

RESTATED

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND  
EASEMENTS FOR IRONBRIDGE

This Restated Declaration of Covenants, Conditions Restrictions and Easements for Ironbridge (this "Restatement") made this 27<sup>th</sup> day of February, 2003, revokes in its entirety the Declaration of Covenants, Conditions, Restrictions and Easements for The Rose Ranch P.U.D., Phase 1, recorded September 11, 2000 in Book 1206 at Page 662 in the real property records of the County of Garfield, State of Colorado (the "Revoked Declaration"). The Revoked Declaration shall be replaced by this Restatement.

WITNESSETH:

WHEREAS, Roaring Fork Investment, L.L.C., the declarant under the Revoked Declaration conveyed the Property to LB Rose Ranch LLC, a Delaware limited liability company. Pursuant to this Restatement, LB Rose Ranch LLC, as the sole owner of the Property, revokes and terminates the Revoked Declaration including all of the interest of Roaring Fork Investment, L.L.C. as Declarant under the Revoked Declaration.

WHEREAS, LB Rose Ranch LLC (the "Declarant") desires to create a Planned Community pursuant to the Colorado Common Interest Ownership Act on the Property, the name of which is "Ironbridge."

NOW, THEREFORE, Declarant hereby makes this DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR IRONBRIDGE (the "Declaration") as of the date of recording in the real estate records of the Clerk and Recorder of Eagle County, Colorado:

1. The instrument attached hereto as Schedule I and incorporated herein by reference, as amended by the following terms, shall constitute the Declaration and shall govern the Property.
2. Definition of Certain Defined Terms. Section 2.1 of Article II of the instrument attached as Schedule I, is hereby amended by (a) revising the definitions of "Articles", "Association", "Declaration" and "The Rose Ranch" by deleting any reference in such definitions to "The Rose Ranch" and substituting in its place "Ironbridge"; and (b) revising the definition of "Declarant" to delete the reference to "Roaring Fork Investments, L.L.C., a Colorado limited liability company" and substituting in its place "LB Rose Ranch LLC, a Delaware limited liability company."
3. Change of Name. The name of the Project is hereby changed to "Ironbridge". All references to "The Rose Ranch" in the Declaration, including, without limitation, the first sentence of Section 3.1 and Section 3.2 of Article III of the instrument attached as Schedule I are



revised to read "Ironbridge" to reflect the change of the name of the Project.

4. Domestic Water. Section 4.14 of the instrument attached as Schedule I shall be deleted in its entirety and the following text shall be substituted in its place.

"Water shall be supplied to each Lot by a water system which is owned, operated and maintained by the Roaring Fork Water & Sanitation District. The water so supplied shall be used for domestic in-house use only and for irrigation of not more than 500 square feet of landscaped area."

5. Easement for Private Amenities. The following sentence shall be added to the end of Section 8.17 of Article VII of the instrument attached as Schedule I:

"Members and other permissible users of the Private Amenities shall have the right to a perpetual, unrestricted non-exclusive easement across and through all Common Areas for purposes of pedestrian access to and from the Roaring Fork River and for fishing and other pedestrian activities along and on the Roaring Fork River."

6. Maintenance.

a. The first sentence of Section 9.1(B) and Section 9.5 of Article IX of the instrument attached as Schedule I, shall be amended by adding the Phrase "(including, without limitation, landscaping )" after the word "improvements" in each sentence.

b. In addition, the following sentence shall be added at the end of Section 9.1(B):

"In the event that the improvements on a Lot are damaged or destroyed by an event of casualty, the Owner shall be obligated to take immediate and reasonable measures to diligently pursue the repair and reconstruction of the damaged or destroyed improvements to substantially the same or better condition in which they existed prior to the damage or destruction."

7. Design Review.

a. The last sentence of Section 16.6(E) of the instrument attached as Schedule I is hereby deleted in its entirety.

b. The phrase "or deposit(s)" shall be added after the word "fee(s)" each time it appears in the second sentence of Section 16.7 of the instrument attached as Schedule I. The following sentence will be added after the second sentence of Section 16.7:

"The Design Review Board will also have the right to require a deposit for each improvement subject to its review, in an amount which may be established by the Design Review Board from time to time, and such deposits will be held as security to ensure that the construction of the improvements comply with plans and specifications approved by the Design Review Board and to act as a reserve

against possible damage to common improvements which may occur during construction. If the improvements fail to comply with such plans, the Design Review Board may retain the deposit to pay for its enforcement rights set forth in Section 16.10.”

8. Use Restrictions.

a. Signs. The final sentence of Section 17.1(F) of the instrument attached as Schedule I is hereby deleted and a new sentence is added in lieu thereof, reading as follows: "No "For Sale" or "For Rent" sign may be posted on any Lot, except for those in strict conformance with the Design Guidelines as published by the Design Review Board.”

b. No unsightliness; Clothes Drying; Sporting Equipment; Children’s Recreational Equipment. Section 17.1(N) of the instrument attached as Schedule I is hereby deleted and a new section is added in lieu thereof, reading as follows: "All unsightly structures, facilities, equipment, objects, and conditions, including sporting equipment (e.g. skis, snowboards, bikes, mountain bikes, kayaks, etc.), and snow removal, garden or maintenance equipment except when in actual use, shall be kept in an enclosed structure or in a screened area approved by the Design Review Board. No laundry or wash shall be dried or hung outside any residence. Equipment intended for children's recreational use, such as basketball standards, swing sets, and slides, must also be approved in advance by the Design Review Board. Such equipment need not be screened if it is constructed of natural materials such as wood, stone, metal, etc., and if it is painted or stained in earthen tones (natural woods, greens, browns, black, etc.). If such equipment is constructed of non-natural materials such as plastic, or if the equipment is other than earthen tone in color, it must be effectively screened from view from other Lots and from common area and public parks and other public areas including streets, bike paths, and the Golf Course."

c. Motorized Vehicles. The reference in the first sentence of Section 17.1(O) of the instrument attached as Schedule I to “trucks with a capacity of one-half ton or less” shall be changed to “trucks with a capacity of three-quarter ton or less.” In addition, the following sentence will be added at the end of Section 17.1(O):

“No more than two permitted vehicles per residence may be parked within the Project outside an enclosed garage, and such vehicles must be parked on the driveway of the residence or in a designated parking area on the adjoining public street. Additional permitted vehicles not belonging to the Owner or occupant of the Lot may be parked in the driveway or in designated parking areas on the public streets during special occasions, but only for the duration of the occasion. No vehicles of any kind may be parked in any location on a Lot except on the driveway or within an enclosed structure.”

d. Water Use. Section 17.1(BB) of the instrument attached as Schedule I is hereby deleted in its entirety.”

e. Occupancy Limits. The following text shall be added as a new subsection

17.1(GG) of the instrument attached as Schedule I:

"Occupancy Limits. Each Lot shall be improved, occupied and used only for single-family residential purposes, except that a duplex, townhome or condominium may be built and occupied upon a Lot designated therefor, and an accessory dwelling unit may be built and occupied upon or in a Lot designated therefor. Occupancy of each dwelling unit on the Property shall be limited to (i) no more than two (2) principal adults, (ii) the legal dependents of one or both of said principal adults, (iii) no more than two (2) additional family members (adults or legal dependents) who are related by blood to said principal adults, and occasional guests. Employees who care for the residence or who care for the legal dependents may also occupy the residence. For purposes hereof, "related by blood" shall mean the following relationships, but no others: grandparents, parents, brothers and sisters, aunts and uncles, and nephews and nieces. Accessory dwelling units are strictly limited to occupancy by no more than two (2) adults and the legal dependents of one or both of said adults."

f. Garbage and Trash and Compost Containers. The following text shall be added as a new subsection 17.1(HH) of the instrument attached as Schedule I:

"No refuse, garbage, trash, grass, shrub, or tree clippings, plant waste, scrap, rubbish, or debris of any kind shall be kept, stored, maintained or allowed to accumulate or remain on any Lot or on the Property except temporarily within an enclosed structure within the building envelope approved by the Design Review Board, except that any approved container containing such materials may be placed next to the street on the designated morning of garbage collection and must be returned to its enclosed structure that same day. No garbage containers, trash cans or receptacles shall be maintained in an unsanitary or unsightly condition, and except when placed for pickup they shall not be visible from another Lot, community park or common area."

9. Leasing. The following subsection shall be added to Section 17.4 of Article XVII of the instrument attached as Schedule I:

"(xi) All leases must cover the entire residence being leased or, in the event the lease relates to an accessory dwelling unit, it must cover the entire accessory dwelling unit. No leases of portions of a residence or accessory dwelling unit shall be permitted."

10. Tradename or Logo. Section 17.8 of the instrument attached as Schedule I shall be revised to add the name "Ironbridge" as a protected name under this section.

11. Enforcement. Section 17.7 of Article XVII of the instrument attached as Schedule I shall be revised by adding the following phrase at the end of the second sentence:

“, including but not limited (a) to the imposition of reasonable and uniformly applied fines and penalties, and (b) excluding violators from the Common Area or from enjoyment of any Association functions, or otherwise.”

12. Real Estate Transfer Assessment. Section 11.14 of Article XI “Real Estate Transfer Assessments” of the instrument attached as Schedule I is hereby deleted in its entirety and a new Section 11.14 is inserted in lieu thereof, reading as follows:

Section 11.14 Real Estate Transfer Assessment. Upon the occurrence of any transfer, as defined below, of an improved or unimproved Lot within Ironbridge (excluding, however, gifts, transfers for estate planning purposes, the second transfer in an IRC Section 1031 exchange (provided that the transfer assessment has been paid with respect to the first transfer), transfers by court order or by will or intestacy, transfers to the Association, transfers from Declarant to an affiliate of Declarant for the purpose of such affiliate developing, operating or holding for resale the real property subject to such transfer and any other transfers subject to specific exclusions as adopted by action of the Executive Board), the transferee under such transfer shall pay to the Association a real estate transfer assessment (the "Transfer Assessment") equal to one-quarter of one percent (0.25%) of the fair market value, as defined below, of the Lot subjected to transfer in accordance with the terms and procedures set forth below and such other uniform and customary procedures, limitations and exclusions as may be adopted by the Executive Board from time to time.

A. Purpose and Use of Funds. All proceeds from the Transfer Assessments shall be contributed to the Ironbridge Foundation to support philanthropic and charitable organizations, activities, facilities, events or operations benefiting the general community or the quality of life at Ironbridge, including, without limitation, public education, open space preservation, conservation and environmental measures and other educational, charitable or philanthropic endeavors. The Ironbridge Foundations is a nonprofit entity formed for the purpose of overseeing and administering the proceeds of the Transfer Assessment in accordance with this Section and its governing documents. Notwithstanding the foregoing, in the event the Ironbridge Foundation has not been organized and empowered to accept monies at the time that a Transfer Assessment is collected, the Association shall hold all such proceeds in trust and remit them to the Ironbridge Foundation upon formation.

B. Definitions.

(i) Transfer. For purposes of this Notice of Levy, "transfer" means and includes, whether in one transaction or in a series of related transactions, any conveyance, assignment, lease of 30 years or longer or other transfer of beneficial ownership of any Lot, including but not limited to (i) the conveyance of fee simple title to any Lot (including any conveyance arising out of an installment land contract or a lease containing an option to purchase), (ii) the transfer of more than 50 percent of the outstanding shares of the voting stock of a corporation which, directly or indirectly, owns one or more Lots, and (iii) the transfer of more than 50 percent of the interest in net profits or net losses of any partnership, limited liability company, joint venture or other entity (each referred to hereinafter as a "Business Association") (other than Declarant) which, directly or indirectly, owns one or more, but "transfer" shall not

mean or include the transfers excluded from the Transfer Assessment as described in this Section.

(ii) Transferee. For purposes of this Notice of Levy, "transferee" means and includes all parties to whom any interest in a Lot passes by a transfer, and each party included in the term "transferee" shall have joint and several liability for all obligations of the transferee under this Section.

(iii) Fair Market Value. "Fair market value" of the Lot subjected to transfer shall be the aggregate value of all consideration paid or delivered to the transferor for the transfer as reasonably determined by the Executive Board. A transferee may make written objection to the Association's determination within fifteen (15) days after the Association has given notice of such determination, in which event the Association shall obtain an appraisal, at the transferee's sole expense, from a real estate appraiser of good reputation who is qualified to perform appraisals in Colorado, who is familiar with real estate values in the County of Garfield, and who shall be selected by the Association. The appraisal so obtained shall be binding on both the Association and the transferee. The transferee shall be deemed to have waived all right of objection concerning fair market value, and the Association's determination of such value shall be binding, if no objection is timely made to the Association as provided herein.

D. Payment and Reports. The Transfer Assessment shall be due and payable by the transferee to the Association at the time of the transfer giving rise to such Transfer Assessment. With such payment, the transferee shall make a written report to the Association on forms prescribed by the Association, fully describing the transfer and setting forth the true, complete and actual consideration for the transfer, the names of the parties thereto, the legal description of the Lot transferred, and such other information as the Association may reasonably require. The transferee may also submit an application for request for exemption from the Transfer Assessment on forms prescribed by the Association. If the Transfer Assessment is not paid within thirty (30) days of when due, the transferee shall be subject to all interest, fines and other remedies applicable to Assessments in default as set forth under the Declaration, including, without limitation, the right of the Association to lien and foreclose the transferee's Lot.

13. Mortgagee Rights Article Deleted. Article XIX "Mortgagee's Rights" of the instrument attached as Schedule I is hereby deleted in its entirety.

