

PRIDE'S CROSSING #4

LEGAL DOCUMENTS

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DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS
OF
PRIDE'S CROSSING FILING NO. 4

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DECLARATION
OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF
PRIDE'S CROSSING FILING NO. 4

THIS DECLARATION is made and entered into this 29th day of August, 1985, by U.S. HOME CORPORATION, a Delaware corporation, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of that certain real property in the County of Arapahoe, State of Colorado, which is described on Exhibit A attached hereto and incorporated herein by this reference; and

WHEREAS, Declarant desires to subject and place upon the above-described property certain covenants, conditions, restrictions, easements, reservations, rights-of-way, obligations, liabilities and other charges set forth herein for the purpose of protecting the value and desirability of said property and for the purpose of furthering a plan for the improvement, sale and ownership of said property, to the end that a harmonious and attractive development of said property may be accomplished and the health, comfort, safety, convenience and general welfare of the Declarant, its successors and assigns in said property, or any portion thereof, promoted and safeguarded.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold, and conveyed subject to the following covenants, conditions, restrictions, easements, rights-of-way, obligations, liabilities, charges and other provisions set forth herein, which are for the purpose of protecting the value and desirability of, and which shall run with, the above-described property and be binding on all parties having any right, title, or interest in the above-described property or any part thereof, their heirs, personal representatives, successors, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. Agencies. "Agencies" shall mean and collectively refer to, the Federal National Mortgage Association (FNMA), the Government National Mortgage Association (GNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Department of Housing and Urban Development (HUD), the Veterans Administration (VA) or any other governmental or quasi-governmental agency or any other public, quasi-public or private entity which performs

(or may perform in the future) functions similar to those currently performed by any of such entities.

Section 2. "Architectural Review Committee" shall mean and refer to the committee appointed by the Declarant or by the Association, as more fully provided in this Declaration.

Section 3. "Association" shall mean and refer to Pride's Crossing #4 Homeowners Association, Inc., a Colorado non-profit corporation, its successors and assigns. The Association shall act by and through its Board of Directors and officers.

Section 4. "Common Area" shall mean all property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. It is anticipated that the Association will not own any Common Area at the time of the conveyance of the first Lot.

Section 5. "Declarant" shall mean and refer to U.S. Home Corporation, a Delaware corporation, its successors and assigns, if such successors or assigns should be designated as "Declarant" for any or all purposes provided for in this Declaration, in a notice duly executed by U.S. Home Corporation and recorded in Arapahoe County, Colorado.

Section 6. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions, as the same may be amended from time to time.

Section 7. "Easement Area" shall mean and refer to that portion of the Properties which is not owned by the Association, but which is subject to the easement provided for in Article X, Section 3 of this Declaration. The Easement Area at the time of recording of this Declaration in Arapahoe County, Colorado, is described on Exhibit B attached hereto and incorporated herein by this reference.

Section 8. "First Mortgage" shall mean and refer to any unpaid and outstanding, mortgage, deed of trust or other security instrument encumbering a Lot, recorded in the records of the office of the Clerk and Recorder of Arapahoe County, Colorado, having priority of record over all other recorded liens except those governmental liens made superior by statute (such as general ad valorem tax liens and special assessments). "First Mortgage," for purposes of Article IV, Section 11 and, with respect to notice of cancellation or substantial modification of certain insurance policies, to Article VI, Section 3 hereof, shall also mean and refer to any executory land sales contract wherein the Administrator of Veterans Affairs, an Officer of the United States of America is the seller, whether such contract is recorded or not, and whether such contract is owned by the said

Administrator or has been assigned by the said Administrator and is owned by the Administrator's assignee, or a remote assignee, and the land records in the Office of the Clerk and Recorder of Arapahoe County, Colorado, show the said Administrator as having the record title to the Lot.

Section 9. "First Mortgagee" shall mean and refer to any person named as a mortgagee or beneficiary under any First Mortgage (including, for purposes of Article IV, Section 11 and, with respect to notice of cancellation or substantial modification of certain insurance policies, to Article VI, Section 3 hereof, the Administrator of Veterans Affairs, an Officer of the United States of America, and his assigns under any executory land sales contract wherein the said Administrator is identified as the seller, whether such contract is recorded or not and the land records of the Clerk and Recorder of Arapahoe County, Colorado, show the said Administrator as having the record title to the Lot), or any successor to the interest of any such person under such First Mortgage.

Section 10. "Lot" shall mean and refer to any separate numbered lot or plot of land shown upon any recorded subdivision map of the Properties or any portion thereof, as the same may be amended from time to time, with the exception of the Common Area and any public streets, but together with all appurtenances and improvements now or hereafter thereon.

Section 11. "Member" shall mean and refer to each Owner of a Lot that is subject to assessment hereunder; membership in the Association shall be appurtenant to, and may not be separated from, ownership of a Lot.

Section 12. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 13. "Properties" shall mean and refer to that certain real property described on Exhibit A hereto and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

ARTICLE II PROPERTY RIGHTS IN THE COMMON AREA

Section 1. Owners' Easements of Enjoyment. Subject to the provisions of Section 2 of this Article II, every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Extent of Owners' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and to mortgage said property as security for any such loan; and

(b) The right of the Association to take such steps as are reasonably necessary to protect the Common Area against foreclosure; and

(c) The right of the Association to promulgate and publish rules and regulations which each Member shall strictly comply with, including, but not limited to, the right of the Association to establish reasonable charges and/or admission fees for the use of any recreational facilities located on the Common Area; and

(d) The right of the Association, as provided in its Articles and Bylaws, to suspend the voting rights and the right to the use of recreation facilities, if any, within the Common Area, of a Member for any period during which any assessment against his Lot remains unpaid and, for a period not to exceed sixty (60) days, for any infraction of its published rules and regulations; and

(e) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer shall be effective unless first approved in writing by the Members entitled to vote two-thirds (2/3) of the votes of each class of membership hereunder, and unless written notice of the proposed agreement and action thereunder is sent to every Member at least thirty (30) days in advance of any action taken. Notwithstanding the foregoing, the granting of permits, licenses and easements for public utilities, roads and/or for other purposes reasonably necessary or useful for the proper maintenance or operation of the Properties shall not be deemed a transfer within the meaning of this Subsection (e); and

(f) The right of the Association, through its Board of Directors, to enter into, make, perform or enforce: contracts, leases, agreements, licenses, easements and/or rights-of-way, for the use by Owners, other persons, their family members, guests and invitees, of real property, and any facilities or improvements thereto and thereon, for pedestrian and vehicular access, ingress and egress to and from the Properties,

any portion thereof, or any other real property, for vehicular parking, or for recreational use and enjoyment; and/or contracts, leases, licenses or other agreements for cable or satellite television service to the Properties, or any portion thereof. Any of such contracts, leases, licenses, agreements, easements and/or rights-of-way, as provided for in this subsection (f), shall be upon such terms and conditions as may be agreed to from time to time by the Board of Directors of the Association, which may include provisions by which the Association covenants and agrees that it shall pay part or all of the costs and expenses of maintaining and repairing such real property, and the facilities and improvements thereto and thereon, providing such cable or satellite television service, or other amounts which the Board determines are reasonably necessary to secure any such contracts, leases, licenses, agreements, easements and/or rights-of-way, and any such costs shall be treated by the Association as common expenses pursuant to Article IV hereof.

(g) The right of the Association to close or limit the use of the Common Area while maintaining, repairing and making replacements in the Common Area.

Section 3. Delegation of Use. Any Owner may delegate his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on his Lot.

Section 4. Payment of Taxes or Insurance by First Mortgagees. First Mortgagees shall have the right, jointly or singly, to pay taxes or other charges or assessments which are in default and which may or have become a lien against the Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for the Common Area, or the Lot which secures said First Mortgage if the policy therefor is held by the Association, and any First Mortgagees making any such payment shall be owed immediate reimbursement therefor from the Association.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessment hereunder shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. Class of Membership. The Association shall have two classes of voting membership.

Class A. Class A Members shall be all Owners, with the exception of Declarant, and shall be entitled to one vote for

each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any such Lot.

Class B. The Class B Member(s) shall be Declarant and shall be entitled to three (3) votes for each Lot owned which is neither leased, rented, nor otherwise occupied as a residence. Leasing, renting, or allowing entry for residential occupancy shall terminate the Declarant's weighted voting advantage in relation to any Lot so leased, rented, or occupied as a residence, and will limit Declarant in relation to any such Lots to the same voting rights as a Class A Member. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earliest:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) on that date which is three (3) years after the date of recording of this Declaration in the office of the Clerk and Recorder of Arapahoe County, Colorado; or

(c) written notice by the Declarant to the Secretary of the Association of the Declarant's intent to terminate the Class B membership; provided, however, that in the event there is then more than one Declarant owning Lots, such notice must be signed by all such Declarants.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot, including Declarant, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees and shall be personally obligated to pay to the Association: (1) monthly assessments or charges, (2) special assessments, and (3) reconstruction assessments; such assessments to be established and collected as hereinafter provided. The monthly, special and reconstruction assessments, together with interest, late charges, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. The obligation for such payments by each Owner to the Association is an independent covenant, with all amounts due, from time to time, payable in full when due without notice (except as otherwise expressly provided in this Declaration) or demand, and without set-off or deduction. All Owners of each Lot shall be jointly and severally liable to the Association

for the payment of all assessments, fees and charges attributable to their Lot. The lien may be enforced by foreclosure of the defaulting Owner's Lot by the Association in like manner as a mortgage on real property. In any such foreclosure the Owner shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees. The Board of Directors or managing agent of the Association may prepare a written notice setting forth the amount of such unpaid indebtedness, the name of the Owner of the Lot and a description of the Lot. Such a notice shall be signed by one of the Board of Directors or by the managing agent of the Association and may be recorded in the office of the Clerk and Recorder of the County of Arapahoe, Colorado. The lien for each unpaid assessment attaches to each Lot at the beginning of each assessment period and shall continue to be a lien against such Lot until paid. The costs and expenses for filing any notice of lien shall be added to the assessment for the Lot against which it is filed and collected as part and parcel thereof. Each assessment, together with interest, late charges, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to such Owner's successors in title unless expressly assumed by them. The Association's lien on a Lot for 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 land subject to this Declaration shall constitute a waiver of the homestead and any other exemption as against said assessment lien.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties, 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, the Articles of Incorporation or Bylaws of the Association, including without limitation the improvement and maintenance of the Common Area and the Easement Area.

