 PAGE 589 OF THE TELLER COUNTY RECORDS S 33° 19' 17" E, A DISTANCE OF 570.23 FEET.
7. THENCE SOUTHWESTERLY S 56° 40' 43" W, A DISTANCE OF 150.00 FEET.
8. THENCE SOUTHEASTERLY S 33° 19' 17" E, A DISTANCE OF 60.00 FEET.
9. THENCE NORTHEASTERLY N 56° 40' 43" E, A DISTANCE OF 136.93 FEET.
10. THENCE SOUTHEASTERLY S 33° 19' 17" E, A DISTANCE OF 160.00 FEET.
11. THENCE SOUTHWESTERLY S 29° 08' 08" W, A DISTANCE OF 110.33 FEET TO A POINT OF CURVATURE.
12. THENCE ALONG A CURVE TO THE RIGHT WHOSE LONG CHORD BEARS N 60° 51' 52" W A DISTANCE OF 31.82 FEET WITH A RADIUS OF 345.00 FEET, DELTA ANGLE 5° 17' 08" AND A CURVE LENGTH OF 31.83 FEET.
13. THENCE SOUTHWESTERLY ALONG A RADIAL LINE S 34° 25' 16" W, A DISTANCE OF 238.04 FEET.
14. THENCE NORTHWESTERLY N 34° 49' 51" W, A DISTANCE OF 253.91 FEET.
15. THENCE NORTHWESTERLY N 64° 44' 56" W A DISTANCE OF 395.96 FEET.
16. THENCE WESTERLY N 89° 40' 00" W, A DISTANCE OF 58.68 FEET TO A POINT ON THE EAST LINE OF LOT 1 BLOCK 2 SUNNY SLOPE ACRES INCORPORATED FILING NO. 1. SAID POINT BEING A POINT OF TANGENCY FOR A CURVE WHOSE TANGENT BEARS N 00° 20' 00" E.
17. THENCE ON SAID CURVE TO THE LEFT ALONG THE EAST LINE OF LOT 1 BLOCK 2 SUNNY SLOPE ACRES INCORPORATED FILING NO. 1 WHOSE LONG CHORD BEARS N 27° 10' 00" W A DISTANCE OF 138.52 FEET, DELTA ANGLE 55° 00' 00" WITH A RADIUS OF 150.00 FEET CALCULATED (150.00 PLATTED) AND A CURVE LENGTH OF 143.99 FEET CALCULATED (143.99 PLATTED).
18. THENCE NORTHWESTERLY N 54° 40' 00" W A DISTANCE OF 128.98 FEET CALCULATED (133.90 PLATTED) TO THE TRUE POINT OF BEGINNING.

ANALYSIS OF BEARING: WEST LINE SE 1/4 OF THE SW 1/4 SECTION 24 T12S R69W OF THE 6th PM WHICH BEARS S 00° 44' 46" FROM NW CORNER OF SE 1/4 OF THE SW 1/4 (3/4" IRON PIN) TO THE SW CORNER OF SE 1/4 OF THE SW 1/4 (3/4" IRON PIN)