14. Dispute Resolution Provisions. A new Article XXII shall be added to the instrument attached as Schedule I which shall read as follows;

ARTICLE XXII  
DISPUTE RESOLUTION

22.1 Agreement to Encourage Resolution of Disputes Without Litigation. Declarant, the Association and its members, officers, directors, and committee members, all persons subject to this Declaration, and any person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties"), agree that it is in the best interests of all concerned to encourage the amicable resolution of disputes involving the Project without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described below, unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 22.3 in a good faith effort to resolve such Claim.

A. Definition of Claim. As used in this article, the term "Claim" shall refer to any claim, grievance, or dispute arising out of or relating to (i) the interpretation, application or enforcement of the Association Documents, (ii) the rights, obligations, and duties of any Bound Party under the Association Documents, or (iii) the design or construction of improvements within the Project, other than matters of aesthetic judgment under Section 19.3, which shall not be subject to review.

Notwithstanding the foregoing, the following will not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 22.3: (i) any suit by the Association to collect assessments or other amounts due from any Owner, (ii) any suit by the Association to obtain a temporary restraining order (or emergency equitable relief and such ancillary relief as the court may deem necessary in order to maintain the status quo, (iii) any suit between Owners, which does not include Declarant or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Association Documents, (iv) any suit in which an indispensable party is not a Bound Party, and (v) any suit as to which any applicable statute of limitations would expire within 180 days of giving the Notice required by Section 22.3, unless the parties against who the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article.

B. Dispute Resolution Procedures.

i. Notice. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") shall give written notice to each Respondent and to the Executive Board stating plainly and concisely: (i) the nature of the Claim, including the persons involved and the Respondent's role in the Claim, (ii) the legal basis of the Claim (i.e., the specific authority out of which the Claim



arises), (iii) the Claimant's proposed resolution or remedy, and (iv) the Claimants desire to meet with the Respondent to discuss in good faith, ways to resolve the Claim.

ii. Negotiation. The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

iii. Mediation. If the parties have not resolved the Claim through negotiation within 30 days of the date of the notice described in Section 22.3.1 (or within such other period as the parties may agree upon), the Claimant shall have 30 additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in Eagle County.

If the Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation when scheduled, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

If the parties do not settle the Claim within 30 days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

iv. Settlement. Any settlement of the claim through negotiation or mediation shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorney's fees and court costs.

C. Initiation of Litigation by Association. In addition to compliance with the foregoing alternative dispute resolution procedures, if applicable, the Association shall not initiate any judicial or administrative proceeding unless first approved by a vote of Owners entitled to cast 75% of the total votes in the Association, except that no such approval shall be required for actions or proceedings: (i) initiated to









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## ARTICLE I DECLARATION AND SUBMISSION

Declarant hereby declares that the Property shall be held, sold and conveyed subject to the covenants, restrictions and easements which are for the purpose of protecting the value and desirability of the Property, and which shall run with the land and be binding on all parties and heirs, successors, and assigns of parties having any right, title or interest in all or any part of the Property. Additionally, Declarant hereby submits the property to the provisions of the Act.

## ARTICLE II DEFINITIONS

Section 2.1 Definitions. The following words when used in this Declaration or any Supplemental Declaration, unless inconsistent with the context of this Declaration, shall have the following meanings:

A. "Abandoned and Inoperable Vehicle" has the meaning set forth in Section 17.1Q.

B. "Act" means the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101 et seq.

C. "Annexable Property" means the real property which is subject to the P.U.D for the Rose Ranch and which is not initially made subject to the terms and provisions of this Declaration. The real property which comprises the Annexable Property is depicted and on the Plat as "Future Development" parcels and is more particularly described on Exhibit B, attached hereto and incorporated herein by this reference.

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- D. "Articles" mean the Articles of Incorporation for The Rose Ranch Property Owners Association, Inc., on file with the Colorado Secretary of State, and any amendments which may be made to those Articles from time to time.
- E. "Annual Assessment" means the Assessment levied annually.
- F. "Assessments" means the Annual, Special, and Default Assessments levied pursuant to Article XI below. Assessments are further defined as a Common Expense Liability as defined under the Act.
- G. "Association" means The Rose Ranch Property Owners Association, Inc., a Colorado nonprofit corporation, and its successors and assigns.
- H. "Association Documents" means this Declaration, the Articles of Incorporation, and the Bylaws of the Association, and any procedures, rules, regulations, or policies adopted under such documents by the Association.
- I. "Association-Insured Property" has the meaning set forth in Section 13.1.
- J. "Association Rules" means the rules and regulations adopted by the Association as provided in Section 5.1.
- K. "Bylaws" means the Bylaws adopted by the Association, as amended from time to time.
- L. "Common Area" means all of the real property depicted and identified on the Plat as "Common Area" and improvements thereon, if any, in which the Association owns or has an interest for the common use and enjoyment of all of the Owners on a non-exclusive basis. Such interest may include, without limitation, estates in fee, for terms of years, or easements. "Common Area" is further defined as a Common Element as defined under the Act.
- M. "Common Expenses" means (i) all expenses expressly declared to be common expenses by this Declaration or the Bylaws of the Association; (ii) all other expenses of administering, servicing, conserving, managing, maintaining, repairing, or replacing the Common Area; (iii) insurance premiums for the insurance carried under Article X; and (iv) all expenses lawfully determined to be common expenses by the Executive Board of the Association.
- N. "Declarant" means Roaring Fork Investment, L.L.C., a Colorado limited liability company, and its successors and assigns.
- O. "Declaration" means and refers to this Declaration of Covenants, Conditions, Restrictions and Easements for The Rose Ranch.

- P. "Default Assessment" means the Assessment levied by the Association pursuant to Article XI, Section 11.7 below.
- Q. "Design Guidelines" means the guidelines and rules published and amended and supplemented from time to time by the Design Review Board.
- R. "Design Review Board" means and refers to the Design Review Board defined in and created pursuant to Article XVI below.
- S. "Drainage Structures" has the meaning set forth in Section 9.6.
- T. "Executive Board" means the governing body of the Association elected to perform the obligations of the Association relative to the operation, maintenance, and management of the Property and all improvements on the Property.
- U. "Expansion and Development Rights" has the meaning set forth in Section 15.5.
- V. "Golf Course" means the real property located in Garfield County, Colorado, more particularly described on the attached Exhibit C.
- W. "First Mortgage" means any Mortgage which is not subordinate to any lien or encumbrance except liens for taxes, liens for Assessments or other liens which are given priority by statute.
- X. "First Mortgagee" means any person named as a mortgagee or beneficiary in any First Mortgage, or any successor to the interest of any such person under such First Mortgage.
- Y. "Lot" means a plot of land subject to this Declaration and designated as a "Lot" on any subdivision plat of the Property recorded by Declarant in the office of the Clerk and Recorder of Garfield County, Colorado, together with all appurtenances and improvements, now or in the future, on the Lot. "Lot" also has the meaning ascribed to it in Section 15.3 hereof. Lot is further defined as a Unit as defined under the Act.
- Z. "Manager" shall mean a person or entity engaged by the Association to perform certain duties, powers, or functions of the Association, as the Executive Board may authorize from time to time.
- AA. "Member" shall mean every person or entity who holds membership in the Association.

BB. "Mortgage" shall mean any mortgage, deed of trust, or other document pledging any Lot or interest therein as security for payment of a debt or obligation.

CC. "Mortgagee" means any person named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person under such Mortgage.

DD. "Oversized" has the meanings set forth in Section 17.1.Q.

EE. "Owner" means the owner of record, whether one or more persons or entities, of fee simple title to any Lot, and "Owner" also includes the purchaser under a contract for deed covering a Lot, but excludes those having such interest in a Lot merely as security for the performance of an obligation, including a Mortgagee, unless and until such person has acquired fee simple title to the Lot pursuant to foreclosure or other proceedings.

FF. "Person" means a natural person, a corporation, a partnership, a trustee or any other legal entity.

GG. "Plat" means the subdivision plat depicting the Property subject to this Declaration and recorded in the records of the Clerk and Recorder of Garfield County, Colorado on 11-Sep., 2000 and Reception No. 509188 and all supplements and amendments thereto.

HH. "Private Amenities" means certain real property and any improvements and facilities thereon located adjacent to, in the vicinity of, or within the Property, which are privately owned and operated by persons other than the Association for recreational, commercial and related purposes, on a membership basis or otherwise, and shall include, without limitation, the Golf Course. Private Amenities may be owned by Declarant or affiliates of Declarant.

II. "Property" means and refers to that certain real property described on Exhibit A attached to this Declaration.

JJ. "P.U.D. Map" means the zone district map for the Rose Ranch Planned Unit Development recorded in the records of the Office of the Clerk and Recorder for Garfield County on 1-Sep., 2000 at Reception No. 509189.

KK. "P.U.D Resolutions of Approval" mean the terms and conditions of the P.U.D approval issued by the Board of County Commissioners for Garfield County, Colorado for the Rose Ranch Planned Unit Development set forth in Commissioner Resolution No. 98-80, recorded in the records of the Clerk and Recorder for Garfield County, Colorado on Sep. 9, 1998 at Book 1087, Page 862 and Reception No. 531935, as amended by Commissioner Resolution No. 99-067, recorded in the records of the Clerk and Recorder for Garfield County, Colorado on June 8, 1999, at Book 1133, Page 911 and Reception No. 546856.

LL. "Repair and reconstruction" has the meaning set forth in Section 13.2.



MM. "Roads" means all roads within the Property as shown on the Plat.

NN. "The Rose Ranch" shall mean the planned community created by this Declaration, consisting of the Property, the Lots, and any other improvements constructed on the Property and as shown on the Plat.

OO. "Sharing Ratio" means the allocation of Assessments to which an Owner's Lot is subject. The formula for sharing ratios is an equal allocation among all of the Lots.

PP. "Special Assessment" means an assessment levied pursuant to Section 11.6 below on an irregular basis.

QQ. "Special District" means a service and utility district which may be created as a special purpose unit of local government in accordance with Colorado law to provide certain community services to some or all of the Property.

RR. "Successor Declarant" means any party or entity to whom Declarant assigns any or all of its rights, obligations, or interests as Declarant, as evidenced by an assignment or deed of record executed by both Declarant and the transferee or assignee and recorded in the office of the Clerk and Recorder of Garfield County, Colorado, designating such party as a Successor Declarant. Upon such recording, Declarant's rights and obligations under this Declaration shall cease and terminate to the extent provided in such document.

SS. "Supplemental Declaration" means an instrument which subjects any additional property to this Declaration, as more fully provided in Article XV below.

TT. "Supplemental Plat" means a subdivision plat which depicts additional property made part of this Declaration or the resubdivision of any Lot or the creation of any condominiums, duplexes, town homes or other multi-family units on any Lot, and may include one or more "maps" as defined in the Act.

UU. "Western Parcel" has the meaning set forth in Section 18.1.B.

VV. "Wildlife Improvements" has the meaning set forth in Section 18.1.D.

Each capitalized term not otherwise defined in this Declaration or in the Plat shall have the same meanings specified or used in the Act.

ARTICLE III  
NAME, DIVISION INTO LOTS

Section 3.1 Name. The name of the project is The Rose Ranch. The project is a Planned Community pursuant to the Act.

Section 3.2 Association. The name of the association is The Rose Ranch Property Owners Association, Inc. Declarant has caused to be incorporated under the laws of the State of Colorado the Association as a non-profit corporation with the purpose of exercising the functions as herein set forth.

Section 3.3 Number of Lots. The maximum number of Lots to be developed on the Property is eighty-two (82). Declarant reserves the right for itself and any Successor Declarant to subdivide any Lots or create condominiums, duplexes, town homes and other multi-family units on such Lots. Declarant also reserves the right to expand the property subject to this Declaration pursuant to a the filing of Supplemental Declarations and Plats to include up to additional 240 Lots and to expand the Common Area.

Section 3.4 Identification of Lots. The identification number of each initial Lot is shown on the Plat.

Section 3.5 Description of Lots.

A. Each Lot shall be inseparable and may be developed exclusively for residential purposes in accordance with the restrictions applicable to a particular Lot contained in this Declaration, the Plat, the P.U.D. Resolutions of Approval and the P.U.D Map. No Lot shall be further subdivided, except that Declarant, its successors and assigns (which assigns may be more than one, including, without limitation, developers of certain portions of the Property) may further subdivide Lots into condominiums, duplexes, town homes and other multi-family units. Once subdivided, each Lot shall be deemed to be the number of Lots into which it is subdivided. Once a condominium, duplex, town home or multi-family dwelling unit is created pursuant to filing of appropriate final plat(s), then each such separate residence shall constitute a Lot.

B. Title to a Lot may be held individually or in any form of concurrent ownership recognized in Colorado. In case of any such concurrent ownership, each co-owner shall be jointly and severally liable for performance and observance of all the duties and responsibilities of an Owner with respect to the Lot in which he owns an interest. For all purposes herein, there shall be deemed to be only one Owner for each Lot. The parties, if more than one, having the ownership of a Lot shall agree between themselves how to share the rights and obligations of such ownership, but all such parties shall be jointly and severally liable for performance and observance of all of the duties and obligations of an Owner hereunder with respect to the Lot in which they own an interest.

C. Any contract of sale, deed, lease, Mortgage, will or other instrument affecting a Lot may describe it as Lot \_\_\_\_, Rose Ranch P.U.D., Phase No. 1, County of Garfield, State of Colorado, according to the Plat thereof recorded in the records of the Clerk and Recorder of Garfield County, Colorado on \_\_\_\_\_, 2000\_\_ at Reception No. \_\_\_\_\_.