Section 3. Maximum Monthly Assessment.

(a) The maximum monthly assessment, until commencement of the second fiscal year of the Association, shall be Ten and No/100 Dollars (\$10.00) per Lot.

(b) Effective with commencement of the second and each subsequent Association fiscal year, the maximum monthly assessment against each Lot shall be increased effective each

fiscal year by the greater of: (i) the percentage increase, if any, in the Consumer Price Index published by the U.S. Department of Labor, Washington, D.C., for All Items and Major Group Figures for the Denver, Colorado Metropolitan Area (1967 = 100), for the one (1) year period ending with the preceding month of May; or (ii) fifteen percent (15%). The aforesaid annual increase in the maximum monthly assessment shall occur automatically upon the commencement of each Association fiscal year without the necessity of any action being taken with respect thereto by the Association. In the event the aforesaid Consumer Price Index is not published, for whatever reason, then the increase in the maximum monthly assessment, as provided herein, shall be calculated by using a substantially comparable index designated by the Board of Directors of the Association.

(c) Effective with commencement of the second and each subsequent Association fiscal year, the maximum monthly assessment may be increased above that established in accordance with Section 3(b) hereof, by a vote of the Members for the next succeeding fiscal year and at the end of each such fiscal year, for each succeeding fiscal year, provided that any such increase shall have the assent of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than 30 days nor more than 60 days in advance of such meeting setting forth the purpose therefor.

(d) Subject to the terms and provisions of Section 7 of this Article IV relating to the obligation of the Declarant to pay to the Association amounts sufficient to meet certain shortfalls in assessments, the Board of Directors of the Association may, at any time and from time to time, after consideration of the projected maintenance costs and other financial needs of the Association, fix the actual assessment against each Lot in an amount less than the maximum; provided, however, that written notice of any change in the amount of the actual assessment (whether to an amount less than or equal to the maximum) shall be sent to every Owner at least thirty (30) days in advance of the effective date of such change.

(e) The limitations contained in this Section 3 shall not apply to any change in the maximum, actual and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

(f) The Association shall maintain an adequate reserve fund out of the monthly assessments 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.

Section 4. Special Assessments. In addition to the monthly and reconstruction assessments authorized in this Article IV, the Board of Directors of the Association 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 the Common Area or Easement Area, including fixtures and personal property related thereto, or for the funding of any operating deficit incurred by the Association. Any such special assessment shall be set equally against each Lot, subject to the rate of assessment on Lots owned by Declarant as more fully provided in Section 7 of this Article IV. Any special assessment levied during the existence of the Class B membership shall require the written approval of VA or HUD.

Section 5. Notice and Quorum for Any Action Authorized Under Section 3(c). Written notice of any meeting called for the purpose of taking any action authorized under Section 3(c) of this Article shall be sent to all Members not less than 30 days or more than 60 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 votes of each class of membership 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 60 days following the preceding meeting.

Section 6. Reconstruction Assessments. In addition to the monthly and special assessments authorized in this Article IV, the Association may levy, in any assessment year during which insurance proceeds are insufficient to repair or reconstruct any damaged or destroyed improvements on the Common Area or Easement Area, or structures located on Lots which are covered by a policy of property insurance carried by the Association, reconstruction assessments for the purpose of repair or reconstruction of such damaged or destroyed structures or improvements. All such reconstruction assessments shall be equal to the amount by which the cost of repair or reconstruction of such structure(s) or improvements exceeds the sum of the insurance proceeds awarded for the damage or destruction thereof and shall be set equally against each Lot. Such reconstruction assessments shall be due and payable as provided by resolution of the Board of Directors, but not sooner than thirty (30) days after written notice thereof; provided, however, that, in appropriate circumstances, the Association may proceed directly against any Owner pursuant to Article VIII, Section 4 hereof for any such amount.

Section 7. Rate of Assessment. Monthly, special and reconstruction assessments shall be fixed at a uniform rate for all Lots sufficient to meet the expected needs of the Association. Notwithstanding anything to the contrary contained in this Declaration, however, the rate of monthly and special assessments set for the Lots owned by Declarant which are neither leased, rented, nor otherwise occupied as a residence, shall be fixed at one-quarter (1/4) of the assessment rate for the other Lots; provided, however, that at the time any Lot owned by Declarant is leased, rented, or occupied as a residence, that Lot shall be assessed at the uniform rate of assessment for privately owned Lots. In the event that, prior to the termination of the Class B membership, assessments for monthly common expenses, exclusive of those amounts held by the Association for an adequate reserve fund and for the working capital fund, fail to equal or exceed the actual expenses incurred by the Association during any particular Association fiscal year because of such partial Declarant assessment, exclusive of reserves or expenses for which the Association has budgeted or set aside reserves, then Declarant shall pay a sufficient amount, up to the amount of full parity on such assessments, to the Association to meet any such shortfall, which payment shall be made subsequent to the end of the fiscal year for which the Association seeks such payment, so long as: (a) written notice must be given by the Association to the Declarant within sixty (60) days following the termination of the then-current fiscal year of the Association at the time of the termination of the Class B membership, but in no event more than one (1) year following the termination of such Class B membership, and (b) Declarant shall have no obligation for any such shortfall caused by expenditures for capital improvements or by any decrease in assessments, including without limitation the levying of any assessment in an amount less than the maximum during any Association fiscal year, unless the same has previously been approved in writing by Declarant. In the event there is more than one "Declarant," then, subject to the conditions hereinabove stated, each such Declarant shall pay a pro rata share of the aforesaid shortfall, such pro rata share to be based on the total amount of assessments due from each Declarant at such reduced rate compared to the total amount of assessments due from all Declarants at such reduced rate, during the applicable Association fiscal year.

Section 8. Date of Commencement of Monthly Assessments. The initial monthly assessment shall commence on the date of conveyance of the first Lot by Declarant to a non-Declarant Owner thereof. The monthly assessments shall be due and payable on the first day of each month, in advance, or on such other dates as determined by the Board. Any Owner purchasing a Lot between monthly due dates shall pay a pro rata share of the last payment due.

Section 9. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within ten (10) days after the due date thereof may bear 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 of the Association, and the Board may assess a monthly late charge thereon. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against such Owner's Lot, and in the event a judgment is obtained, such judgment shall include interest on the assessment and a reasonable attorney's fee to be fixed by the court, together with the costs of the action, and may include late charges, as above provided. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or Easement Area, or by abandonment of his Lot.

Section 10. Working Capital Fund. The Association or Declarant shall require the first Owner of any Lot who purchases that Lot from Declarant to make a non-refundable contribution to the Association in an amount equal to two (2) times the monthly assessment against that Lot in effect at the closing thereof. Said contribution shall be collected and transferred to the Association at the time of closing of the sale by Declarant of each Lot and shall be maintained in a segregated account with other such working capital funds for the use and benefit of the Association, including without limitation to meet unforeseen expenditures or to purchase additional equipment, property or services. Such contribution to the working capital fund shall not relieve an Owner from making regular payments of assessments as the same become due. Upon the transfer of his Lot, an Owner shall be entitled to a credit from his transferee (but not from the Association) for the aforesaid contribution to working capital fund.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein, including without limitation any fees, costs, late charges or interest which may be levied by the Association in connection with unpaid assessments, shall be subordinate to the lien of any First Mortgage. Sale or transfer of any Lot shall not affect the liens for said assessment charges except that sale or transfer of any Lot pursuant to foreclosure of any such First Mortgage, or any proceeding in lieu thereof, shall extinguish the lien of such assessment charges which became due prior to any such sale or transfer, or foreclosure or any proceeding in lieu thereof; provided, however, that any such delinquent assessment charges, including interest, late charges, costs and reasonable attorney's fees, which are extinguished as provided herein, may be reallocated and assessed to all Lots as a common expense. No such sale, transfer, foreclosure, or any proceeding in lieu thereof, shall

relieve such Lot from liability for any assessment charges thereafter becoming due, nor from the lien thereof; provided, however, that in the event of foreclosure of a First Mortgage or the taking of a deed in lieu thereof, such First Mortgagee shall not be liable for unpaid assessments or other charges which accrue prior to the acquisition of title to the Lot in question by such First Mortgagee.

ARTICLE V
ARCHITECTURAL REVIEW COMMITTEE

Section 1. Composition of Committee. The Architectural Review Committee shall consist of three (3) or more persons appointed by the Board of Directors of the Association; provided, however, that until all Lots have been conveyed by Declarant to the first Owner thereof (other than Declarant), Declarant shall appoint the Architectural Review Committee. A majority of the Committee may appoint a representative to act for it. The power to "appoint," as provided herein, shall include without limitation the power to: initially constitute the membership of the Architectural Review Committee; appoint member(s) to the Architectural Review Committee on the occurrence of any vacancy therein, for whatever reason; remove any member of the Architectural Review Committee, with or without cause, at any time, and appoint the successor thereof; and 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 appointor.

Section 2. Review by Committee. No structure or any attachment to an existing structure, whether a residence, any building, a tennis court, a swimming pool, fences, walls, canopies, awnings, roofs, exterior lighting facilities, solar collectors, athletic facility, or other similar improvements or attachments, shall be constructed, erected, placed or installed upon the Properties, no alteration of the exterior of a residence or other structure shall be made, and no change in the final grade, nor the installation of or any change in any landscaping, shall be performed, unless complete plans and specifications therefor (said plans and specifications to show exterior design, height, materials, color, location of the structure or addition to the structure, plotted horizontally and vertically, location and size of driveways, general plan of landscaping, fencing, walls, windbreaks and grading plan, as well as such other materials and information as may be required by the Committee), shall have been first submitted to and approved in writing by the Architectural Review Committee; provided, however, that the Declarant shall be exempt from seeking or obtaining Architectural Review Committee approval during Declarant's development of, construction on, or sales of Lots or residences in, the Properties. The Architectural Review Committee shall exercise its

reasonable judgment to the end that all attachments, improvements, construction, landscaping and alterations to residences, other structures, and property, within the Properties, conform to and harmonize with the existing surroundings, residences, landscaping and structures. In its review of such plans, specifications and other materials and information, the Architectural Review Committee may require that the applicant(s) reimburse the Committee for the actual expenses incurred by the Committee in the review and approval process. Such amounts, if any, shall be levied as part of the common expense assessment against the Lot for which the request for Architectural Review Committee approval was made and, as such, shall be subject to the Association's lien for assessments and subject to all other rights of the Association for the collection thereof, as more fully provided in this Declaration.