D. Each Lot shall be considered a separate parcel of real property and shall be separately assessed and taxed. Accordingly, the Common Area shall not be assessed separately but shall be assessed with the Lot as provided pursuant to Colorado Revised Statutes Subsections 39-1-103(10) and 38-33.3-105(2).

E. No Owner of a Lot shall be entitled to bring any action for partition or division of the Common Area.

F. Subject to Section 17.5 and as provided below, each Lot shall be used and occupied solely for residential use; provided that such use and occupancy shall be only as permitted by and subject to the appropriate and applicable governmental zoning and use ordinances, rules and regulations from time to time in effect. Notwithstanding the foregoing, Declarant, for itself and its successors, assigns, and/or designees (which designees may be more than one, including, without limitation, developers of certain portions of the Property), hereby retains a right to maintain on any Lot or Lots sales offices, management offices or model residences at any time or from time to time so long as Declarant, or its successors or assigns, continues to own an interest in a Lot. The use by Declarant, or its successors, assigns or designees, of any Lot as a model residence, office or other use shall not affect the Lot's designation on the Plat as a separate Lot.

**ARTICLE IV  
MEMBERSHIP AND VOTING RIGHTS; ASSOCIATION OPERATIONS**

Section 4.1 The Association. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 4.2 Transfer of Membership. An Owner shall not transfer, pledge, encumber or alienate his membership in the Association in any way, except upon the sale or encumbrance of his Lot and then only to the purchaser or Mortgagee of his Lot.

Section 4.3 Membership. The Association shall have one (1) class of membership consisting of all Owners, including the Declarant so long as the Declarant continues to own an interest in a Lot. Except as otherwise provided for in this Declaration, each Member shall be entitled to vote in Association matters pursuant to this Declaration on the basis of one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised by one person or alternative persons (who may be a tenant of the Owners) appointed by proxy in accordance with the Bylaws. In the absence of a proxy, the vote allocated to the Lot shall be suspended in the event more than one person or entity seeks to exercise the right to vote on any one matter. Any Owner or a Lot which is leased may assign his voting right to the tenant, provided that a copy of a written proxy appointing the tenant is furnished to the Secretary of the Association prior to any meeting in which the tenant exercises the voting right. In no event shall more than one vote be cast with respect to any one Lot.

Section 4.4' Declarant Control. Notwithstanding anything to the contrary provided for herein or in the Bylaws, Declarant shall be entitled to appoint and remove the members of the Association's Executive Board and officers of the Association to the fullest extent currently permitted under the Act. The specific restrictions and procedures governing the exercise of Declarant's right to so appoint and remove Directors and officers shall be set out in the Bylaws of the Association. Declarant may voluntarily relinquish such power evidenced by a notice executed by Declarant and recorded in the Office of the Clerk and Recorder for Garfield County, Colorado, but, in such event, Declarant may at its option require that specified actions of the Association or the Executive Board as described in the recorded notice, during the period Declarant would otherwise be entitled to appoint and remove Directors and officers, be approved by Declarant before they become effective.

Section 4.5 Compliance with Association Documents. Each Owner shall abide by and benefit from each provision, covenant, condition, restriction and easement contained in the Association Documents. The obligations, burdens, and benefits of membership in the Association concern the land and shall be covenants running with each Owner's Lot for the benefit of all other Lots and for the benefit of Declarant's adjacent properties.

Section 4.6 Books and Records. The Association shall make available for inspection, upon request, during normal business hours or under other reasonable circumstances, to Owners and to Mortgagees, current copies of the Association Documents and the books, records, and financial statements of the Association prepared pursuant to the Bylaws. The Association may charge a reasonable fee for copying such materials.

Section 4.7 Manager. The Association may employ or contract for the services of a Manager to whom the Executive Board may delegate certain powers, functions, or duties of the Association, as provided in the Bylaws of the Association. The Manager shall not have the authority to make expenditures except upon prior approval and direction by the Executive Board. The Executive Board shall not be liable for any omission or improper exercise by a Manager of any duty, power, or function so delegated by written instrument executed by or on behalf of the Executive Board.

Section 4.8 Implied Rights and Obligations. The Association may exercise any right or privilege expressly granted to the Association in the Association Documents, all powers granted to an association pursuant to C.R.S. § 38-33.3-302(1) (except as expressly otherwise provided in this Declaration), and every other right or privilege reasonably implied from the existence of any right or privilege given to the Association under the Association Documents or reasonably necessary to effect any such right or privilege. The Association shall perform all of the duties and obligations expressly imposed upon it by the Association Documents, and every other duty or obligation implied by the express provisions of the Association Documents or necessary to reasonably satisfy any such duty or obligation.

Section 4.9 Association Meetings. Meetings of the Association shall be held at least once each year. Special meetings of the Association may be called by the President, by a majority of the Executive Board or by Owners having ten percent (10%) of the votes in the Association. Not less than ten (10) nor more than fifty (50) days in advance of any meeting, the Secretary or other officer specified in the Bylaws of the Association shall cause notice to be hand delivered or sent prepaid by United States mail to the mailing address of each Owner or to any other mailing address designated in writing by the Owner. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to this Declaration or the Bylaws, any budget changes and any proposal to remove an officer or member of the Executive Board.

Section 4.10 Association Standard of Care. The duty of care which the Association owes to the Owners is that of a landowner to a licensee, notwithstanding the interest which the Owners hold in the Common Area through their membership in the Association.

Section 4.11 Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Property designed to make the Property safer than it otherwise might be. NEITHER THE ASSOCIATION, DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTY. NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE FOR FAILURE TO PROVIDE ADEQUATE SECURITY OR FOR THE INEFFECTIVENESS OF ANY SECURITY MEASURE UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY LOT, AND ALL TENANTS, GUESTS, AND INVITEES OF ANY OWNER, ACKNOWLEDGE THAT THE ASSOCIATION, AND ITS EXECUTIVE BOARD, DECLARANT AND ANY SUCCESSOR DECLARANT, DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM, OR OTHER SECURITY SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO THE DESIGN GUIDELINES ESTABLISHED BY THE DECLARANT MAY NOT BE COMPROMISED OR CIRCUMVENTED; NOR THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM, OR OTHER SECURITY SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO THE DESIGN GUIDELINES ESTABLISHED BY THE DECLARANT MAY NOT BE COMPROMISED OR CIRCUMVENTED; NOR THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE; NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. ALL OWNERS AND OCCUPANTS OF ANY LOT AND ALL TENANTS, GUESTS, AND INVITEES OF ANY OWNER, ASSUME ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS, TO RESIDENTIAL DWELLINGS AND TO THE CONTENTS OF RESIDENTIAL DWELLINGS AND FURTHER ACKNOWLEDGE THAT THE ASSOCIATION, ITS EXECUTIVE BOARD, COMMITTEES, DECLARANT OR ANY SUCCESSOR DECLARANT HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR

HAS ANY OWNER, OCCUPANT, OR ANY TENANT, GUEST OR INVITEE OF ANY OWNER RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY.

Section 4.12 Power to Provide Services to Subassociations. To the fullest extent permitted by the Act, the Association may establish subassociations and to provide services to subassociations. Such services to any subassociation shall be provided pursuant to an agreement in writing between the Association and such subassociations which shall provide for the payment by such subassociation to the Association of the reasonably estimated expenses which the Association will incur in providing such services to the subassociation, including a fair share of the overhead expenses of the Association. In lieu of collecting the expenses for such services from the subassociation, the Association shall have the right to collect them directly from the Members of the subassociation in monthly installments as part of the monthly common assessments.

Section 4.13 Power to Provide Special Services for Members. To the fullest extent permitted by the Act, the Association may provide services to a Member or group of Members. Any service or services to a Member or group of Members shall be provided pursuant to an agreement in writing, or through one or more Supplemental Declarations, which shall provide for payment to the Association by such Member or group of Members of a costs and expenses which the Association estimates it will incur in providing such services, including a fair share of the overhead expenses of the Association, and shall contain provisions assuring that the obligation to pay for such services shall be binding upon any heirs, personal representatives, successors and assigns of the Member or group of Members, and that the payment for such services shall be secured by a lien on the Lot or Lots of the Member or group of Members and may be collected in the same manner as assessments or otherwise.

Section 4.14 Domestic Water. Water shall be supplied to each Lot by a central water system which shall be owned, operated and maintained by the Association. The water so supplied shall be used for domestic in-house use only. All water use shall be metered by water meters or other measuring devices approved by the Association. The Association shall be responsible for setting all rates, fees or charges for the provision through the water system of domestic water service to the Lot, and each Owner shall pay to the Association the rates, fees or charges applicable to his respective Lot. The obligation of Owners to pay the Association for such water service shall be a personal obligation of the Owner which the Association shall have the power and duty to enforce. Additional rules and regulations concerning the use, operation, and limitation of the water system and the water supply thereby may be promulgated by the Association and, if so promulgated, shall be binding upon each Unit Owner.

Section 4.15 Irrigation Water. Nonpotable irrigation water shall be supplied to each Lot by a central irrigation system which shall be owned, operated and maintained by the Association.



The nonpotable water so supplied shall be used solely for the irrigation of grass, shrubs trees and other foliage located upon the Property as permitted by the Association and limited under this Declaration and the Plat. The Association shall be responsible for setting all rates, fees or charges for the provision of irrigation water through the irrigation system and such rates, fees or charges assessed by the Association against each Lot receiving irrigation water shall be a personal obligation of the Owner thereof which the Association shall have the power and duty to enforce. Additional rules and regulations concerning the use, operation and limitation of the water system and the water supply thereby may be promulgated by the Association and, if so promulgated, shall be binding upon each Lot Owner.

**ARTICLE V  
POWERS OF THE EXECUTIVE BOARD OF THE ASSOCIATION**

Section 5.1 Association Rules. From time to time and subject to the provisions of the Association Documents, the Executive Board may adopt, amend, repeal, suspend and publish rules and regulations, to be known as the "Association Rules," governing, among other things and without limitation:

(i) The use of the Common Area, including any recreational facilities which may be constructed on such property, the personal conduct of the Members and their guests, and the establishment of penalties, including, without limitation, the imposition of fines, for the infraction of such Association Rules;

(ii) The use of any private Roads; and

(iii) The rights of a Member, including, but not limited to, the voting rights of a Member during any period in which such Member is in default on payment of any Assessment levied by the Association, as provided in Article XI. Such rights also may be suspended after notice and hearing for a period not to exceed ninety (90) days for an infraction of published Association Rules, unless such infraction is ongoing, in which case the rights may be suspended during the period of the infraction and for up to ninety (90) days thereafter.

A copy of the Association Rules in effect will be distributed to each Member and any change in the Association Rules will be distributed to each Member within a reasonable time following the effective date of the change.

Section 5.2 Implied Rights. The Executive Board may exercise for the Association all powers, duties, and authority vested in or delegated to the Association, and not reserved to the Members or Declarant by other provisions of this Declaration or the Articles or Bylaws of the Association or as provided by law.

**ARTICLE VI**

## PROPERTY RIGHTS

Section 6.1 Common Area. Every Owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to the Common Area, subject to:

- (i) This Declaration, the Plat and any other applicable covenants;
- (ii) Any restrictions or limitations contained in any deed conveying such property to the Association;
- (iii) The right of the Executive Board to adopt rules regulating the use and enjoyment of the Common Area, including rules limiting the number of guests who may use the Common Area;
- (iv) The right of the Executive Board to suspend the right of an Owner to use facilities within the Common Area (A) for any period during which any charge or Assessment against such Owner's Lot remains delinquent, and (B) for a period not to exceed ninety (90) days for a single violation or for a longer period in the case of any continuing violation of the Declaration, any applicable Supplemental Declaration, the Bylaws or Association Rules;
- (v) The right of the Executive Board to impose reasonable membership requirements and charge reasonable membership, admission, use or other fees for the use of any facility situated upon the Common Area;
- (vi) The right of the Executive Board to permit the use of any facilities situated on the Common Area by persons other than Owners, their families, lessees and guests;
- (vii) The right and obligations of the Declarant and the Association, acting through its Executive Board, to restrict, regulate or limit Owners' and occupants' use of the Common Area for environmental preservation purposes, including, without limitation, wildlife corridors, winter wildlife ranges and natural wildlife habitat; and
- (viii) Any governmental or quasi-governmental rules, regulations or statutes.

Any Owner may extend his or her right to use and enjoyment to the members of his or her family, lessees, and social invitees, as applicable, subject to reasonable regulation by the Executive Board. An Owner who leases his or her residential dwelling shall be deemed to assign all such rights to the lessee of such dwelling.

Section 6.2 Expansion. From time to time, Declarant may, but shall not be obligated to, expand the Common Area by written instrument recorded with the Clerk and Recorder of Garfield County, Colorado, all as more fully set forth in Article XV below.

Section 6.3 Maintenance. The Association shall maintain and keep the Common Area in good repair, and the cost of such maintenance shall be funded as provided in Article XI, subject to any insurance then in effect. This maintenance shall include, but shall not be limited to, upkeep, repair and replacement of all Roads, landscaping, walls, gates, signage, domestic water systems, irrigation systems, sidewalks, driveways and improvements, if any (which shall including, without limitation, snow removal services), located in the Common Area. In the event the Association does not maintain or repair the Common Area, Declarant shall have the right, but not the obligation, to do so at the expense of the Association.

Section 6.4 No Dedication to the Public. Nothing in this Declaration or the other Association Documents will be construed as a dedication to public use, or a grant to any public municipal or quasi-municipal authority or utility, or an assumption of responsibility for the maintenance of any Common Area by such authority or utility, absent an express written agreement to that effect.

Section 6.5 Private Amenities. Access to and use of the Private Amenities is strictly subject to the rules and procedures of the respective owners of the Private Amenities, and no Person gains any right to enter or to use those facilities by virtue of membership in the Association or ownership or occupancy of a Lot.

ALL PERSONS, INCLUDING ALL OWNERS, ARE HEREBY ADVISED THAT NO REPRESENTATIONS OR WARRANTIES, EITHER WRITTEN OR ORAL, HAVE BEEN MADE OR ARE MADE BY DECLARANT OR ANY OTHER PERSON WITH REGARD TO THE NATURE OR SIZE OF IMPROVEMENTS TO, OR THE CONTINUING OWNERSHIP OR OPERATION OF, THE PRIVATE AMENITIES. NO PURPORTED REPRESENTATION OR WARRANTY, WRITTEN OR ORAL, IN REGARD TO THE PRIVATE AMENITIES SHALL EVER BE EFFECTIVE WITHOUT AN AMENDMENT HERETO EXECUTED OR JOINED INTO BY DECLARANT.

The ownership, usage of, or operational duties of and as to the Private Amenities may change at any time and from time to time by virtue of, but without limitation, (i) the sale to or assumption of operations by an independent entity, (ii) conversion of the membership structure to an "equity" club or similar arrangement whereby the members of a Private Amenity or an entity owned or controlled thereby become the owner(s) and/or operator(s) of the Private Amenity, (iii) the conveyance of a Private Amenity to one or more affiliates, shareholders, employees, or independent contractors of Declarant, or (iv) the change in use of any Private Amenity (including, but not limited to, play-rights with respect to any golf or tennis club). No consent of the Association or any Owner shall be required to effectuate such a transfer or conversion.

Rights to use the Private Amenities will be granted only to such Persons, and on such terms and conditions, as may be determined by their respective owners. Such owners of the Private Amenities shall have the right, from time to time in their sole and absolute discretion and without

notice, to amend or waive the terms and conditions of use of their respective Private Amenities and to terminate use rights altogether.

## ARTICLE VII MECHANIC'S LIENS

Section 7.1 No Liability. If any Owner shall cause any material to be furnished to his Lot or any labor to be performed therein or thereon, no Owner or any other Lot shall under any circumstances be liable for the payment of any expense incurred or for the value of any work done or material furnished. All such work shall be at the expense of the Owner causing it to be done, and such Owner shall be solely responsible to contractors, laborers, materialmen and other persons furnishing labor or materials to his or her Lot. Nothing herein contained shall authorize any Owner or any person dealing through, with or under any Owner to charge the Common Area or any Lot other than the Lot of such Owner with any mechanic's lien or other lien or encumbrance whatsoever. On the contrary (and notice is hereby given) the right and power to charge any lien or encumbrance of any kind against the Common Area or against any Owner or any Owner's Lot for work done or materials furnished to any other Owner's Lot is hereby expressly denied.

Section 7.2 Indemnification. If, because of any act or omission of any Owner, any mechanic's or other lien or order for the payment of money shall be filed against the Common Area or against any other Owner's Lot or any Owner or the Association (whether or not such lien or order is valid or enforceable as such), the Owner whose act or omission forms the basis for such lien or order shall at his own cost and expense cause the same to be canceled and discharged of record or bonded by a surety company reasonably acceptable to the Association, or to such other Owner or Owners, within twenty (20) days after the date of filing thereof, and further shall indemnify and save all the other Owners and the Association harmless from and against any and all costs, expenses, claims, losses or damages including, without limitation, reasonable attorneys' fees, resulting therefrom.

Section 7.3 Association Action. Labor performed or material furnished for the Common Area, if duly authorized by the Association in accordance with the Declaration or the Bylaws, shall be deemed to be performed or furnished with the express consent of each Owner and shall be the basis for the filing of a lien pursuant to law against the Common Area. Any such lien shall be limited to the Common Area and no lien may be effected against an individual Lot or Lots.

## ARTICLE VIII PROPERTY RIGHTS OF OWNERS AND RESERVATIONS BY DECLARANT

Section 8.1 Owner's Easement of Enjoyment. Every Owner has a right and easement of enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Lot. Certain third persons also may have access to the Common Area as set forth in the



Association Rules. Every Owner shall have a right of access to and from his Lot. No Owner shall hinder nor permit his guest to hinder reasonable access by any other Owner and his guest to the Lots and parking areas.

Section 8.2 Recorded Easements. The Property shall be subject to all easements, licenses, covenants, and restrictions as shown on any recorded plat affecting the Property and to any other easements of record or of use as of the date of recordation of this Declaration, including without limitation those set forth within Exhibit D hereto. In addition, the Property is subject to those easements set forth in this Article VIII.

Section 8.3 Declarant's Rights Incident to Construction. Declarant, for itself and its successors and assigns, hereby reserves an easement for construction, utilities, drainage, ingress and egress over, in, upon, under and across the Common Area, together with the right to store materials on the Common Area, to build and maintain temporary walls, and to make such other use of the Common Area as may be reasonably necessary or incident to any construction of improvements on the Property, or other real property owned by Declarant, or other properties abutting and contiguous to the Property; provided, however, that no such rights shall be exercised by Declarant in a way which unreasonably interferes with the occupancy, use, enjoyment, or access to the Common Area by the Owners.

Section 8.4 Utility Easements. There are hereby reserved unto Declarant (so long as the Declarant owns any of the Property), the Golf Course, the Association, and the designees of each (which may include, without limitation, Garfield County, Colorado and any utility company) easements upon, across, over and under all of the Lots, with the exception of the building envelope, to the extent reasonably necessary for the purpose of installing, replacing, repairing, and maintaining cable television systems, master television antenna systems, security and similar systems, roads, walkways, bicycle pathways, lakes, ponds, wetlands, drainage systems, irrigation systems, street lights, signage, and all utilities, including, but not limited to, water, sewers, meter boxes, telephone, gas and electricity. The foregoing easements may traverse the private property of any Owner; provided, however, an easement shall not entitle the holders to construct or install any of the foregoing systems, facilities, or utilities over, under or through any existing dwelling on a Lot or building envelope as shown on the Plat, and any damage to a Lot resulting from the exercise of an easement shall be reasonably repaired by, and at the expense of, the Person exercising the easement. The exercise of an easement shall not unreasonably interfere with the use of any Lot and, except in any emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or occupant.

Declarant specifically reserves the right to convey to the local water supplier, sewer authority, electric company, natural gas supplier and cable television or communications systems supplier and any other utility supplier an easement across the Property for ingress, egress, installation, reading, replacing, repairing and maintaining utility meters and boxes. However, the exercise of this easement shall not extend to permitting entry into the dwelling on the Lot, nor shall



any utilities be installed or relocated on the Property, except as approved by the Executive Board or Declarant.

Should any entity furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Executive Board or Declarant shall have the right to grant such specific, descriptive easement over the Property without conflicting with the terms hereof. The easements provided for in this Article shall in no way adversely affect any other recorded easement on the Property. The Owner of a Lot subject to such easement shall cooperate with Declarant and the Executive Board and take all actions, including, without limitation, executing any documents evidencing such descriptive easement as reasonably requested by the Executive Board or Declarant. In the event an Owner fails to cooperate in such matter the Association or Declarant may, pursuant to Section 8.14 below, exercise its power to act as that Owner's attorney-in-fact to execute any necessary documentation on behalf of such Owner.

The Executive Board shall have the power to dedicate portions of the Common Area to Garfield County, Colorado, the Special District or to any other local, state or federal government or quasi-governmental entity.

Section 8.5 Support Easement. Each Lot is subject to a blanket easement for support and a blanket easement for the maintenance of the structures or improvements presently situated, or to be built in the future, on the Lots.

Section 8.6 Road Easement. The Lots may have common Roads and/or driveways upon certain Lots serving more than one Lot, and there is granted hereby a non-exclusive easement to the Owners of Lots served by any such Road or driveway for ingress and egress purposes over and across those portions of such Lots which are used as a Road or driveway. No Owner shall hinder nor permit his guest to hinder reasonable access by any other Owner and his guest to the Lots.

Section 8.7 Reservation for Expansion. Declarant hereby reserves for itself and the Association and/or for Owners in all future phases of The Rose Ranch an easement and right-of-way over, upon and across the Property for construction, utilities, drainage, and ingress and egress from the Golf Course, and other properties abutting and contiguous to the Property and the Golf Course, and for use of the Common Area as may be reasonably necessary or incident to the construction of improvements on the Lots or other improvements on the Property or the Golf Course; provided, however, that no such rights shall be exercised by Declarant in a way which unreasonably interferes with the occupancy, use, enjoyment, or access to the Common Areas by the Owners. The location of these easements and rights-of-way may be made certain by Declarant or the Association by instruments recorded in the office of the Clerk and Recorder, Garfield County, Colorado.

Section 8.8 Emergency Access Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance, and other similar emergency agencies or persons to enter upon the Property in the proper performance of their duties.

Section 8.9 Easements for Lake and Pond Maintenance and Flood Water. Declarant reserves for itself and its successors, assigns and designees the nonexclusive right and easement, but not the obligation, to enter upon the lakes, ponds, streams and wetlands located within the Common Area to (i) install, keep, maintain, and replace pumps in order to provide water for the irrigation of any of the Common Area or the Golf Course; (ii) construct, maintain, and repair any bulkhead, wall, dam or other structure retaining water; and (iii) remove trash and other debris therefrom and fulfill their maintenance responsibilities as provided in this Section. Declarant, the Association, and their designee shall have an access easement over and across any of the Property abutting or containing any portion of any of the lakes, ponds, streams, or wetlands to the extent reasonably necessary to exercise their rights under this Section.

There is further reserved herein for the benefit of Declarant, the Association, and their designees, a perpetual, nonexclusive right and easement of access and encroachment over the Common Area and Lots (but not the dwellings thereon) adjacent to or within one hundred feet of lake beds, ponds and streams within the Property, in order to (i) temporarily flood and back water upon and maintain water over such portions of the Property; (ii) fill, drain, dredge, deepen, clean, fertilize, dye and generally maintain the lakes, ponds, streams, and wetlands within the Common Area; (iii) maintain and landscape the slopes, banks and surrounding areas pertaining to such lakes, ponds, streams, and wetlands; (iv) construct, maintain, operate, repair, and replace water lines, water storage tanks, water house facilities and other improvements necessary or convenient for the installation and operation of the Association's water system; and (v) enter upon and across such portions of the Property for the purpose of exercising its rights under this Section. All persons entitled to exercise these easements shall use reasonable care in, and repair any damage resulting from the intentional exercise of such easements. Nothing herein shall be construed to make Declarant or any other Person liable for damage resulting from flooding due to heavy rainfall, or other natural disasters.

Section 8.10 Easements for Encroachments. To the extent that any improvement constructed within the Common Area (including, without limitation, any portion of the Roads) encroaches on any Lot, either currently existing or as a result of any addition or improvement pursuant to this Declaration, a valid easement for such Lot, either currently existing or as a result of any addition or improvement pursuant to this Declaration, a valid easement for such encroachments and for the maintenance of same, so long as they exist, shall and does exist. In the event any such improvement is partially or totally destroyed, and then rebuilt, the Owners agree that minor encroachments of parts of such rebuilt improvements shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the improvements shall stand.

Section 8.11 General Maintenance Easement. An easement is hereby reserved to Declarant, and granted to the Association, and any member of the Executive Board or the Manager, and their respective officers, agents, employees, and assigns, upon, across, over, in, and under the Property and a right to make such use of the Property as may be necessary or appropriate to make emergency

repairs or to perform the duties and functions which the Association is obligated or permitted to perform pursuant to the Association Documents or to protect the Association's property.

Section 8.12 Blanket Easement. Declarant hereby reserves to itself, its successors and assigns, and grants to the Association, a blanket easement upon, across, over and under the Property, with the exception of building envelopes, for the installation, replacement, repair and maintenance of drainage, ditch, utility and other service lines and systems, including but not limited to, water, sewer, gas, telephone, television, cable or communication and electric lines and systems and drainage structures and, further, for the purpose of cuts and fills and/or retaining walls adjacent to the Roads as are necessary or desirable for the proper construction, use and maintenance of the Roads. Declarant, its successors and assigns, further reserves the right, but not the obligation, and grants to the Association the right, but not the obligation, to record a document specifying the boundaries of such easements at any time after such utility lines, roadway cuts and fills and/or retaining walls, pedestrian trails or other improvements described above have been constructed.

Section 8.13 Declarant's Right to Excess Capacity. To the maximum extent permitted by the Act, Declarant, during the period of Declarant control and for a period of 20 years thereafter, reserves the right to use excess capacity of the water system, water rights, waterways, wells, ponds, springs and all pumps, pipelines, ditches, tanks, measuring devices, meters or other facilities associated therewith, including any facilities necessary for the exercise of any existing or subsequently decreed water rights or augmentation plan together with easements associated therewith for the construction, erection, maintenance, operation, use, expansion, repair and replacement of the water rights and/or facilities, and to add to such water system or water rights, to amend or change any water court decree, or to substitute the water source or amount of water in any water right as may be subsequently decreed by appropriate action in the water court or with the State Engineer's Office.