Section 3. Procedures. The Architectural Review Committee shall approve or disapprove all requests for approval within forty-five (45) days after the complete submission of all plans, specifications, and other materials and information which the Committee may require in conjunction therewith. In the event that the Architectural Review Committee fails to approve or disapprove any request within forty-five (45) days after the complete submission of all plans, specifications, materials and other information with respect thereto, approval shall not be required and this Article V shall be deemed to have been fully complied with.

Section 4. Vote and Appeal. A majority vote of the Architectural Review Committee is required to approve a request for approval pursuant to this Article, unless the Committee has appointed a representative to act for it, in which case the decision of such representative shall control. In the event a representative acting on behalf of the Architectural Review Committee approves or denies a request for architectural approval, any Owner shall have the right to an appeal of such decision to the full Committee, upon a request therefor submitted to the Committee within thirty (30) days after such approval or denial by the Committee's representative. In the event an application for architectural approval is approved or denied by the Architectural Review Committee, whether pursuant to an original request for approval or on appeal from a decision of a representative of the Committee, any Owner shall have the right to appeal such decision to the Board of Directors of the Association, if a written request for a hearing on an appeal of the same shall be submitted to the Board of Directors of the Association within thirty (30) days after such approval or denial by the Committee.

Section 5. Records. The Architectural Review Committee shall maintain written records of all applications submitted to

it and all actions taken by it thereon, and such records shall be available to Members for inspection at reasonable hours of the business day.

Section 6. Liability. The Architectural Review Committee and the members thereof, as well as any representative of the Committee appointed to act on its behalf, shall not be liable in damages to any person submitting requests for approval or to any Owner, by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove in regard to any matter within its jurisdiction hereunder.

Section 7. Variance. The Architectural Review Committee may grant reasonable variances or adjustments from any conditions and restrictions imposed by this Article or Article IX hereof, in order to overcome practical difficulties or prevent unnecessary hardships arising by reason of the application of any such conditions and restrictions. Such variances or adjustments shall be granted only in case the granting thereof shall not be materially detrimental or injurious to the other property or improvements in the neighborhood and shall not militate against the general intent and purpose hereof.

Section 8. Waivers. The approval or consent of the Architectural Review Committee, any representative thereof, or the Board of Directors of the Association, to any application for architectural approval shall not be deemed to constitute a waiver of any right to withhold or deny approval or consent by the Committee, any representative thereof, or said Board of Directors, as to any application or other matters whatsoever as to which approval or consent may subsequently or additionally be required.

ARTICLE VI INSURANCE

Section 1. Insurance on Common Area and Easement Area. The Association shall maintain insurance covering all insurable improvements located or constructed upon the Common Area and the Easement Area. The Association shall maintain the following types of insurance, to the extent that such insurance is reasonably available, considering the availability, cost and risk coverage provided by such insurance, and the cost of said coverage shall be paid by the Association as a common expense. Notwithstanding any of the specific insurance requirements specified in this Article VI, the Association may also consider, in determining the types and amount of insurance it needs to obtain, the then-existing requirements of any of the Agencies with respect to their insurance, guaranty, or purchase of First Mortgages.

(a) A policy of property insurance covering all insurable improvements located on the Common Area and the Easement Area, except for land, foundation, excavation and other matters normally excluded from coverage, in an amount not less than necessary to comply with any co-insurance percentage stipulated in the insurance policy. Further, said policy shall contain a "Replacement Cost Endorsement" providing that any claim will be settled on a full replacement cost basis without deduction for depreciation, and include an "Inflation Guard Endorsement" and an "Agreed Amount Endorsement." The Association may also purchase a "Demolition Endorsement," an "Increased Cost of Construction Endorsement," a "Contingent Liability from Operation of Building Laws Endorsement," a "Vacancy Permit Endorsement" or the equivalent, and/or coverage on personal property owned by the Association including fixtures and building service equipment, furnishings and supplies. Such insurance as maintained by the Association pursuant to this subsection shall afford protection against at least the following:

(1) loss or damage by fire and other perils normally covered by the standard extended coverage endorsement; and

(2) such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including all perils normally covered by the standard "all risk" endorsement, where such is available.

(b) A comprehensive policy of public liability insurance covering all of the Common Area and Easement Area, insuring the Association in an amount not less than \$1,000,000.00 covering bodily injury, including death to persons, personal injury and property damage liability arising out of a single occurrence. Such coverage shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the Common Area and Easement Area, legal liability arising out of lawsuits related to employment contracts of the Association, and protection against liability for non-owned and hired automobiles; such coverage may also include, if applicable, comprehensive automobile liability insurance, garagekeeper's liability, liability for property of others, host liquor liability, water damage liability, contractual liability, workmen's compensation insurance for employees of the Association, and such other risks as shall customarily be required by private institutional mortgage investors with respect to projects similar in construction, location and use.

(c) A policy providing comprehensive fidelity coverage or fidelity bonds to protect against dishonest acts on the part of officers, directors, trustees and employees of the

Association and all others who handle or are responsible for handling funds of the Association, in an amount at least equal to the estimated maximum of funds, including maintenance reserves in the custody of the Association at any given time; provided, however, that such fidelity coverage or fidelity bonds shall not be in an amount less than three (3) months aggregate assessments on all Lots, plus such reserve funds. Such fidelity coverage or bonds shall meet the following requirements:

(1) all such fidelity coverage or bonds shall name the Association as an obligee;

(2) such fidelity coverage or bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

In the event the Association has delegated some or all of its responsibility for the handling of funds to a managing agent, the Association may require the managing agent to purchase, at its own expense, a policy of fidelity insurance or bonds which fully complies with the provisions of this subparagraph (c).

(d) If the Common Area, Easement Area, or any portion thereof, is located within an area identified by the Federal Emergency Management Agency as having special flood hazards, and flood insurance coverage on the Common Area and Easement Area has been made available under the National Flood Insurance Program, then such a policy of flood insurance on the Common Area and Easement Area in an amount at least equal to the lesser of:

(1) the maximum coverage available under the National Flood Insurance Program for all buildings and other insurable property located within a designated flood hazard area; or

(2) one hundred percent (100%) of current replacement cost of all buildings and other insurable property located within a designated flood hazard area.

(e) In addition, the Association may obtain insurance against such other risks of a similar or dissimilar nature as it shall deem appropriate, to the extent that such coverage is reasonably available, including but not limited to personal liability insurance to protect directors and officers of the Association from personal liability in relation to their duties and responsibilities in acting as directors and officers on behalf of the Association.

Section 2. Insurance on the Structures on Lots. The Board of Directors of the Association or its agent may, but shall not be obligated to, obtain and maintain, to the extent that such insurance is reasonably available, considering the availability, cost and risk coverage provided by such insurance, a policy of property insurance covering the structure(s) located on each Lot, except for land, foundation, excavation and other items normally excluded from coverage, in an amount not less than that necessary to comply with any co-insurance percentage stipulated in the insurance policy; said insurance, if obtained and maintained, shall be in addition to the coverage required to be maintained by the Association on the Easement Area, as aforesaid. Further, said policy shall contain a "Replacement Cost Endorsement" providing that any claim will be settled on a full replacement cost basis without deduction for depreciation, and including an "Inflation Guard Endorsement" and an "Agreed Amount Endorsement." The Association may also purchase a "Demolition Endorsement," an "Increased Cost of Construction Endorsement," a "Contingent Liability from Operation of Building Laws Endorsement," and/or a "Vacancy Permit Endorsement" or the equivalent. Such insurance as maintained by the Association pursuant to this Section shall afford protection against at least the following:

(a) loss or damage by fire and other perils normally covered by the standard extended coverage endorsement; and

(b) such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including all perils normally covered by the standard "all risk" endorsement, where such is available.

Section 3. General Provisions of Insurance Policies. All policies of insurance carried by the Association shall be carried in blanket policy form naming the Association as insured, or its designee as trustee and attorney-in-fact for all Owners, and each Owner shall be an insured person under such policies with respect to liability arising out of any Owner's membership in the Association. The policy or policies shall contain a standard non-contributory First Mortgagee's clause in favor of each First Mortgagee and a provision that it cannot be cancelled or materially altered by either the insured or the insurance company until thirty (30) days' prior written notice thereof is given to the insured and each First Mortgagee, insurer or guarantor of a First Mortgage. The Association shall furnish a certified copy or duplicate original of such policy or renewal thereof, with proof of premium payment and a certificate identifying the interest of the Owner in question, to any party in interest, including First Mortgagees, upon request. Any such Owner's policy shall also contain waivers of subrogation. All policies shall contain waivers of any defense based on invalidity

arising from any acts or neglect of an Owner where such Owner is not under the control of the Association.

Section 4. Deductibles. No policy of insurance of which the Association or its designee is the beneficiary shall include a deductible clause in an amount which is greater than the lesser of \$10,000.00 or 1% of the face amount of the policy. Any loss falling within the deductible portion of such policy shall be borne by the person or entity who is responsible for the repair and maintenance of the property which is damaged or destroyed. In the event of a joint duty of repair and maintenance of the damaged or destroyed property, then the deductible may be apportioned among the parties sharing in such joint duty or may be partly or wholly borne by the Association, at the election of the Board of Directors of the Association. Notwithstanding the foregoing, after notice and hearing, the Association may determine that a loss, either in the form of a deductible to be paid by the Association or an uninsured loss, resulted from the act or negligence of an Owner. Upon said determination by the Association, any such loss or portion thereof may be assessed to the Owner in question and the Association may collect the amount from said Owner in the same manner as any monthly assessment.