Section 8.14 Association as Attorney-in-Fact. Each Owner, by his acceptance of a deed or other conveyance vesting in him an interest in a Lot, does irrevocably constitute and appoint the Association and/or Declarant with full power of substitution in the Owner's name, place and stead to deal with Owner's interest in order to effectuate the rights reserved by Declarant or granted to the Association, as applicable, with full power, right and authorization to execute and deliver any instrument affecting the interest of the Owner and to take any other action which the Association or Declarant may consider necessary or advisable to give effect to the provisions of this Section and this Declaration generally. If requested to do so by the Association or Declarant, each Owner shall execute and deliver a written, acknowledged instrument confirming such appointment. No Owner shall have any rights against the Association or Declarant or any of their officers or Directors with respect thereto except in the case of fraud or gross negligence.

Section 8.15 Delegation of Use. Any Owner may delegate his right of enjoyment to the Common Area to the members of his family, his tenants, guests, licensees, and invitees, but only in accordance with and subject to the limitations of the Association Documents.

Section 8.16 Declarant's Right of Assignment. Declarant reserves the right to assign any or all of its rights, obligations or interests as Declarant by recording an assignment or deed of record executed by both Declarant and the transferee or assignee in the Office of the Clerk and Recorder of Garfield County, Colorado, designating such party as a Successor Declarant. Upon such recording, Declarant's rights and obligations under this Declaration shall cease and terminate to the extent provided in such document.

Section 8.17 Easements for Private Amenity Activities. The Private Amenities and their members (regardless of whether such members are Owners hereunder), their guests, invitees, and the employees, agents, contractors, and designees of the Private Amenities shall at all times have a right and non-exclusive easement of access and use over all roadways located within the Property reasonably necessary to travel from/to the entrance to the Property and from/to the Private Amenity(ies). Without limiting the generality of the foregoing, members of the Private Amenities and permitted members of the public shall have the right to park their vehicles on the roadways located within the Property at reasonable times before, during and after functions held by/at the Private Amenities, which may include, without limitation, golf tournaments.

Section 8.18 Declarant's Right to Conduct Business. Declarant, during the period of Declarant control of the Executive Board and for a period of 20 years thereafter, reserves the right to conduct certain activities which, notwithstanding any provision contained in this Declaration to the contrary, shall include the right to maintain a sales office, management office and other such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or necessary for the construction, sale and management of any Lots. Such facilities may include without limitation a business office, storage area, construction yards, signs, model units, sales offices, construction office, parking areas and lighting and temporary parking structures for all prospective purchasers of Lots.

Section 8.19 Declarant's Right to Vacate and Re-Dedicate Roads. Declarant, during the period of Declarant control of the Executive Board and for a period of 20 years thereafter, reserves the right to take on behalf of the Association and each Owner, all actions necessary to cause the roads, contained within the Property and dedicated to the public under the Plat, to be vacated and re-dedicated to the Association and Owners as private roadways for the exclusive use and enjoyment of the Declarant, Owners and the Association. In the event Declarant exercises its rights under this reservation, the Association and each Owner shall be deemed to consent to:

- i. the filing and prosecution by Declarant of all petitions/applications required to effect the vacation of such public roads pursuant to Colo. Rev. § 43-2-303; and
- ii. the acceptance by Declarant of title to such public roads upon vacation upon condition that Declarant re-dedicate or convey such roads to the Association and Owners for use consistent with this Section 8.19;



iii. the filing and prosecution by Declarant, under the Garfield County Subdivision and Zoning Regulations, of all petitions/applications for zoning or plat amendment warranted by the vacation and re-dedication of such public roads to the Association and Owners.

Section 8.20 Declarant's Right to Create Subassociations. To the maximum extent permitted by the Act, Declarant, during the period of Declarant control and for a period of 20 years thereafter, reserves the right to create subassociations or make the Association subject to a master association, or to merge or consolidate the Association with another association of a similar nature or same form or ownership, whether such merger be into and with an existing Association or a subsequently formed homeowners association.

**ARTICLE IX  
MAINTENANCE AND LANDSCAPING**

Section 9.1 Maintenance and Landscaping of Lots.

A. Subject to Article XVI, each Owner shall be solely responsible for all landscaping, maintenance and repair of his Lot and of the exterior and interior of his residence, including all fixtures and improvements and all utility lines and equipment located therein or in, on or upon his Lot and is required to maintain the Lot and any improvements located thereon in a condition of good order and repair. No Owner shall unreasonably damage the value of other Lots such as by shoddy upkeep of such Owner's Lot or any structures located on the Lot.

B. Owners shall be responsible for all maintenance and repairs of utility service lines, connections, facilities and related equipment providing service to such Owner's Lot and the residence and other buildings and improvements constructed upon such Lot, with such responsibility to begin at the point where a utility provider ceases responsibility for maintenance and repair for a particular utility. The responsibility of an Owner for repair and maintenance shall include those portions of said Owner's Lot, other Lots, unplatted tracts, platted open space, platted easements, and streets and roads which are crossed by such a utility service line or other improvement. All such expenses and liabilities shall be borne solely by the Owner of such Lot, who shall have a perpetual easement in and to that part of the Property lying outside of such Owner's Lot for purposes of maintenance, repair and inspection. Each Owner shall use the utility service easement provided herein in a reasonable manner and shall promptly restore the surface overlying such easements when maintaining or repairing a utility service line or other improvement.

C. No Owner shall construct any structure or improvement or make or suffer any structural or design change (including a color scheme change), either permanent or temporary and of any type or nature whatsoever to the exterior of his residence or construct any addition or improvement on his Lot without first obtaining the prior written consent thereto from the Design Review Board pursuant to Article XVI hereto.

Section 9.2 Common Area. The Association shall maintain the Common Area as set forth in Section 6.3 above. Maintenance of the Common Area shall be performed at such time and in such a manner as the Association shall determine.

Section 9.3 Roads.

A. The Association shall maintain and keep the Roads in good repair, and the cost of such maintenance shall be funded as provided in Article XI. This maintenance shall include, but shall not be limited to, upkeep, repair and replacement of the Roads (which shall include, without limitation, snow removal services). The Association's responsibility for Road maintenance under this Section applies whether or not such Roads lie on a Common Area, or some other area of the Property. In the event the Association does not maintain or repair the Roads, Declarant shall have the right, but not the obligation, to do so at the expense of the Association. The Association may contract for these services with any public or private entity.

B. If the Executive Board deems it advisable, the Association may, at any time, enter into a written agreement to dedicate or convey the Roads to either a metropolitan district or to Garfield County. In the event a dedication to Garfield County is made under this Section, the Roads must meet all Garfield County road and trail plan standards applicable at the time of such dedication. Garfield County SHALL HAVE NO OBLIGATION TO ACCEPT THE OWNERSHIP OF THE ROADS OR THE RESPONSIBILITY TO MAINTAIN THE ROADS.

Section 9.4 Maintenance Contract. The Association or Executive Board may employ or contract for the services of a third party to perform certain delegated powers, functions, or duties of the Association to maintain the Common Area. The employed individual or maintenance company shall have the authority to make expenditures upon prior approval and direction of the Executive Board. The Executive Board shall not be liable for any omission or improper exercise by the employed third party of any duty, power, or function so delegated by written instrument executed by or on behalf of the Executive Board.

Section 9.5 Owner's Failure to Maintain or Repair. In the event that a Lot and the improvements thereupon are not properly maintained and repaired by an Owner, or in the event that the improvements on the Lot are damaged or destroyed by an event of casualty and the Owner does not take reasonable measures to diligently pursue and repair the reconstruction of the damaged or destroyed improvements to substantially the same condition in which they existed prior to the damage or destruction, then the Association, after notice to the Owner and with the approval of the Executive Board, shall have the right to enter upon the Lot to perform such work as is reasonably required to restore the lot and the buildings and other improvements thereon to a condition of good order and repair. All costs incurred by the Association in connection with the restoration shall be reimbursed to the Association by the Owner of the Lot, upon demand. All unreimbursed costs shall be a lien upon the Lot until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid assessment levied in accordance with Article XI of this Declaration.

Section 9.6 Drainage Structures. All drainage control structures located on the Property shall be maintained by the Association in conformance with the provisions set forth within the report drafted by High Country Engineering, Inc., dated October 14, 1998 and titled MAINTENANCE PLAN FOR ROSE RANCH'S BEST MANAGEMENT PRACTICES --BEST MANAGEMENT PRACTICES --WATER QUALITY & DRAINAGE STRUCTURES.

Section 9.7 Parkland Maintenance. The Association shall, in the maintenance and care of all parks and other lands contained within the Property as Common Areas, be subject to and abide by the Best Management Practices set forth in the reports prepared by Environmental & Turf Services, Inc. titled THE ROSE RANCH INTEGRATED GOLF COURSE MANAGEMENT PLAN (Dated August 31, 1998) and MANAGEMENT PLAN AND RISK ASSESSMENT FOR THE ROSE RANCH GOLF COURSE (Dated July 10, 1998).

Section 9.8 Maintenance of Reports. The Association shall maintain within its offices copies of the reports identified and referenced in Sections 9.6 and 9.7 above, which reports shall remain available for inspection and review by all Members, the Declarant and the County of Garfield.

## ARTICLE X INSURANCE AND FIDELITY BONDS

Section 10.1 General Insurance Provisions. The Association shall maintain, to the extent reasonably available:

(i) Property insurance on the Common Area for broad form covered causes of loss; except that the total amount of insurance must be not less than the full insurable replacement costs of the insured property less reasonable deductibles at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, paving areas, landscaping and other items normally excluded from property policies; and

(ii) Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, or management of the Common Area and the Association, in an amount deemed sufficient in the judgment of the Executive Board, insuring the Executive Board, the Association, the Manager, and their respective employees, agents, and all persons acting as agents. Declarant shall be included as an additional insured in Declarant's capacity as an Owner and Executive Board member. The Owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use, or management of the Common Area. The insurance shall cover claims of one or more insured parties against other insured parties.

(iii) The Association may carry such other and further insurance that the Executive Board considers appropriate, including insurance on Lots, or insurance covering the acts



or omissions of officers, directors, employees or agents of the Association, or other insurance that the Association is not obligated to carry to protect the Association or the Owners.

Section 10.2 Cancellation. If the insurance described in Section 10.1 is not reasonably available, or if any policy of such insurance is canceled or not renewed without a replacement policy therefor having been obtained, the Association promptly shall cause notice of that fact to be hand delivered or sent prepaid by United States mail to all Owners.

Section 10.3 Policy Provisions. Insurance policies carried pursuant to Section 10.1 must, to the extent available, provide that:

(i) Each Owner is an insured person under the policy with respect to liability arising out of such Owner's membership in the Association;

(ii) The insurer waives its rights to subrogation under the policy against any Owner or member of his household;

(iii) No act or omission by any Owner, unless acting within the scope of such Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

(iv) If, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

Section 10.4 Insurance Proceeds. Any loss covered by the property insurance policy described in Section 10.1 must be adjusted with the Association, but the insurance proceeds for that loss shall be payable to any insurance trustee designated for that purpose, or otherwise to the Association, and not to any holder of a security interest. The insurance trustee or the Association shall hold any insurance proceeds in trust for the Owners and Mortgagees as their interests may appear. Subject to the provisions of Section 10.7 below, the proceeds must be distributed first for the repair or restoration of the damaged property, and the Association, Owners and Mortgagees are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged property has been completely repaired or restored or the regime created by this Declaration is terminated.

Section 10.5 Association Policies. The Association may adopt and establish written nondiscriminatory policies and procedures relating to the submittal of claims, responsibility for deductibles, and any other matters of claims adjustment. To the extent the Association settles claims for damages to real property, it shall have the authority to assess negligent Owners causing such loss or benefitting from such repair or restoration all or any equitable portion of the deductibles paid by the Association.

Section 10.6 Insurer Obligation. To the extent the following is available, an insurer that has issued an insurance policy for the insurance described in Section 10.1 shall issue certificates or memoranda of insurance to the Association and, upon request, to any Owner or Mortgagee. Unless otherwise provided by statute, the insurer issuing the policy may not cancel or refuse to renew it until thirty (30) days after notice of the proposed cancellation or nonrenewal has been mailed to the Association and to each Owner and Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last-known addresses.

Section 10.7 Repair and Replacement.

A. Any portion of the Common Area for which insurance is required under this Article which is damaged or destroyed must be repaired or replaced promptly by the Association unless:

- (i) The regime created by this Declaration is terminated;
- (ii) Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety;
- (iii) Sixty-seven percent of the Owners vote not to rebuild, including the vote of every Owner of a Lot or assigned limited common element that will not be rebuilt; or
- (iv) Prior to the conveyance of any Lot to a person other than Declarant, the Mortgagee holding a deed of trust or mortgage on the damaged portion of the Common Area rightfully demands all or a substantial part of the insurance proceeds.

B. The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense. If the entire Common Area is not repaired or replaced, the insurance proceeds attributable to the damaged Common Area must be used to restore the damaged area to a condition compatible with the remainder of The Rose Ranch, and except to the extent that other persons will be distributees, the unused insurance proceeds must be distributed to all the Owners or Mortgagees, as their interests may appear in proportion to the Common Expense liabilities of all the Lots.

Section 10.8 Common Expenses. Premiums for insurance that the Association acquires and other expenses connected with acquiring such insurance are Common Expenses.

Section 10.9 Fidelity Insurance. Fidelity bonds must be maintained by the Association to protect against dishonest acts on the part of its Directors, officers, trustees, and employees and on the part of all others who handle or are responsible for handling the funds belonging to or administered by the Association in an amount not less than two months' current Assessments plus reserves as calculated from the current budget of the Association. In addition, if responsibility for handling funds is delegated to a Manager, such bond may be obtained for the Manager and its

officers, employees, and agents, as applicable. Any such fidelity coverage shall name the Association as an obligee and such bonds shall contain waivers by the issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions.

Section 10.10 Worker's Compensation Insurance. The Executive Board shall obtain worker's compensation or similar insurance with respect to its employees, if applicable, in the amounts and forms as may now or hereafter be required by law.

Section 10.11 Other Insurance. The Association shall also maintain insurance to the extent reasonably available and in such amounts as the Executive Board may deem appropriate on behalf of Directors against any liability asserted against a Director or incurred by him in his capacity of or arising out of his status as a Director. The Executive Board may obtain insurance against such other risks of a similar or dissimilar nature as it shall deem appropriate with respect to the Association's responsibilities and duties.

Section 10.12 Insurance Obtained by Owners. Each Owner shall obtain and at all times maintain physical damage and liability insurance for such Owner's benefit, at such Owner's expense, covering the full replacement value of the Owner's Lot and residence (except to the extent any such Lot is encumbered by an easement conveyed to the Association as Common Area), personal property and personal liability insurance in a limit of not less than Five Hundred Thousand Dollars (\$500,000.00) in respect to bodily injury or death to any number of persons arising out of one accident or disaster, or for damage to property, and if higher limits shall at any time be customary to protect against tort liability such higher limits shall be carried. In addition, an Owner may obtain such other and additional insurance coverage on the Lot and residence as such Owner in the Owner's sole discretion shall conclude to be desirable; provided, however, that none of such insurance coverage obtained by the Owner shall operate to decrease the amount which the Executive Board, on behalf of all Owners, may realize under any policy maintained by the Executive Board or otherwise affect any insurance coverage obtained by the Association or cause the diminution or termination of that insurance coverage. Any insurance obtained by an Owner shall include a provision waiving the particular insurance company's right of subrogation against the Association and other Owners, including Declarant, should Declarant be the Owner of any Lot. No Owner shall obtain separate insurance policies on the Common Area.

All Owners are required to maintain on file copies of all such current policies with the Association to evidence their obligations hereunder and to facilitate recovery of all appropriate awards or proceeds by the Association.

## ARTICLE XI ASSESSMENTS

Section 11.1 Obligation. Each Owner, including Declarant, by accepting a deed for a Lot, is deemed to covenant to pay to the Association (i) the Annual Assessments imposed by the

Executive Board as necessary to meet the Common Expenses of maintenance, operation, and management of the Common Area and to perform the functions of the Association; (ii) Special Assessments for capital improvements and other purposes as stated in this Declaration, if permitted under the Act; and (iii) Default Assessments which may be assessed against a Lot for the Owner's failure to perform an obligation under the Association Documents or because the Association has incurred an expense on behalf of the Owner under the Association Documents.

Section 11.2 Purpose of Assessments. The Assessments shall be used exclusively to promote the health, safety and welfare of the Owners and occupants of The Rose Ranch, for the improvement and maintenance of the Common Area and other areas of Association responsibility referred to herein, as more fully set forth in this Article below and in Article XVIII.

Section 11.3 Budget. Within thirty (30) days after the adoption of any proposed budget for the Association, the Executive Board shall mail, by ordinary first-class mail, or otherwise deliver a summary of the budget to all the Owners and shall set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen (14) nor more than sixty (60) days after mailing or other delivery of the summary. Unless at that meeting sixty percent (60%) of all Owners, whether or not present at the meeting, reject the budget, the budget is ratified, whether or not a quorum is present. In the event that the proposed budget is rejected, the periodic budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board. The Executive Board shall adopt a budget and submit the budget to a vote of the Owners as provided herein no less frequently than annually. The Executive Board shall levy and assess the Annual Assessments in accordance with the annual budget.

Section 11.4 Annual Assessments. Annual Assessments for Common Expenses made shall be based upon the estimated cash requirements as the Executive Board shall from time to time determine to be paid by all of the Owners, subject to Section 11.3 above. Estimated Common Expenses shall include, but shall not be limited to, the cost of routine maintenance and operation of the Common Area; expenses of management, taxes and special governmental assessments pertaining to the Common Area and insurance premiums for insurance coverage as deemed desirable or necessary by the Association; landscaping, care of grounds within the Common Area; routine repairs and renovations within the Common Area; wages; common water and utility charges for the Common Area; legal and accounting fees; management fees; expenses and liabilities incurred by the Association under or by reason of this Declaration; payment of any default remaining from a previous assessment period; and the creation of a reasonable contingency or other reserve or surplus fund for general, routine maintenance, repairs, and replacement of improvements within the Common Area on a periodic basis, as needed. Notwithstanding the use of the term "Annual" Assessments, the Association may establish an Annual Assessment for less than 12 months (e.g., set two six month "Annual Assessments"). Until the Association makes an Annual Assessment, the Declarant shall pay all Common Expenses.

Annual Assessments shall be payable on a prorated basis each year in advance and shall be due on the first day of each month, calendar quarter or year, as determined by the Executive Board.

The omission or failure of the Association to fix the Annual Assessments for any assessment period shall not be deemed a waiver, modification, or release of the Owners from their obligation to pay the same. The Association shall have the right, but not the obligation, to make prorated refunds of any Annual Assessments in excess of the actual expenses incurred in any fiscal year. In the alternative, the Executive Board may elect to allocate any such excess Assessments to an Association working capital fund or to an Association reserve fund.

Section 11.5 Apportionment of Annual Assessments. Each Owner shall be responsible for that Owner's share of the Common Expenses, which shall be divided among the Lots on the basis of the Sharing Ratios in effect on the date of assessment, subject to the following provisions. All expenses (including, but not limited to, costs of maintenance, repair, and replacement) relating to fewer than all of the Lots to the extent not covered by insurance may be borne by the Owners of those affected Lots only at the reasonable discretion of the Executive Board. The formula used in establishing Sharing Ratios is an equal allocation among all of the Lots.

Section 11.6 Special Assessments. In addition to the Annual Assessments authorized by this Article, the Association may levy in any fiscal year one or more Special Assessments, if permitted under the Act, payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of improvements within the Common Area or for any other expense incurred or to be incurred as provided in this Declaration. This Section 11.6 shall not be construed as an independent source of authority for the Association to incur expense, but shall be construed to prescribe the manner of assessing expenses authorized by other sections of this Declaration, and in acting under this Section, the Association shall make specific references to this Section. Any amounts assessed pursuant to this Section shall be assessed to Owners in the same proportion as provided for Annual Assessments in Article XI, Section 11.4; subject to the requirements that any extraordinary maintenance, repair or restoration work on fewer than all of the Lots shall be borne by the Owners of those affected Lots only; and any extraordinary insurance costs incurred as a result of the value of a particular Owner's residence or the actions of a particular Owner (or his agents, servants, guests, tenants, or invitees) shall be borne by that Owner. Notice in writing in the amount of such Special Assessments and the time for payment of the Special Assessments shall be given promptly to the Owners, and no payment shall be due less than thirty (30) days after such notice shall have been given.

Section 11.7 Default Assessments. All monetary fines assessed against an Owner pursuant to the Association Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Association Documents, shall be a Default Assessment and shall become a lien against such Owner's Lot which may be foreclosed or otherwise collected as provided in this Declaration. Notice of the amount and due date of such Default Assessment shall be sent to the Owner subject to such Assessment at least thirty (30) days prior to the due date.

Section 11.8 Effect of Nonpayment: Assessment Lien. Any Assessment installment, whether pertaining to any Annual, Special, or Default Assessment, which is not paid within thirty (30) days after its due date shall be delinquent. If an Assessment installment becomes delinquent, the Association, in its sole discretion, may take any or all of the following actions:

- (i) Assess a late charge for each delinquency in such amount as the Association deems appropriate;
- (ii) Assess an interest charge from the date of delinquency at the yearly rate of two points above the prime rate charged by the Association's bank, or such other rate as the Executive Board may establish, not to exceed twenty-one percent (21%) per annum;
- (iii) Suspend the voting rights of the Owner during any period of delinquency;
- (iv) Accelerate all remaining Assessment installments so that unpaid Assessments for the remainder of the fiscal year shall be due and payable at once;
- (v) Bring an action at law against any Owner personally obligated to pay the delinquent Assessments; and
- (vi) Proceed with foreclosure as set forth in more detail below.

Assessments chargeable to any Lot shall constitute a lien on such Lot. The Association may institute foreclosure proceedings against the defaulting Owner's Lot in the manner for foreclosing a mortgage on real property under the laws of the State of Colorado. In the event of any such foreclosure, the Owner shall be liable for the amount of unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings, the cost and expenses for filing the notice of the claim and lien, and all reasonable attorney's fees incurred in connection with the enforcement of the lien.

The Association shall have the power to bid on a Lot at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. The Association may bid for the Lot at the foreclosure sale and acquire, hold, lease, mortgage and convey the Lot. While a Lot is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Lot shall be charged, in addition to its usual Assessment, its equal pro rata share of the Assessment that would have been charged such Lot had it not been acquired by the Association. The Association may sue for unpaid Common Expenses and costs without foreclosing or waiving the lien securing the same.

To the maximum extent permitted by law, the lien of the Assessments will be superior to and prior to any homestead exemption provided now or in the future by the law of the State of Colorado, and to all other liens and encumbrances except liens and encumbrances recorded before the date of the recording of this Declaration, and liens for governmental assessments or charges imposed against

a Lot by a Colorado governmental or political subdivision or special taxing district or any other liens made superior by statute.

Section 11.9 Personal Obligation. The amount of any Assessment chargeable against any Lot shall be a personal and individual debt of the Owner of same. No Owner may exempt himself from liability for the Assessment by abandonment of his Lot or by waiver of the use or enjoyment of all or any part of the Common Area. Suit to recover a money judgment for unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings, and all reasonable attorney's fees in connection therewith shall be maintainable without foreclosing or waiving the Assessment lien provided in this Declaration.

Section 11.10 Successor's Liability for Assessments. The provisions of the Act shall govern and control: (a) the obligations of successors to the fee simple title of a Lot on which Assessments are delinquent and (b) the subordination by the lien of the Assessments provided for in this Declaration. Notwithstanding the foregoing or any contrary provision herein, the lien of the Assessments shall represent a prior and senior lien and shall enjoy priority over any First Mortgage recorded subsequent to the recording of the Declaration.

Section 11.11 Payment by Mortgagee. Any Mortgagee holding a lien on a Lot may pay any unpaid Assessment payable with respect to such Lot, together with any and all costs and expenses incurred with respect to the lien, and upon such payment that Mortgagee shall have a lien on the Lot for the amounts paid with the same priority as the lien of the Mortgage.

Section 11.12 Statement of Status of Assessment Payment. Upon payment of a reasonable fee set from time to time by the Executive Board and upon fourteen (14) days' written request to the Manager or the Association's registered agent, any Owner, Mortgagee, prospective Mortgagee, or prospective purchaser of a Lot shall be furnished with a written statement setting forth the amount of the unpaid Assessments, if any, with respect to such Lot. Unless such statement shall be issued by personal delivery or by certified mail, first class postage prepaid, return receipt requested, to the inquiring party (in which event the date of posting shall be deemed the date of delivery) within fourteen (14) days, the Association shall have no right to assert a lien upon the Lot over the inquiring party's interest for unpaid Assessments which were due as of the date of the request.

Section 11.13 Capitalization of the Association. Upon acquisition of record title to a Lot from Declarant or any seller after Declarant, each Owner shall contribute to the working capital and reserves of the Association an amount equal to twenty-five percent (25%) of the Annual Assessment determined by the Executive Board for that Lot for the year in which the Owner acquired title. Such payments shall not be considered advance payments of the Annual Assessments. The unused portion of the working capital deposit shall be returned to each Owner, without interest, upon the sale of his Lot, provided that the new purchaser of the Lot has deposited the required working capital deposit with the Association. The Executive Board shall be entitled to make use of the working capital reserves in its discretion following a ten (10) day written notice of its intention to so use the reserves and the purposes therefor is mailed to all of the Owners.

Section 11.14 Real Estate Transfer Assessment. If permitted by law, the Executive Board, in its discretion, may levy a real estate transfer assessment upon the transfer of real property within the Property. Any such real estate transfer assessment must be made pursuant to certain uniform procedures, limitations and exclusions as are currently in effect for other similar real estate projects in Garfield County, Colorado. In addition, the procedures, limitations and exclusions must be placed of record by the Association in the Office of the Clerk and Recorder for Garfield County, Colorado, prior to the enactment of such levy. In no event shall the real estate transfer assessment rate exceed two percent (2%) of the fair market value of the property being transferred.

## ARTICLE XII ASSOCIATION AS ATTORNEY-IN-FACT

Each Owner hereby irrevocably appoints the Association as the Owner's true and lawful attorney-in-fact for the purposes of dealing with any improvements covered by insurance written in the name of the Association pursuant to Article X upon their damage or destruction as provided in Article XIII, or a complete or partial taking as provided in Article XIV below. Acceptance by a grantee of a deed or other instrument of conveyance from Declarant or any other Owner conveying any portion of the Property shall constitute appointment of the Association as the grantee's attorney-in-fact, and the Association shall have full authorization, right, and power to make, execute, and deliver any contract, assignment, deed, waiver or other instrument with respect to the interest of any Owner which may be necessary to exercise the powers granted to the Association as attorney-in-fact.