Section 5. Insurance Trustee. The Association may authorize a representative to act for it, including any trustee or successor thereto, who shall have exclusive authority to negotiate losses under any policy providing property or liability insurance. Such insurance trustee shall act as attorney-in-fact for the purpose of purchasing and maintaining insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. Said party may also receive, hold or otherwise properly dispose of any proceeds of insurance in trust for Owners and their First Mortgagees as their interest may appear.

Section 6. Association Insurance as Primary Coverage. If at the time of any loss under any policy which is in the name of the Association, there is other insurance in the name of any Owner and such Owner's policy covers the same property or loss, or any portion thereof, which is covered by such Association policy, such Association policy shall be primary insurance not contributing with any of such other insurance. An Owner shall be liable to the Association for the amount of any diminution of insurance proceeds to the Association as a result of policies of insurance of an Owner, and the Association may collect the amount from said Owner in the same manner as any monthly assessment. Any such Owner's policy shall also contain waivers of subrogation.

Section 7. Acceptable Insurance Companies. Each hazard insurance policy purchased by the Association must be written by a hazard insurance carrier which has a current rating by Best's Insurance Reports of B/VI or better, or a financial rating of Class V provided it has a general policy holder's rating of at least A, and is authorized by law to do business in the State of Colorado. The Association shall not obtain any policy where (a) under the terms of the insurance company's charter, bylaws, or policy, contributions or assessments may be made against the mortgagor or mortgagee's designee or (b) under the terms of the carrier's charter, bylaws, or policy, loss payments are contingent upon action by the carrier's Board of Directors, policy holders or members, or (c) the policy includes any limiting clauses (other than insurance conditions) which could prevent mortgagees or any Owner from collecting insurance proceeds.

Section 8. Insurance to be Maintained by Owners. Insurance coverage on the furnishings and other items of personal property belonging to an Owner, public liability insurance coverage on each Lot (except the Easement Area, if any, located thereon), and hazard insurance coverage on the structures located on each Lot (unless such coverage is maintained by the Association), shall be the responsibility of the Owner thereof. Owners shall also be responsible for obtaining such policies of title insurance related to any sale of a Lot other than the purchase by the initial Owner from the Declarant.

Section 9. Annual Review of Insurance Policies. All insurance policies carried by the Association shall be reviewed at least annually by the Board of Directors of the Association to ascertain that the coverage provided by such policies adequately covers those risks insured by the Association. Prior to obtaining any policy of fire insurance or renewal thereof, the Board of Directors or the managing agent of the Association may obtain a written appraisal from a duly qualified real estate or insurance appraiser, or other person knowledgeable as to replacement costs, which appraiser shall reasonably estimate the full replacement value of the improvements to the insured for the purpose of determining the amount of insurance required pursuant to the provisions of this Article. Any First Mortgagee shall be furnished with a copy of such appraisal upon request.

ARTICLE VII
DAMAGE OR DESTRUCTION

Section 1. Damage to Common Area or Easement Area. In the event of damage or destruction to all or a portion of the Common Area or Easement Area due to fire or other adversity or disaster, the insurance proceeds, if sufficient to reconstruct or repair the damage, shall be applied by the Association to such reconstruction and repair. If the insurance proceeds with

respect to such damage or destruction are insufficient to repair and reconstruct the damaged or destroyed area, the Association shall levy a reconstruction assessment in the aggregate amount of such insufficiency pursuant to Article IV, Section 6 hereof and shall proceed to make such repairs or reconstruction, unless the Owners and First Mortgagees agree not to repair and reconstruct such damage in accordance with the terms and provisions of Article XI hereof. No distributions of insurance proceeds shall be made unless made jointly payable to the Owners and First Mortgagees of their respective Lots, if any. The reconstruction assessment provided for herein shall be a debt of each Owner and a lien on his Lot and the improvements thereon, and may be enforced and collected in the same manner as any assessment lien provided for in this Declaration.

Section 2. Destruction of Improvements on Lot (other than on any Easement Area). In the event of damage to or destruction of any structure located on a Lot (other than on any Easement Area), due to fire or other adversity or disaster, the insurance proceeds shall be adjusted with the Association and paid or payable to the Association as trustee for the Owners, but to be held by the Association in trust for Owners and First Mortgagees as their interests may appear. "Repair and reconstruction" of any structure, as used in this Section 2, shall mean restoring the improvements to substantially the same condition in which they existed immediately prior to such damage or destruction, with each such structure having the same boundaries as before.

(a) If such insurance proceeds are sufficient to repair or reconstruct any damaged or destroyed structure, the Association shall promptly authorize the necessary repair and reconstruction work, and the insurance proceeds shall be applied by the Association to defray the cost thereof.

(b) If the insurance policy covering the loss is a policy of property insurance carried by the Association pursuant to Article VI, Section 2 of this Declaration and such insurance proceeds are insufficient to repair or reconstruct any damaged or destroyed structure, such damage or destruction shall be promptly repaired and reconstructed by the Association, using the insurance proceeds and the proceeds of a reconstruction assessment levied as provided in Article IV, Section 6 hereof. The reconstruction assessment provided for herein shall be a debt of each Owner and a lien on such Owner's Lot and the improvements thereon, and shall be enforced and collected as provided in Article IV hereof.

(c) If the insurance policy covering the loss is not a policy of property insurance carried by the Association pursuant to Article VI, Section 2 of this Declaration and the

insurance proceeds are insufficient to repair or reconstruct any damaged or destroyed structure, such damage or destruction shall be promptly repaired and reconstructed using the available insurance proceeds and other personal funds of the Owner(s) of the Lot on which such damaged or destroyed structure is located.

ARTICLE VIII
EXTERIOR MAINTENANCE

Section 1. General. The Association shall maintain the Common Area and the Easement Area, and all structures and improvements thereto and thereon. The costs of such maintenance shall, subject to Section 4 of this Article VIII, be paid by the Association as common expenses pursuant to Article IV hereof. The maintenance and repair of each Lot (except the Easement Area), including but not limited to the interior and exterior of the residences and other improvements constructed thereon, shall be the responsibility of the Owner thereof; provided that the Association shall maintain and repair fencing adjacent to and bordering the Easement Area, and shall also maintain and repair any subdivision entryway signs constructed or erected by the Declarant to identify the Properties or any portion thereof. Each Owner, his agents and contractors, are hereby granted an easement for the purpose of maintenance and repair of his Lot on, over, across, under and through adjacent Lots upon reasonable notice to the Owner(s) thereof. Any damage occurring to such adjacent Lots or the improvements thereon in performing such repairs or maintenance shall be the responsibility of the Owner(s) performing or authorizing such repairs or maintenance.

Section 2. Association's Right to Repair, Maintain and Restore. In the event any Owner shall fail to perform his maintenance or repair obligations in a manner satisfactory to the Board of Directors of the Association, the Association may, if said failure continues for a thirty (30) day period after written notice to said Owners by the Board, enter upon said Lot within a reasonable time period subsequent to the expiration of said thirty (30) day time period to perform any or all of such maintenance, repair or restoration. The cost of such maintenance, repair or restoration shall be the personal obligation of the Owner(s) of the Lot on which such work is performed, shall be added to and become part of the assessment to which such Lot is subject, and shall be subject to all of the terms and provisions of Article IV hereof.

Section 3. Access Easement. Each Lot shall be subject to an easement in favor of the Association (including its agents, employees and contractors) for performing maintenance as provided in this Article VIII during reasonable hours after reasonable notice to the Owners or occupants of any affected Lot, except that in emergency situations entry upon a Lot may be made at any

time, provided that the Owners or occupants of affected Lots shall be warned of impending emergency entry as early as is reasonably possible. The interior of any residence located on a Lot shall not be subject to such easements as provided for in this Section 3.

Section 4. Owner's Negligence. Notwithstanding anything to the contrary contained in this Declaration, in the event that the need for maintenance, repair or reconstruction of the Common Area, Easement Area, a Lot, or any improvement(s) located thereon, is caused by the willful or negligent act or omission of any Owner, or by the willful or negligent act or omission of any member of such Owner's family or by a guest or invitee of such Owner, the cost of such repair, maintenance or reconstruction shall be the personal obligation of such Owner, and any costs, expenses and fees incurred by the Association for such maintenance, repair or reconstruction shall be added to and become part of the assessment to which such Owner's Lot is subject and shall be subject to all of the terms and provisions of Article IV of this Declaration. A determination of the negligence or willful act or omission of any Owner, or any member of an Owner's family or a guest or invitee of any Owner, and the amount of the Owner's liability therefor, shall be determined by the Association at a hearing after notice to the Owner, provided that any such determination which assigns liability to any Owner pursuant to the terms of this Section may be appealed by said Owner to a court of law.

ARTICLE IX RESTRICTIONS

Section 1. General Plan. It is the intention of the Declarant to establish and impose a general plan for the improvement, development, use and occupancy of the Properties, all thereof in order to enhance the value, desirability, and attractiveness of the Properties and subserve and promote the sale thereof.

Section 2. Restrictions Imposed. The Declarant hereby declares that all of the Properties shall be held and shall henceforth be sold, conveyed, used, improved, occupied, owned, resided upon, and hypothecated, subject to the following provisions, conditions, limitations, restrictions, agreements, and covenants.

Section 3. Use of Common Area and Easement Area.

(a) No use shall be made of the Common Area or Easement Area which will in any manner violate the statutes, rules, or regulations of any governmental authority having jurisdiction over the Common Area or Easement Area.

(b) No Owner shall engage in any activity which will temporarily or permanently deny free access to any part of the Common Area or Easement Area to all Members, nor shall any Owner place any structure whatsoever upon the Common Area or Easement Area.

(c) The use of the Common Area and Easement Area shall be subject to such rules and regulations as may be adopted from time to time by the Board of Directors of the Association.

Section 4. Residential Use. Subject to Section 5 of this Article IX, Lots shall be used for residential purposes only, including uses which are customarily incident thereto, and shall not be used at any time for business, commercial or professional purposes; provided, however, that an Owner may use his Lot for professional or home occupation(s) so long as the applicable zoning permits such use, there is no external evidence thereof, and no unreasonable inconvenience to other residents of the Properties is created thereby.