## ARTICLE XIII DAMAGE OR DESTRUCTION

Section 13.1 The Role of the Executive Board. Except as provided in Section 13.6, in the event of damage to or destruction of all or part of any Common Area improvement, or other Property covered by insurance written in the name of the Association under Article X, the Executive Board shall arrange for and supervise the prompt repair and restoration of the damaged Property (the Property insured by the Association pursuant to Article X is sometimes referred to as the "Association-Insured Property").

Section 13.2 Estimate of Damages or Destruction. As soon as practicable after an event causing damage to or destruction of any part of the Association-Insured Property, the Executive Board shall, unless such damage or destruction shall be minor, obtain an estimate or estimates that it deems reliable and complete of the costs of repair and reconstruction. "Repair and reconstruction" as used in Article XIII shall mean restoring the damaged or destroyed improvements to substantially the same condition in which they existed prior to the damage or destruction. Such costs may also include professional fees and premiums for such bonds as the Executive Board or the Insurance Trustee, if any, determines to be necessary.





Section 13.3 Repair and Reconstruction. As soon as practical after the damage occurs and any required estimates have been obtained, the Association shall diligently pursue to completion the repair and reconstruction of the damaged or destroyed Association-Insured Property. As attorney-in-fact for the Owners, the Association may take any and all necessary or appropriate action to effect repair and reconstruction of any damage to the Association-Insured Property, and no consent or other action by any Owner shall be necessary. Any repair and reconstruction of damaged or destroyed Roads shall, at a minimum, meet all standards approved by Garfield County for The Rose Ranch project. Assessments of the Association shall not be abated during the period of insurance adjustments and repair and reconstruction.

Section 13.4 Funds for Repair and Reconstruction. The proceeds received by the Association from any hazard insurance carried by the Association shall be used for the purpose of repair, replacement, and reconstruction of the Association-Insured Property. If the proceeds of the Association's insurance are insufficient to pay the estimated or actual cost of such repair, replacement, or reconstruction, or if upon completion of such work the insurance proceeds for the payment of such work are insufficient, the Association may, pursuant to Article XI, Section 11.6. but subject to applicable law, levy, assess, and collect in advance from the Owners, without the necessity of a special vote of the Owners, a Special Assessment sufficient to provide funds to pay such estimated or actual costs of repair and reconstruction. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair, replacement or reconstruction.

Section 13.5 Disbursement of Funds for Repair and Reconstruction. The insurance proceeds held by the Association and the amounts received from the Special Assessments provided for above constitute a fund for the payment of the costs of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for the costs of repair and reconstruction shall be made from insurance proceeds, and the balance from the Special Assessments. If there is a balance remaining after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Owners in proportion to the contributions each Owner made as Special Assessments, then in equal shares per Lot, first to the Mortgagees and then to the Owners, as their interests appear or, in the reasonable discretion of the Executive Board, the balance may be paid to any maintenance over working capital reserves maintained by the Executive Board.

Section 13.6 Decision Not to Rebuild Common Area. If Owners representing at least 67% of the total allocated votes in the Association (other than Declarant) and 51% of the Mortgagees holding First Mortgages (based on 1.0 vote for each Mortgage which encumbers a Lot) and all directly adversely affected Owners agree in writing not to repair and reconstruct improvements within the Common Area and if no alternative improvements are authorized, then and in that event the damaged property shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition. In the event such a written agreement not to repair or reconstruct is made regarding any Road, such decision must

additionally receive the written consent of the Board of County Commissioners, Garfield County, Colorado. Any remaining insurance proceeds shall be distributed in accordance with the Act.

#### ARTICLE XIV CONDEMNATION

Section 14.1 Rights of Owners. Whenever all or any part of the Common Area shall be taken by any authority having power of condemnation or eminent domain or whenever all or any part of the Common Area is conveyed in lieu of a taking under threat of condemnation by the Executive Board acting as attorney-in-fact for all Owners under instructions from any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice of the taking or conveying. The Association shall act as attorney-in-fact for all Owners in the proceedings incident to the condemnation proceeding, unless otherwise prohibited by law.

Section 14.2 Partial Condemnation; Distribution of Award; Reconstruction. The award made for such taking shall be payable to the Association as trustee for those Owners for whom use of the Common Area was conveyed and, unless otherwise required under the Act, the award shall be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within sixty days after such taking Declarant and the Owners who represent at least 67% of the votes of all of the Owners shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available for such restoration or replacement in accordance with plans approved by the Executive Board and the Design Review Board. If such improvements are to be repaired or restored, the provisions in Article XIII above regarding the disbursement of funds with respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be distributed in equal shares per Lot among the Owners, first to the Mortgagees and then to the Owners, as their interests appear.

Section 14.3 Complete Condemnation. If all of the Property is taken, condemned, or sold, or otherwise disposed of in lieu of or in avoidance of condemnation, then the regime created by this Declaration shall terminate, and the portion of the condemnation award attributable to the Common Area shall be distributed as provided in Article XIII, Section 13.5, above.

#### ARTICLE XV EXPANSION, SUBDIVISION AND WITHDRAWAL

Section 15.1 Reservation of Expansion and Withdrawal Rights.

A. Declarant reserves the right for itself and any Successor Declarant at any time and from time to time, to add the Annexable Property to the Property. In accordance with the foregoing, each Owner of a Lot hereunder hereby grants to Declarant and any Successor Declarant, the right to add the Annexable Property to the Property and to modify such Owner's rights in and to the Common Area and Association, as more particularly set forth in Section 15.4. Notwithstanding the foregoing, Declarant is authorized to convey portions of the Annexable Property prior to its addition, to such third party or parties as it may deem appropriate, whether for purposes consistent with this declaration or otherwise.

B. Declarant reserves the right to add additional, unspecified real estate to the Property to the fullest extent permitted by the Act.

C. Declarant reserves the right to subdivide any Lot into two or more Lots, and to create duplexes or multi-family facilities on any Lot either pursuant to re-subdivision, the subjection of such duplexes or multi-family units to a common interest ownership regime or other lawful means.

D. To the maximum extent permitted by the Act, Declarant reserves the right for itself and any Successor Declarant any time and from time to time to withdraw from the provisions of this Declaration any real property subject to this Declaration or subjected to this Declaration by a duly recorded Supplemental Declaration, and, if necessary, Supplemental Plat prior to the time of a sale of a Lot within that phase of the Property as described in this Declaration or in said Supplemental Declaration and, if necessary, Supplemental Plat.

E. The new Lots shall be subject to all of the terms and conditions of this Declaration and of any Supplemental Declaration, upon placing the Supplemental Declaration and, if necessary, the Supplemental Plat(s) of public record in the real estate records of Garfield County, Colorado.

Section 15.2 Supplemental Declarations and Supplemental Plats. Such expansion may be accomplished by the filing for record by Declarant in the Office of the Clerk and Recorder for Garfield County, Colorado, of one or more Supplemental Declarations and, if the real property being subject to this Declaration by such Supplemental Declaration has not been previously platted in a plat recorded in the Office of the Clerk and Recorder for Garfield County, Colorado, of a Supplemental Plat depicting such real property recorded concurrently with the applicable Supplemental Declaration. The Supplemental Declaration shall set forth the Lots and other real property, if any, to be included in the expansion, together with any covenants, conditions, restrictions and easements particular to such property. The expansion may be accomplished in stages by successive supplements or in one supplemental expansion. Declarant may exercise such rights for expansion in whatever order of development Declarant in its sole discretion determines. Declarant shall not be obligated to expand the real property subject to this Declaration.

Section 15.3 Expansion of Definitions. In the event of such expansion, resubdivision or creation of condominium, duplex, town home or other multi-family units, the definitions used in this Declaration shall be expanded automatically to encompass and refer to the Property subject to this Declaration as so expanded, resubdivided or created in condominiums, duplexes, town homes or multi-family units. For example, "Lot" shall mean the Lots as shown on the Plat plus any additional Lots added by a Supplemental Declaration and, if necessary, Supplemental Plat or Plats (but avoiding duplication such that if three town homes were created from one Lot, then there would be a net two additional Lots), and reference to this Declaration shall mean this Declaration as supplemented. All conveyances of Lots shall be effective to transfer rights in the Property as expanded.

Section 15.4 Effect of Expansion.

A. Upon the inclusion of additional Lots under this Declaration by the filing of a Supplemental Declaration(s) and, if necessary Supplemental Plat(s) thereof, the Sharing Ratio applicable to a Lot shall automatically be reduced to a fraction, the numerator of which shall be one (1) and the denominator of which shall be equal to the aggregate number of Lots then subject to this Declaration. Such reduction in the Sharing Ratio appurtenant to a Lot shall be reflected and set forth in the Supplemental Declaration.

B. Notwithstanding any inclusion of additional Lots under this Declaration, each Owner shall remain fully liable with respect to its obligation for the payment of the Common Expenses of the Association, including the expenses for such new Common Area, costs and fees, if any. The recording of a Supplemental Declaration or Supplemental Plat shall not alter the amount of the Common Expenses assessed to a Lot prior to such recording.

Section 15.5 Termination of Expansion and Development Rights. The rights reserved to the Declarant for itself, its successors and assigns for the expansion and development pursuant to Section 15.1 ("Expansion and Development Rights") shall expire twenty (20) years from the date of recording this Declaration, unless terminated earlier pursuant to the terms and provisions of the Act, or unless the Expansion and Development Rights are (i) extended as allowed by law or (ii) reinstated or extended by the Association, subject to whatever terms, conditions, and limitations the Executive Board may impose on the subsequent exercise of the Expansion and Development Rights by Declarant.

ARTICLE XVI  
DESIGN GUIDELINES AND REVIEW BOARD

Section 16.1 Design Review Board and Guidelines. There is hereby established a Design Review Board (the "Design Review Board"), which will be responsible for the establishment and administration of Design Guidelines to facilitate the purpose and intent of this Declaration.

Section 16.2 Purpose and General Authority. The Design Review Board will review, study and either approve or reject proposed improvements on the Property, all in compliance with this Declaration and as further set forth in the Design Guidelines and such rules and regulations as the Design Review Board may establish from time to time to govern its proceedings. No improvement will be erected, placed, reconstructed, replaced, repaired or otherwise altered, nor will any construction, repair or reconstruction be commenced until plans for the improvements shall have been approved by the Design Review Board; provided, however, that improvements that are completely within a dwelling structure may be undertaken without such approval.

Section 16.3 Board Discretion. The Design Review Board will exercise its reasonable judgment to see that all improvements conform and harmonize with any existing structures as to external design, quality and type of construction, seals, materials, color, location on the building site, height, grade and finished ground elevation, landscaping, and the schemes and aesthetic considerations set forth in the Design Guidelines and other Association Documents. The Design Review Board, in its sole discretion, may excuse compliance with such requirements as are not necessary or appropriate in specific situations and may permit compliance with different or alternative requirements. The approval by the Design Review Board of improvements on the Property shall carry no precedential weight when reviewing subsequent requests for approvals, and the Design Review Board shall not be required to approve requests for the same or similar improvements.

Section 16.4 Design Guidelines. The Design Guidelines may include, among other things, at the sole discretion of the Design Review Board, the restrictions and limitations set forth below:

- (i) Procedures and necessary fees for making application to the Design Review Board for design review approval, including the documents to be submitted and the time limits in which the Design Review Board must act to approve or disapprove any submission.
- (ii) Time limitations for the completion, within specified periods after approval, of the improvements for which approval is required under the Design Guidelines.
- (iii) Designation of the building site on a Lot and establishing the maximum developable areas of the Lot.
- (iv) Minimum and maximum square foot areas of living space that may be developed on any Lot;
- (v) Landscaping regulations, with limitations and restrictions prohibiting the removal or requiring the replacement of existing trees, the type and use of plants, and other practices benefitting the protection of the environment, conservation of water, aesthetics and architectural harmony of The Rose Ranch.

(vi) General instructions for the construction, reconstruction, refinishing or alteration of any improvement, including any plan to excavate, fill or make any other temporary or permanent change in the natural or existing surface contour or drainage or any installation or utility lines or conduits on the Property, addressing matters such as loading areas, waste storage, trash removal, equipment and materials storage, grading, transformers and meters.

The Design Review Board may amend, repeal and augment the Design Guidelines from time to time, in the Design Review Board's sole discretion. The Design Guidelines will be binding on all Owners and other persons governed by this Declaration. Notwithstanding the foregoing, the Design Review Board is empowered in its discretion to grant variances from the requirements of the Design Guidelines under unique or unusual circumstances.

Section 16.5 Design Review Board Membership. The Design Review Board will be composed of not less than three (3) persons nor more than five (5) persons. The Design Review Board need not include any Member of the Association. All of the members of the Design Review Board will be appointed, removed and replaced by Declarant, in its sole discretion, until all the Lots comprising the Property are sold unless required otherwise by the Act, or such earlier time as Declarant may elect to voluntarily waive this right by notice to the Association, and at that time the Executive Board will succeed to Declarant's right to appoint, remove or replace the members of the Design Review Board.

Section 16.6 Organization and Operation of Design Review Board.

A. The term of office of each member of the Design Review Board, subject to Section 16.5, will be one year, commencing January 1 of each year, and continuing until his successor shall have been appointed. Should a Design Review Board member die, retire or become incapacitated, or in the event of a temporary absence of a member, a successor may be appointed as provided below.