Section 5. Declarant's Use. Notwithstanding anything to the contrary contained in this Declaration, it shall be expressly permissible and proper for Declarant, its employees, agents, and contractors, to perform such reasonable activities, and to maintain upon portions of the Properties such facilities as Declarant deems reasonably necessary or incidental to the construction and sale of Lots, and development and construction of improvements on the Properties, specifically including without limiting the generality of the foregoing, maintaining business offices, storage areas, construction yards and equipment, signs, model units, sales offices, parking areas and lighting facilities. Notwithstanding the foregoing, Declarant shall not perform any activity or maintain any facility on any portion of the Properties in such a way as to unreasonably interfere with or disturb any Owner, or to unreasonably interfere with the use, enjoyment or access of such Owner, his family members, guests or invitees of and to his Lot, the Common Area, and to a public right of way.

Section 6. Household Pets. No animals, livestock, birds, poultry or insects, of any kind, shall be raised, bred, kept or boarded in or on the Properties; provided, however, that the Owners of each Lot may keep a reasonable number of dogs, cats, or other domestic animals which are bona fide household pets, so long as such pet(s) are not kept for any commercial purpose and are not kept in such number or in such manner as to create a nuisance to any resident(s) of the Properties. The Association shall have, and is hereby given, the right and authority to determine in its sole discretion that dogs, cats or other household pets are being kept for commercial purposes or are being kept in such number or in such manner as to be unrea-

sonable or to create a nuisance to any resident(s) of the Properties, or that an Owner is otherwise in violation of the provisions of this Section 6, and to take such action or actions as it deems reasonably necessary to correct the same. An Owner's right to keep household pets shall be coupled with the responsibility to pay for any damage caused by such Owner's pet(s), as well as any costs incurred by the Association as a result of such pets, and any such costs and damages shall be subject to all of the Association's rights with respect to the collection and enforcement of assessments as provided in Article IV hereof.

Section 7. Temporary Structures; Unsightly Conditions. Except as hereinafter provided, no structure of a temporary character, including but not limited to a house trailer, tent, shack, storage shed, or outbuilding shall be placed or erected upon any Lot; provided, however, that during the actual construction, alteration, repair or remodeling of a structure or other improvements, necessary temporary structures for storage of materials may be erected and maintained by the person doing such work. The work of constructing, altering or remodeling any structure or other improvements shall be prosecuted diligently from the commencement thereof until the completion thereof. Further, no unsightly conditions, structures, facilities, equipment, objects and conditions shall be so located on any Lot as to be visible from a street, any other Lot, or from the Common Area.

Section 8. Miscellaneous Structures.

(a) Except as may otherwise be permitted by the Architectural Review Committee, no advertising or signs of any character shall be erected, placed, permitted, or maintained on any Lot other than a name plate of the occupant and a street number, and except for a "For Sale," "Open House," or "For Rent" sign not to exceed five (5) square feet. Notwithstanding the foregoing, reasonable signs, advertising, or billboards used by the Declarant in connection with the sale or rental of Lots, or otherwise in connection with development of or construction on the Properties, shall be permissible, provided that such use shall not interfere with the Owners' use and enjoyment of their Lot, the Common Area, the Easement Area, or with their ingress or egress from a public way to the Common Area, the Easement Area, or their Lot.

(b) No clotheslines, dog runs, drying yards, service yards, wood piles or storage areas shall be so located on any Lot as to be visible from a street, any other Lot, or from the Common Area.

(c) All types of refrigerating, cooking, or heating apparatus shall be concealed.

(d) Except as may otherwise be permitted by the Architectural Review Committee, no exterior radio antenna, television antenna, or other antenna, satellite dish, or audio or visual reception device of any type, shall be placed, erected or maintained on the Properties, except inside a residence or otherwise concealed from view; provided, however, that any such devices may be erected or installed by the Declarant during its sales or construction within the Properties.

(e) No wind generators of any kind shall be constructed, installed, erected or maintained on the Properties.

Section 9. Vehicle Parking, Storage and Repairs.

(a) Any house trailer, camping trailer, boat trailer, hauling trailer, running gear, boat, or accessories thereto, truck (larger than 3/4 ton), self-contained motorized recreational vehicle, or other type of recreational vehicle or equipment, may be parked or stored on the Properties only if such parking or storage is within the garage area of any Lot or within any area which may, from time to time, be designated by the Association for the parking or storage of such vehicles, except that any such vehicle may be otherwise parked as a temporary expedience for loading, delivery, or emergency. This restriction, however, shall not restrict trucks or other commercial vehicles within the Properties which are necessary for construction or for the maintenance of the Common Area, Lots, or any improvements located thereon.

(b) Except as hereinabove provided, no abandoned or inoperable automobiles or vehicles of any kind shall be stored or parked on the Properties. An "abandoned or inoperable vehicle" shall be defined as any automobile, truck, motorcycle, boat, trailer, camper, housetrailer, self-contained motorized recreational vehicle, or other similar vehicle, which has not been driven under its own propulsion for a period of two (2) weeks or longer, or which does not have an operable propulsion system installed therein; provided, however, that otherwise permitted vehicles parked by Owners while on vacation or during a period of illness shall not constitute abandoned or inoperable vehicles.

(c) In the event the Association shall determine that a vehicle is parked or stored on the Properties in violation of subsections (a) or (b) of this Section 9, then a written notice describing said vehicle shall be personally delivered to the owner thereof (if such owner can be reasonably ascertained) or shall be conspicuously placed upon the vehicle (if the owner thereof cannot be reasonably ascertained), and if the vehicle is not removed within 72 hours thereafter, the Association shall have the right to remove the vehicle at the sole expense of the owner thereof.

(d) No activity such as, but not limited to, maintenance, repair, rebuilding, dismantling, repainting, or servicing of any kind of vehicles, trailers or boats, may be performed or conducted on the Properties, unless it is done within completely enclosed structure(s) which screen the sight and sound of the activity from the street and from adjoining property. The foregoing restriction shall not be deemed to prevent washing and polishing of any motor vehicle, boat, trailer, motor-driven cycle, or other vehicle, together with those activities normally incident and necessary to such washing and polishing.

Section 10. Nuisances. No nuisance shall be permitted on the Properties, nor any use, activity or practice which is a source of annoyance or embarrassment to, or which offends or disturbs, any residents of the Properties, or which interferes with the peaceful enjoyment or possession and proper use of the Properties, or any portion thereof, by its residents. As used herein, the term "nuisance" shall not include any activities of Declarant which are reasonably necessary to the development and construction of, and sales activities on, the Properties; provided, however, that such activities of the Declarant shall not unreasonably interfere with any Owner's use and enjoyment of his Lot, or with any Owner's ingress and egress to or from his Lot and a public way. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done or placed on any Lot which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others. Further, no immoral, improper, offensive or unlawful use shall be permitted or made of the Properties or any portion thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Properties, or any portion thereof, shall be observed.

Section 11. Lots Not to be Subdivided. No Lot shall be subdivided, except for the purpose of combining portions with an adjoining Lot provided that no additional building site is created thereby. Not less than one entire Lot, as conveyed, shall be used as a building site.

Section 12. No Hazardous Activities. No activities shall be conducted on the Properties or within improvements constructed on the Properties which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any of the Properties and no open fires shall be lighted or permitted on the Properties except in a contained barbecue unit while attended and in use for cooking purposes or within an interior fireplace, or except such campfires or picnic fires on property which may be designated for such use by the Association.

Section 13. No Annoying Light, Sounds or Odors. No light shall be emitted from any Lot which is unreasonably bright or causes unreasonable glare; no sound shall be emitted from any Lot which is unreasonably loud or annoying; and no odor shall be permitted from any Lot which is noxious or offensive to others.

Section 14. Restrictions on Trash and Materials. No refuse, garbage, trash, lumber, grass, shrubs or tree clippings, plant waste, compost, metal, bulk materials, scrap or debris of any kind shall be kept, stored, or allowed to accumulate on the Properties except within an enclosed structure or appropriately screened from view. However, any container containing any of the aforesaid materials may be placed outside only at such times as may be necessary to permit trash or garbage pickup.

Section 15. Minor Violations of Setback Restrictions. If upon the erection of any structure, it is disclosed by survey that a minor violation or infringement of setback lines has occurred, such violation or infringement shall be deemed waived by the Owners of Lots immediately adjoining the structure which is in violation of the setback, and such waiver shall be binding upon all other Owners. However, nothing contained in this Section 15 shall prevent the prosecution of a suit for any other violation of the restrictions, covenants, or other provisions contained in this Declaration. A "minor violation," for the purpose of this Section, is a violation of not more than three (3) feet beyond the required setback lines or Lot lines. This provision shall apply only to the original structures and shall not be applicable to any alterations or repairs to any of such structures.

Section 16. Rules and Regulations. Rules and regulations concerning and governing the Properties, or any portion thereof, may be adopted, amended or repealed, from time to time by the Board of Directors of the Association, and the Board of Directors may establish and enforce penalties for the infraction thereof, including without limitation the levying and collecting of fines for the violation of any of such rules and regulations.

Section 17. Management Agreements and Other Contracts. Any agreement for professional management of the Association's business or other contract providing for the services of the Declarant shall have a maximum term of three (3) years and any such agreement shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon not more than ninety (90) days prior written notice; provided, however, that any such management agreement(s) entered into by the Association with a manager or managing agent prior to the termination of the Class B membership shall be subject to review and approval by HUD or VA, and shall terminate absolutely, in any event, no later than thirty (30) days after termination of the Class B membership.

ARTICLE X
EASEMENTS

Section 1. Easement for Encroachments. If any portion of any improvement located on a Lot encroaches upon any other Lot or the Common Area, or if any portion of any improvement located on the Common Area encroaches upon any Lot, including any future encroachments arising or resulting from the repair or reconstruction of a structure subsequent to its damage, destruction or condemnation, a valid easement on the surface and for subsurface support below such surface and for the maintenance of same, so long as it stands, shall and does exist for such encroachment.

Section 2. Maintenance Easement. An easement is hereby granted to the Association, its officers, agents, employees and assigns upon, across, over, in and under the Easement Area and a right to make such use of the Easement Area as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration.

Section 3. Easement Area. The Declarant hereby grants and conveys to the Association, for the use and enjoyment of its Members, a perpetual non-exclusive easement for the use, enjoyment, improvement, and maintenance of the Easement Area, for pedestrian and vehicular access, ingress and egress, for installation, maintenance, preservation and enjoyment of landscaping, for recreational use and enjoyment, and for such other uses and purposes as are permitted to be made of the Common Area; provided that the aforesaid easement shall be subject to the other terms and provisions of this Declaration, the Articles of Incorporation and Bylaws of the Association, as well as any other documents governing the Association, any rules and regulations or similar documents now or hereafter adopted by the Board of Directors of the Association, and any other documents, covenants or restrictions affecting the Easement Area and recorded in Arapahoe County, Colorado, prior to the date of recording of this Declaration. It is the Declarant's general intention in granting the aforesaid easement to grant to all Owners a right to use and enjoy the Easement Area as though it were Common Area, subject to the aforesaid limitations and the fact (and ramifications therefrom) that the Easement Area is not owned by the Association but consists of portions of Lots.

Section 4. Utilities. There is hereby created a blanket easement upon, across, over and under the Properties for utilities and the installation, replacement, repair and maintenance of utilities, including but not limited to water, sewer, gas, telephone, electricity and master television antenna or cable systems, if any. By virtue of this blanket easement, it shall be expressly permissible to erect and maintain the

necessary facilities, equipment and appurtenances on the Properties and to affix, repair, and maintain water and sewer pipes, gas, electric, telephone and television wires, circuits, conduits and meters. In the event any utility or quasi-utility company furnishing a service covered by the general easement created herein requests a specific easement by separate recordable document, Declarant reserves and is hereby given the right and authority to grant such easement upon, across, over or under any part or all of the Properties without conflicting with the terms hereof; provided, however, that such right and authority shall cease and determine upon conveyance by Declarant of the last Lot to the first Owner thereof (other than Declarant). The easement provided for in this Section 4 shall in no way affect, avoid, extinguish or modify any other recorded easement(s) on the Properties.

Section 5. Rights of Declarant Incident to Construction.
An easement is hereby retained by and granted to Declarant, its successors and assigns, for access, ingress, and egress over, in, upon, under, and across the Common Area and Easement Area, including but not limited to the right to store materials thereon and to make such other use thereof as may be reasonably necessary or incidental to Declarant's construction on the Properties; provided, however, that no such rights or easements shall be exercised by Declarant in such a manner as to unreasonably interfere with the occupancy, use, enjoyment, or access by any Owner, his family members, guests, or invitees, to or of that Owner's Lot, or any recreational facility, if any, completed upon the Common Area; and further provided, however, that the rights and easements granted to the Declarant in this Section 5 shall cease and determine upon conveyance by Declarant of the last Lot to the first Owner thereof (other than Declarant).

Section 6. Easements Deemed Created. All conveyances of Lots hereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve the easements contained in this Article X, even though no specific reference to such easements or to this Article X appears in the instrument of such conveyance.

ARTICLE XI
FIRST MORTGAGEES

Section 1. Member and First Mortgagee Approval.
Subject to Article XII, Section 6(b) of this Declaration, but notwithstanding any other provisions of this Declaration to the contrary, the Association shall not:

(a) unless it has obtained the prior written consent of at least sixty-seven percent (67%) of each class of Members and sixty-seven percent (67%) of the First Mortgagees (based upon one vote for each First Mortgage owned):

(1) by act or omission, change, waive, or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior maintenance of Lots or residences, the maintenance of the Common Area party walks or common fences and driveways, or the upkeep of lawns and plantings in the Properties;

(2) fail to maintain fire and extended coverage on insurable Common Area and Easement Area on a current replacement cost basis in an amount not less than 100 percent of the insurable value (based on current replacement cost);

(3) use hazard insurance proceeds for Common Area and Easement Area property losses for purposes other than to repair, replace, or reconstruct such property;

(4) by act or omission, seek to abandon, partition, subdivide, encumber, sell, or transfer any common property owned, directly or indirectly, by the Association for the benefit of the Owners (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 Properties or the Association);

(5) change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner; or

(6) terminate the legal status of the Properties as a planned unit development, provided that this subsection (6) shall not apply to amendments to this Declaration, the Articles of Incorporation or Bylaws of the Association made as a result of destruction, damage or condemnation of the Properties or improvements thereon; provided, however, that any distribution made as a result of said termination shall be accomplished on a reasonable and equitable basis.

(b) unless it has obtained the prior written consent of at least sixty-seven percent (67%) of the total allocated votes in the Association, and fifty-one percent (51%) of the First Mortgagees (based upon one vote for each First Mortgage owned), add or amend any material provisions of this Declaration, the Articles of Incorporation or Bylaws of the Association which establish, provide for, govern or regulate any of the following, provided that such additions or amendments

shall not be considered material if they are for the purpose of correcting technical errors or for clarification only:

- (1) voting rights;
- (2) assessments, assessment liens or subordination of such liens;
- (3) reserves for maintenance, repair and replacement of those elements of the Common Area which must be maintained, repaired or replaced on a periodic basis;
- (4) responsibility for maintenance and repair of any portion of the Properties;
- (5) rights to use of the Common Area;
- (6) boundaries of any Lot;
- (7) convertibility of Lots into Common Area or of Common Area into Lots;
- (8) expansion or contraction of the Properties or the addition, annexation or withdrawal of property to or from the Properties;
- (9) insurance, including but not limited to fidelity bonds;
- (10) leasing of Lots or dwellings constructed thereon;
- (11) imposition of any restriction on the right of any Owner to sell or transfer his Lot;
- (12) any decision by the Association to assume self-management of the Association, when professional management has previously been required by any First Mortgagee or any insurer or guarantor of a First Mortgage;
- (13) any restoration or repair of the Properties after a partial condemnation or damage due to an insurable hazard, other than substantially in accordance with this Declaration, the Articles of Incorporation and Bylaws of the Association;
- (14) any action to terminate the legal status of the Properties after substantial destruction or condemnation; or

(15) any provisions which are for the express benefit of First Mortgagees, or insurers or guarantors of First Mortgages.

Section 2. Notice of Action. Upon written request to the Association, identifying the name and address of the First Mortgagee or insurer or guarantor of the First Mortgage and the residence address of the property which is subject to such First Mortgage, each First Mortgagee, or insurer or guarantor of a First Mortgage, shall be entitled to timely written notice of:

(A) any condemnation loss or casualty loss which affects a material portion of the Properties or any Lot subject to a First Mortgage held, insured or guaranteed by such First Mortgagee, insurer or guarantor of a First Mortgage;

(B) any delinquency in the payment of assessments or charges owed to the Association by the Owner of the Lot subject to a First Mortgage held, insured or guaranteed by such First Mortgagee, insurer or guarantor, or any default by such Owner in any obligation under the Declaration, Articles of Incorporation or Bylaws of the Association and the Board of Directors of the Association has actual knowledge of such default, when such delinquency and/or default remains uncured for a period of sixty (60) days;

(C) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(D) any proposed action which would require the consent of a specified percentage of First Mortgagees as provided in this Article XI.

Section 3. Audit. The Association shall provide an audited financial statement for the immediately preceding fiscal year, free of charge to the party so requesting, to any First Mortgagee, or any insurer or guarantor of a First Mortgage, within a reasonable time after written request therefor made by any First Mortgagee, insurer or guarantor of such a First Mortgage.

ARTICLE XII GENERAL PROVISIONS

Section 1. 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 or rules and regulations of the Association, as amended, may be by any proceeding at

law or in equity against any person or persons violating or attempting to violate any such provision. The Association and any aggrieved Owner shall have the right to institute, maintain and/or prosecute any such proceedings, and the Association shall further have the right to levy and collect fines for the violation of any provision of any of the aforesaid documents; in any action instituted or maintained under this Section, 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 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.

Section 2. Severability. Invalidation of any of these covenants or restrictions by judgment or court order shall in no way affect or limit any other provisions which shall remain in full force and effect.

Section 3. Conflict of Provisions. In case of any conflict between this Declaration, the Articles of Incorporation or Bylaws of the Association, this Declaration shall control. In case of any conflict between the Articles of Incorporation and the Bylaws of the Association, the Articles of Incorporation shall control.

Section 4. Annexation. Additional residential property and/or Common Area may be annexed with the consent of two-thirds of each class of Members.

Section 5. Condemnation. In the event proceedings are initiated by any government or agency thereof, seeking to take by condemnation or the power of eminent domain the Common Area or Easement Area, any part thereof or any interest therein, any improvement thereon, or any interest therein, the Association shall give prompt notice thereof, including a description of the part of or interest in the Common Area or Easement Area, or improvement thereon sought to be so condemned, to all Members. The Association shall have full power and authority to defend in said proceedings, and to represent the Owners in any negotiations, settlements and agreements with a condemning authority for acquisition of the Common Area or Easement Area, any part thereof, or any interest therein, and each Owner hereby appoints the Association as his attorney-in-fact for such purposes. Any award or proceeds of settlement shall be payable to the Association for the use and benefit of the Members and their mortgagees as their interest may appear.

(a) In the event that all of the Common Area and Easement Area is taken or condemned, or sold or otherwise

disposed of, in lieu of or in avoidance thereof, any award or settlement shall be apportioned by the Association on a reasonable basis as the Association determines to be equitable in the circumstances, or as determined by judicial decree. If the allocation of condemnation award is already established in the negotiations, judicial decree, or otherwise, then in allocating the condemnation award the Association shall employ such allocation to the extent that it is relevant and applicable.

(b) In the event that less than the entire Common Area and Easement Area is taken or condemned or sold or otherwise disposed of in lieu of or in avoidance thereof, the condemnation award shall first be applied by the Association to the rebuilding and replacement of those improvements on the Common Area and Easement Area which were damaged or taken by the condemning public authority, unless sixty-seven percent (67%) of the Owners and sixty-seven percent (67%) of the First Mortgagees (based upon one vote for each First Mortgage held) agree otherwise. Any surplus of the award or other portion thereof not used for rebuilding and replacement shall be distributed by the Association on the same basis as indicated in subparagraph (a) of this Section 5. No provision of the Declaration or any other document relating to the Properties shall be deemed to give an Owner or any other party priority over the rights of a First Mortgagee, pursuant to a First Mortgage, in the case of a distribution to any Owner of insurance proceeds or condemnation award for losses to or taking of Lots or Common Area or both.

Section 6. Duration, Revocation, and Amendment.

(a) Each and every provision of this Declaration shall run with and bind the land for a term of twenty (20) years from the date of recording of this Declaration, after which time this Declaration shall be automatically extended for successive periods of ten (10) years each. Except as provided in Article XI hereof and in subsection (b) of this Section 6, this Declaration may be amended during the first twenty (20) year period, and during subsequent extensions thereof, by any instrument approved in writing by not less than fifty-one percent (51%) of the votes of each class of Membership.

(b) Notwithstanding anything to the contrary contained in this Declaration:

(1) Declarant hereby reserves and is granted the right and power to record technical amendments to this Declaration, the Articles of Incorporation and/or Bylaws of the Association, at any time prior to conveyance of all Lots by Declarant to the first Owner(s) thereof (other than Declarant), or three (3) years from the date this Declaration is recorded in the County of

Arapahoe, Colorado, whichever occurs first, for the purpose of correcting spelling, grammar, dates, typographical errors, or as may otherwise be necessary to clarify the meaning of any provision of any of such documents;

(2) Declarant hereby reserves and is granted the right and power to record special amendments to this Declaration, the Articles of Incorporation and/or Bylaws of the Association, at any time prior to conveyance of all Lots by Declarant to the first Owner(s) thereof (other than Declarant), or three (3) years from the date this Declaration is recorded in the County of Arapahoe, Colorado, whichever occurs first, in order to comply with any requirements of any of the Agencies or to induce any of the Agencies to make, purchase, sell, insure or guarantee First Mortgages; provided, however, that each such special amendment shall have the prior written consent of VA or HUD.

(c) To be effective, all amendments to or revocation or termination of this Declaration must be recorded in the office of the Clerk and Recorder of the County of Arapahoe, Colorado, and must contain evidence of the required approval thereof.

(d) One method of satisfying the requirements of Subsection (c) of this Section 6 shall be the recordation of a Certificate of the Secretary of the Association certifying that Owners representing the requisite percentage of the Lots, and that the requisite percentage of First Mortgagees, if any, have given notarized written consent to the Amendment. The Secretary must further certify that originals of such written consents by Owners and First Mortgagees, as applicable, along with the recorded Amendment, are in the corporate records of the Association and available for inspection.

Section 7. Registration of Mailing Address. Each Owner and each First Mortgagee, insurer or guarantor of a First Mortgage, shall register his mailing address with the Association, and except for monthly statements and other routine notices, all other notices or demands intended to be served upon an Owner, or upon a First Mortgagee, insurer or guarantor or a First Mortgage, shall be sent by either registered or certified mail, postage prepaid, addressed in the name of such person or entity at such registered mailing address. However, if any Owner fails to so notify 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 Board of Directors of the Association or the Association shall be sent by

registered or certified mail, postage prepaid, c/o U.S. Home Corporation, 6001 South Willow, Suite 110, Englewood, Colorado 80111, until such address is changed by the Association.

Section 8. HUD/VA Approval. As long as there is a Class B membership, the following actions shall require the prior approval of HUD or VA: annexation of additional properties, dedication of Common Area, and amendment of this Declaration.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal as of the day and year first above written.

DECLARANT:

U.S. HOME CORPORATION,
a Delaware corporation

ATTEST:

Division _____

By: _____
Division _____ President

STATE OF COLORADO)

COUNTY OF _____)

) ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 19____ by _____ as Division _____ President and _____ as Division _____ of U.S. HOME CORPORATION, a Delaware corporation.

WITNESS my hand and official seal.

My commission expires: _____

Notary Public
Address: _____

EXHIBIT A
TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
PRIDE'S CROSSING FILING NO. 1

All of that real property shown and described on a certain plat of Pride's Crossing Subdivision Filing No. 4, recorded in Book 85 at Page 26, in the office of the Clerk and Recorder of Arapahoe County, Colorado, as the same may be amended from time to time.

EXHIBIT B
TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
PRIDE'S CROSSING FILING NO. 1

All of those areas designated as "Landscape Easement" on a certain plat of Pride's Crossing Subdivision Filing No. 4, recorded in Book 85 at Page 26, in the office of the Clerk and Recorder of Arapahoe County, as the same may be amended from time to time. Said Landscape Easement is more fully described as follows:

LEGAL DESCRIPTION

LANDSCAPE EASEMENT BLOCK 1 (NORTH)

A parcel of land located in part of Lot 1, Block 1, Pride's Crossing Subdivision Filing No. 4, lying in the Southeast Quarter (SE1/4) of Section 9 and the Southwest Quarter (SW1/4) of Section 10, Township 5 South, Range 66 West of the Sixth Principal Meridian, City of Aurora, County of Arapahoe, State of Colorado, more particularly described as follows:

BEGINNING at the most northerly corner of said Lot 1;
THENCE along the arc of a curve to the left having a central angle of $28^{\circ}17'56''$, a radius of 535.00 feet, a chord bearing $S70^{\circ}49'22''W$ a distance of 261.56 feet, an arc length of 264.24 feet;
THENCE $N18^{\circ}22'44''E$ along a line non-tangent with the last described curve a distance of 53.94 feet;
THENCE $N68^{\circ}13'59''E$ a distance of 50.14 feet;
THENCE $N84^{\circ}58'20''E$ a distance of 184.19 feet to the POINT OF BEGINNING.

Said parcel contains 4,083 square feet, more or less.

LEGAL DESCRIPTION

LANDSCAPE EASEMENT BLOCK 1 (SOUTH)

A parcel of land located in part of Lot 2, Block 1, Pride's Crossing Subdivision Filing No. 4, lying in the Southeast Quarter (SE1/4) of Section 9 and the Southwest Quarter (SW1/4) of Section 10, Township 5 South, Range 66 West of the Sixth Principal Meridian, City of Aurora, County of Arapahoe, State of Colorado, more particularly described as follows:

BEGINNING at the most easterly corner of said Lot 2;
THENCE along the arc of a curve to the left having a central angle of $06^{\circ}37'54''$, a radius of 535.00 feet, a chord bearing $S48^{\circ}58'00''W$ a distance of 61.89 feet, an arc length of 61.92 feet;
THENCE along the arc of a curve to the right having a central angle of $59^{\circ}06'07''$, a radius of 20.00 feet, a chord bearing $S75^{\circ}12'06''W$ a distance of 19.73 feet, an arc length of 20.63 feet, said curve being tangent with the last described curve and non-tangent with the following described curve;

THENCE along the arc of a curve to the right having a central angle of $04^{\circ}57'53''$, a radius of 545.00 feet, a chord bearing $N46^{\circ}19'43''E$ a distance of 47.21 feet, an arc length of 47.23 feet;
THENCE $N67^{\circ}32'15''E$ along a line non-tangent with the last described curve a distance of 34.21 feet to the POINT OF BEGINNING.

Said Parcel contains 576 square feet, more or less.

LEGAL DESCRIPTION

LANDSCAPE EASEMENT BLOCK 3

A parcel of land located in part of Lots 1, 14, and 15, Block 3, Pride's Crossing Subdivision Filing No. 4, lying in the Southeast Quarter (SE1/4) of Section 9 and the Southwest Quarter (SW1/4) of Section 10, Township 5 South, Range 66 West of the Sixth Principal Meridian, City of Aurora, County of Arapahoe, State of Colorado, more particularly described as follows:

BEGINNING at the most northeasterly corner of said Lot 1, being 35.00 feet westerly of the centerline of E. Wagon Trail Circle as platted in Pride's Crossing Subdivision Filing No. 4;

THENCE along the arc of a curve to the left having a central angle of $22^{\circ}37'10''$, a radius of 535.00 feet, a chord bearing $S25^{\circ}02'23''W$ a distance of 209.84 feet, an arc length of 211.21 feet;

THENCE along the arc of a curve to the right having a central angle of $85^{\circ}20'57''$, a radius of 20.00 feet, a chord bearing $S56^{\circ}24'16''W$ a distance of 27.11 feet, an arc length of 29.79 feet, said curve being tangent with the last described curve;

THENCE $N09^{\circ}04'45''E$ along a line non-tangent with the last described curve and tangent with the following described curve a distance of 10.00 feet;

THENCE along the arc of a curve to the left having a central angle of $85^{\circ}20'57''$, a radius of 10.00 feet, a chord bearing $N56^{\circ}24'16''E$ a distance of 13.56 feet, an arc length of 14.90 feet;

THENCE $N14^{\circ}18'33''E$ along a line non-tangent with the last described curve a distance of 52.57 feet;

THENCE $N11^{\circ}35'44''E$ a distance of 46.01 feet;

THENCE $N36^{\circ}19'28''E$ a distance of 38.81 feet;

THENCE $N41^{\circ}53'14''E$ along a line non-tangent with the following described curve a distance of 13.04 feet;

THENCE along the arc of a curve to the right having a central angle of $08^{\circ}53'56''$, a radius of 545.00 feet, a chord bearing $N33^{\circ}42'16''E$ a distance of 84.56 feet, an arc length of 84.65 feet, said curve being non-tangent with the following described curve;

THENCE along the arc of a curve to the right having a central angle of $59^{\circ}06'07''$, a radius of 20.00 feet, a chord bearing $S06^{\circ}47'54''W$ a distance of 19.73 feet, an arc length of 20.63 feet, to the POINT OF BEGINNING.

Said parcel contains 3,019 square feet, more or less.

LEGAL DESCRIPTION

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LANDSCAPE EASEMENT BLOCK 7

A parcel of land located in part of Lots 1, 2, 21, 22, and 23, Block 7, Pride's Crossing Subdivision Filing No. 4, lying in the Southeast Quarter (SE1/4) of Section 9 and the Southwest Quarter (SW1/4) of Section 10, Township 5 South, Range 66 West of the Sixth Principal Meridian, City of Aurora, County of Arapahoe, State of Colorado, more particularly described as follows:

BEGINNING at the most northeasterly corner of said Lot 1, being 35.00 feet westerly of the centerline of E. Wagon Trail Circle as platted in Pride's Crossing Subdivision Filing No. 4;

THENCE along the arc of a curve to the left having a central angle of $01^{\circ}27'44''$, a radius of 535.00 feet, a chord bearing $S03^{\circ}41'50''W$ a distance of 13.65 feet, an arc length of 13.65 feet;

THENCE $S02^{\circ}57'58''W$ along a line tangent with the last and following described curves a distance of 106.69 feet;

THENCE along the arc of a curve to the left having a central angle of $18^{\circ}32'55''$, a radius of 758.39 feet, a chord bearing $S06^{\circ}18'29''E$ a distance of 244.45 feet, an arc length of 245.52 feet;

THENCE along the arc of a curve to the right having a central angle of $86^{\circ}41'09''$, a radius of 20.00 feet, a chord bearing $S27^{\circ}45'38''W$ a distance of 27.45 feet, an arc length of 30.26 feet;

THENCE $N18^{\circ}53'48''W$ along a line radial to the last and following described curves a distance of 9.45 feet;

THENCE along the arc of a curve to the left having a central angle of $86^{\circ}41'09''$, a radius of 10.55 feet, a chord bearing $N27^{\circ}45'38''E$ a distance of 14.48 feet, an arc length of 15.96 feet;

THENCE $N14^{\circ}24'19''W$ along a line non-tangent with the last described curve a distance of 48.76 feet;

THENCE $N20^{\circ}34'58''W$ along a line non-tangent with the following described curve a distance of 54.26 feet;

THENCE along the arc of a curve to the right having a central angle of $06^{\circ}02'50''$, a radius of 778.39 feet, a chord bearing $N04^{\circ}58'11''W$ a distance of 82.11 feet, an arc length of 82.15 feet;

THENCE $N13^{\circ}11'44''E$ along a line non-tangent with the last described curve a distance of 42.47 feet;

THENCE $N06^{\circ}11'38''W$ a distance of 65.34 feet;

THENCE $N13^{\circ}26'04''E$ a distance of 27.53 feet;

THENCE $N07^{\circ}42'08''E$ along a line non-tangent with the following described curve a distance of 71.27 feet;

THENCE along the arc of a curve to the right having a central angle of $59^{\circ}06'07''$, a radius of 20.00 feet, a chord bearing $S25^{\circ}07'21''E$ a distance of 19.73 feet, an arc length of 20.63 feet to the POINT OF BEGINNING.

Said parcel contains 5,923 square feet, more or less.

LEGAL DESCRIPTION

LANDSCAPE EASEMENT BLOCK 8

A parcel of land located in part of Lots 1, 2, 3, 21, and 22, Block 9, Pride's Crossing Subdivision Filing No. 4, lying in the Southeast Quarter (SE1/4) of Section 9 and the Southwest Quarter (SW1/4) of Section 10, Township 5 South, Range 66 West of the Sixth Principal Meridian, City of Aurora, County of Arapahoe, State of Colorado, more particularly described as follows:

BEGINNING at the most northeasterly corner of said Lot 1, being 35.00 feet westerly of the centerline of E. Wagon Trail Circle as platted in Pride's Crossing Subdivision Filing No. 4;

THENCE along the arc of a curve to the left having a central angle of 22°24'23", a radius of 758.39 feet, a chord bearing S33°24'51"E a distance of 294.69 feet, an arc length of 296.58 feet;

THENCE S44°50'04"E along a line non-tangent with the last and following described curves a distance of 14.20 feet;

THENCE along the arc of a curve to the right having a central angle of 57°44'30", a radius of 20.00 feet, a chord bearing S15°24'15"E a distance of 19.31 feet, an arc length of 20.16 feet;

THENCE N45°46'32"W along a line non-tangent with the last described curve a distance of 31.06 feet;

THENCE N46°25'28"W a distance of 36.31 feet;

THENCE N61°01'37"W along a line nontangent with the following described curve a distance of 23.47 feet;

THENCE along the arc of a curve to the right having a central angle of 03°14'00", a radius of 778.39 feet, a chord bearing N38°40'05"W a distance of 43.93 feet, an arc length of 43.93 feet;

THENCE N29°49'12"W along a line non-tangent with the last described curve a distance of 55.07 feet;

THENCE N25°58'45"W a distance of 59.48 feet;

THENCE N24°45'39"W along a line tangent with the following described curve a distance of 85.51 feet;

THENCE along the arc of a curve to the left having a central angle of 86°41'09", a radius of 10.96 feet, a chord bearing N65°33'14"W a distance of 15.04 feet, an arc length of 16.58 feet;

THENCE N18°53'48"W along a line nontangent with the last or following described curve a distance of 9.04 feet;

THENCE along the arc of a curve to the right having a central angle of 86°41'09" a radius of 20.00 feet, a chord bearing S65°33'14"E a distance of 27.45 feet, an arc length of 30.26 feet to the POINT OF BEGINNING.

Said parcel contains 4,458 square feet, more or less.

LEGAL DESCRIPTION

LANDSCAPE EASEMENT BLOCK 9

A parcel of land located in part of Lots 1, 8, 9, 10, and 11, Block 9, Pride's Crossing Subdivision Filing No. 4, lying in the Southeast Quarter (SE1/4) of Section 9 and the Southwest Quarter (SW1/4) of Section 10, Township 5 South, Range 66 West of the Sixth Principal Meridian, City of Aurora, County of Arapahoe, State of Colorado, more particularly described as follows:

BEGINNING at the most northeasterly corner of said Lot 1, being 35.00 feet westerly of the centerline of E. Wagon Trail Circle as platted in Pride's Crossing Subdivision Filing No. 4;
THENCE along the arc of a curve to the right having a central angle of 12°06'31", a radius of 709.84 feet, a chord bearing S30°44'25"E a distance of 149.74 feet, an arc length of 150.01 feet;
THENCE S24°41'10"E along a line tangent with the last and following described curves a distance of 144.61 feet;
THENCE along the arc of a curve to the right having a central angle of 84°51'48", a radius of 25.00 feet, a chord bearing S17°44'44"W a distance of 33.74 feet, an arc length of 37.03 feet;
THENCE along the arc of a curve to the left having a central angle of 10°02'33", a radius of 645.00 feet, a chord bearing S55°09'21"W a distance of 112.91 feet, an arc length of 113.05 feet, said curve being tangent with the last and following described curves;
THENCE along the arc of a curve to the right having a central angle of 86°02'00", a radius of 20.00 feet, a chord bearing N86°50'55"W a distance of 27.29 feet, an arc length of 30.03 feet;
THENCE N46°10'05"E along a line non-tangent with the last and following described curves a distance of 10.09 feet;
THENCE along the arc of a curve to the left having a central angle of 86°02'00", a radius of 9.91 feet, a chord bearing S86°50'55"E a distance of 13.53 feet, an arc length of 14.89 feet;
THENCE N49°05'55"E along a line non-tangent with the last described curve a distance of 69.42 feet;
THENCE N52°00'58"E a distance of 46.58 feet;
THENCE N10°30'26"W a distance of 59.41 feet;
THENCE N24°41'10"W a distance of 45.00 feet;
THENCE N40°23'48"W a distance of 36.93 feet;
THENCE N24°41'10"W along a line tangent with the following described curve a distance of 11.44 feet;
THENCE along the arc of a curve to the left having a central angle of 00°42'39", a radius of 689.84 feet, a chord bearing N25°02'29"W a distance of 8.56 feet, an arc length of 8.56 feet;
THENCE N18°09'59"W along a line non-tangent with the last and following described curves a distance of 81.87 feet;
THENCE along the arc of a curve to the left having a central angle of 05°52'03", a radius of 704.84 feet, a chord bearing N34°56'52"W a distance of 72.15 feet, an arc length of 72.18 feet;
THENCE along the arc of a curve to the right having a central angle of 41°57'22", a radius of 20.00 feet, a chord bearing S57°46'21"E a distance of 14.32 feet, an arc length of 14.65 feet, said curve being non-tangent with the last described curve, to the POINT OF BEGINNING.

Said parcel contains 5,975 square feet, more or less.

LEGAL DESCRIPTION

LANDSCAPE EASEMENT BLOCK 10

A parcel of land located in part of Lot 14, Block 10, Pride's Crossing Subdivision Filing No. 4, lying in the Southeast Quarter (SE1/4) of Section 9 and the Southwest Quarter (SW1/4) of Section 10, Township 5 South, Range 66 West of the Sixth Principal Meridian, City of Aurora, County of Arapahoe, State of Colorado, more particularly described as follows:

BEGINNING at the most southerly corner of said Lot 14;
THENCE N60°02'04"W along a line non-tangent with the following described curve a distance of 10.00 feet;
THENCE along the arc of a curve to the right having a central angle of 07°20'01", a radius of 654.93 feet, a chord bearing N40°12'29"E a distance of 83.77, an arc length of 83.83 feet;
THENCE along the arc of a curve to the right having a central angle of 59°01'53", a radius of 20.00 feet, a chord bearing S12°51'31"W a distance of 19.71 feet, an arc length of 20.61 feet, said curve being non-tangent with the last described curve and tangent with the following described curve;
THENCE along the arc of a curve to the left having a central angle of 05°43'53", a radius of 645.00 feet, a chord bearing S39°30'31"W a distance of 64.49 feet, an arc length of 64.52 feet to the POINT OF BEGINNING.

Said parcel contains 772 square feet, more or less.

PRIDES CROSSING # 4 HOMEOWNERS ASSOCIATION, INC

ARCHITECTURAL REVIEW, COVENANT & RULES ENFORCEMENT RESOLUTION.

MAY 3, 1995

The architectural review committee has made the following modification to the covenant & rules for only two of the issues for the declaration of covenants, condition, and restrictions book 4533 pages 631 thru 677 dated August 29, 1985

A: Article IX: Section 8 page 24 & 25 subparagraph (d) satellite dish. This committee will deliberate any dish that is not longer then 36 inches, or higher then 30 inches. and that the homeowner that is trying to pitch the satellite dish must get the written approval of the homeowner that the satellite dish will face, and that might be in a line of sight of immediate homeowner. They must also contact the city of Aurora, for any restrictions.

B: Before this committee will consider a request for approval for a basketball pole system or system that might be mounted on the home of the homeowner, that owner must get the written approval from the homeowners that are on all four sides (that is on the north,south,east,and west sides) and then get the city of Aurora dig permit and see if they have any restriction.

This resolution is approved by the undersigned committee members