B. So long as Declarant appoints the Design Review Board, Declarant will appoint the chairman. At such time as the Design Review Board is appointed by the Executive Board, the chairman will be elected annually from among the members of the Design Review Board by a majority vote of such members. In the absence of a chairman, the party responsible for appointing or electing the chairman may appoint or elect a successor, or if the absence is temporary, an interim chairman.

C. The Design Review Board chairman will take charge of and conduct all meetings and will provide reasonable notice to each member of the Design Review Board prior to any meeting. The notice will set forth the time and place of the meeting, and notice may be waived by any member.

D. The affirmative vote of majority of the members of the Design Review Board will govern its actions and be the act of the Design Review Board.

E. The Design Review Board may avail itself of other technical and professional advice and consultants as it deems appropriate, and the Design Review Board may delegate its plan review responsibilities, except final review and approval, to one or more of its members or to consultants retained by the Design Review Board. Upon that delegation, the approval or disapproval of plans and specifications by such member or consultant will be equivalent to approval or disapproval by the entire Design Review Board.

Section 16.7 Expenses. Except as provided in this Section below, all expenses of the Design Review Board will be paid by the Association and will constitute a Common Expense. The Design Review Board will have the right to charge a fee for each application submitted to it for review, in an amount which may be established by the Design Review Board from time to time, and such fees will be collected by the Design Review Board and remitted to the Association to help defray the expenses of the Design Review Board's operation. Further, the Design Review Board may retain the services of a third party consultant to assist the Design Review Board in reviewing a particular application. In such event, the Design Review Board may charge the applicant for the professional fees incurred in retaining such consultant.

Section 16.8 Other Requirements. Compliance with the Association's design review process is not a substitute for compliance with County of Garfield building, zoning and subdivision regulations, and each Owner is responsible for obtaining all approvals, licenses, and permits as may be required prior to commencing construction. Further, the establishment of the Design Review Board and procedures for architectural review will not be construed as changing any rights or restrictions upon Owners to maintain and repair their Lots and improvements as otherwise required under the Association Documents.

Section 16.9 Limitation of Liability. Neither the Design Review Board nor any individual Design Review Board member will be liable to any person for any official act of the Design Review Board in connection with submitted plans and specifications, except to the extent the Design Review Board or any individual Design Review Board member acted with malice or wilful wrongful intent. Approval by the Design Review board does not necessarily assure approval by the appropriate governmental or commission for the County of Garfield. Notwithstanding that the Design Review Board has approved plans and specifications, neither the Design Review Board nor any of its members will be responsible or liable to any Owner, developer or contractor with respect to any loss, liability, claim or expense which may arise by reason or such approval of the construction of the improvements. Neither the Executive Board, the Design Review Board, nor any agent thereof, nor Declarant, nor any of its partners, employees, agents or consultants will be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the provisions of the Association Documents, nor for any structural or other defects in any work done according to such plans and specifications. In all events the Design Review Board will be defended and indemnified by the Association in any such suit or proceeding which may arise by reason of the Design Review Board's decisions. The Association, however, will not be obligated to indemnify each member of the Design Review Board to the extent that any such member of the Design Review

Board is adjudged to be liable for malice or wilful wrongful intent in the performance of his duty as a member of the Design Review Board, unless and then only to the extent that the court in which such action or suit may be brought determines upon application that, despite the adjudication or liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expense as such court shall deem proper.

Section 16.10 Enforcement.

A. Any member or authorized consultant of the Design Review Board, or any authorized officer, Director, employee or agent of the Association may enter upon any Lot at any reasonable time after notice to the Owner, without being deemed guilty of trespass, in order to inspect improvements constructed or under construction on the Lot to determine whether the improvements have been or are being built in compliance with the Association Documents and the plans and specifications approved by the Design Review Board.

B. Before any improvements on a Lot may be occupied, the Owner of the Lot will be required to obtain a temporary certificate of compliance issued by the Design Review Board indicating substantial completion of the improvements in accordance with the plans and specifications approved by the Design Review Board, and imposing such conditions for issuance of a final certificate of compliance issued by the Design Review Board as the Design Review Board may determine appropriate in its reasonable discretion. Without limiting the generality of the preceding sentence, the Design Review Board may require that the Owner deposit with the board such sums as may be necessary to complete the construction and landscaping on the Lot by a specified date. If the construction and landscaping is not completed as scheduled, the Design Review Board may apply the deposit to cover the cost of completing the work and enforce such other remedies as are available to the Association for the failure of the Owner to comply with these covenants, including, without limitation, the remedies set forth in this Section.

C. Upon completion of construction, the Design Review Board will issue an acknowledged certificate of compliance setting forth generally whether, to the best of the Design Review Board's knowledge, the improvements on a particular Lot are in compliance with the terms and conditions of the Design Guidelines.

D. Every violation of these covenants is hereby declared to be and to constitute a nuisance, and every public or private remedy allowed for such violation by law or equity against a Member will be applicable. Without limiting the generality of the foregoing, these covenants may be enforced as provided below:

(i) The Design Review Board may adopt a schedule of fines for failure to abide by the Design Review Board rules and the Design Guidelines, including fines for failure to obtain any required approval from the Design Review Board.



(ii) The Association, upon request of the Design Review Board and after reasonable notice to the offender and, if different, to the Owner, may enter upon any Lot at any reasonable time after notice to the Owner, without being deemed guilty of trespass, and remove any improvement constructed, reconstructed, refinished, altered or maintained in violation of these covenants. The Owner of the improvement will immediately reimburse the Association for all expenses incurred in connection with such removal. If the Owner fails to reimburse the Association within thirty (30) days after the Association gives the Owner notice of the expenses, the sum owed to the Association will bear interest at the default rate from the date of the advance by the Association through the date of reimbursement in full, and all such sums and interest will be a Default Assessment enforceable as provided in Article XI.

(iii) All improvements commenced on the Property will be prosecuted diligently to completion and will be completed within one (1) year after commencement, unless an exception is granted in writing by the Design Review Board. If an improvement is commenced and construction is then abandoned for more than ninety (90) days, or if construction is not completed within the required one (1) year period, then after notice and opportunity for hearing as provided in the Bylaws, the Association may impose a fine of \$1,000 per day (or such other reasonable amount as the Association may set) to be charged against the Owner of the Lot until construction is resumed, or the improvement is completed, as applicable, unless the Owner can prove to the satisfaction of the Executive Board that such abandonment is for circumstances beyond the Owner's control. Such charges will be a Default Assessment and lien as provided in Article XI.

Section 16.11 Binding Effect. The actions of the Design Review Board in the exercise of its discretion by its approval or disapproval of plans and other information submitted to it or with respect to any other matter before it will be conclusive and binding on all interested parties.

## ARTICLE XVII PROPERTY USE RESTRICTIONS

Section 17.1 General Restriction. Subject to Declarant's rights under this Declaration, the Property will not be used for any purpose other than as set forth in these covenants, as permitted by any applicable ordinances of the County of Garfield and the laws of the State of Colorado and the United States, and as set forth in the Association Documents or other specific recorded covenants affecting all or any part of the Property.

A. Use of Lots. Subject to Section 17.5, which permits certain business uses of a Lot, and Section 3.5.F, which permits model residences and offices under certain circumstances, each Lot may be used only for residential purposes in accordance with the restrictions applicable to a particular Lot set forth in this Declaration, the Plat, P.U.D. Resolutions of Approval and P.U.D. Map. No business or commercial building may be erected on any Lot and, except as noted above, no business or commercial enterprise or other non-residential use may be conducted on any part of a Lot.

B. Excavation. No excavation will be made except in connection with improvements approved as provided in these covenants. For purposes of this Section, "excavation" means any disturbance of the surface of the land which results in a removal of earth, rock, trees, or other substance a depth of more than eighteen (18) inches below the natural surface of the land.

C. Water and Sanitation. Each structure designed for occupancy shall connect with the sanitation facilities made available by the Roaring Fork Water and Sanitation District and the domestic and irrigation facilities made available by the Association and/or other approved utility provider.

D. Wells/Drilling. No well from which water, oil or gas is produced will be dug, nor will storage tanks, reservoirs, or any installation of power, telephone or other utility lines (wire, pipe or conduit) be made or operated anywhere on the Property except in connection with water wells and works operated by public agencies or duly certified public utility companies; provided, however, that the foregoing will not prevent the drilling of or installation of additional water wells by Declarant or its assigns. The drilling or excavation for minerals shall not be permitted on the Property

E. Antennae. No exterior radio, television, microwave or other antennae or antennae dish or signal capture and distribution device will be permitted without the prior written consent of the Design Review Board, and appropriate screening.

F. Signs. No signs of any kind will be displayed to the public view on or from any portion of the Property except signs of Declarant or its affiliates, assigns or designees established during the period of Declarant control of the Executive Board (including, without limitation, certain informational, directional and multi-family project signs) or signs required by law or signs approved by the Design Review Board. No "For Sale" or "For Rent" sign may be posted on any Lot, except for standard "for sale" or "for rent" signs that do not exceed four square feet.

G. Animals and Pets. No animals, livestock, or poultry of any kind will be kept, raised, or bred on any portion of the Property, except dogs (subject to the limitations in Section XVIII herein), cats or other household pets (the kind and number of which may be regulated, permitted or prohibited from time to time by the Association Rules).

H. Containment. Household pets, such as dogs and cats, may not be permitted to run at large at any time. Those pets which, in the sole discretion of the Executive Board, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants or other Lots or wildlife shall be removed upon request of the Executive Board. If the pet owner fails to honor such request, the Executive Board may remove the pet.

I. Drainage. No Owner will do or permit any work, place any landscaping or install any other improvements or suffer the existence of any condition whatsoever which will alter

or interfere with the drainage pattern for the Property, except to the extent such alteration and drainage pattern is approved in writing by the Design Review Board or the Executive Board, and except for rights reserved to Declarant to alter or change drainage patterns.

J. Construction Regulations of the Design Guidelines. All Owners and contractors will comply with the portions of the Design Guidelines regulating construction activities. Such regulations may affect, without limitation, the following: trash and debris removal; sanitary facilities; parking areas; outside storage; restoration of damaged property; conduct and behavior of builders, subcontractors and Owners' representatives on the Property at any time; the conservation of landscape materials; and fire protection.

K. Blasting. If any blasting is to occur, the Design Review Board and Declarant will be informed far enough in advance to allow them to make such investigation as they deem necessary to confirm that appropriate protective measures have been taken prior to the blasting. No blasting shall occur without such prior written approval. Notwithstanding the foregoing, no approval of any blasting by Declarant of the Design Review Board will in any way release the person conducting the blasting from all liability in connection with the blasting, nor will such approval in any way be deemed to make Declarant or the Design Review Board liable for any damage which may occur from blasting, and the person doing the blasting will defend and hold harmless and hereby indemnifies Declarant and the Design Review Board from any such expense or liability. Declarant or the Design Review Board may impose any reasonable conditions and restrictions, including time and date restrictions, on all blasting.

L. Temporary Structures. No temporary structures will be permitted except as may be determined to be necessary during construction and as specifically authorized by the Design Review Board.

M. No Conversion. No Owner shall construct or convert any carport, garage, attic or other unfinished space, other than a basement, to finished space for use as an apartment or other integral part of the living area on any residence without approval of the Design Review Board, the Association and the Garfield County Building Department.

N. No Outside Clotheslines. No laundry or wash will be dried or hung outside on the Property.

O. Motorized Vehicles. No trucks, trail bikes, recreational vehicles, motor homes, motor coaches, snowmobiles, campers, trailer, boats or boat trailers or similar vehicles, other than passenger automobiles or pickup or utility trucks with a capacity of one-half ton or less, or any other motorized vehicles will be parked, stored or in any manner kept or placed on any portion of the Property except in an enclosed garage. This restriction, however, will not be deemed to prohibit commercial and construction vehicles and construction mobile offices, in the ordinary course of business, from making deliveries or otherwise providing services to the Property or for Declarant or the other Owners.

P. Parking and Auto Repair. No automobiles or other vehicles will be parked in any street or upon any portion of the Property, except within garages, carports or designated parking areas, except as provided herein. No work on automobiles or other vehicle repair will be performed in any visible or exposed portion of the Property except in emergencies.

Q. Abandoned, Inoperable, or Oversized Vehicles. No abandoned or inoperable vehicles of any kind will be stored or parked on any portion of the Property, other than within enclosed garages, except as provided below. "Abandoned or inoperable vehicle" is defined as any vehicle which has not been driven under its own propulsion for a period of three weeks or longer; provided, however, this will not include vehicles parked by Owners while on vacation or residing away from the Property. A written notice describing the "abandoned or inoperable vehicle" and requesting its removal may be personally served upon the Owner or posted on the unused vehicle. If such vehicle has not been removed within seventy-two (72) hours after notice has been given, the Association will have the right to remove the vehicle without liability, and the expense of removal will be a Default Assessment charged against the Owner as provided in Section XI. All unsightly or oversized vehicles, snow removal equipment, garden maintenance equipment, and all other unsightly equipment and machinery may be required by Declarant or the Executive Board to be stored at a designated location or locations. "Oversized" vehicles, for purposes of this Section, will be vehicles which are too high to clear the entrance to a residential garage.

R. Outside Burning. There will be no exterior fires, except barbecues and braziers and incinerator fires contained within facilities or receptacles and in areas designated and approved by the Design Review Board. No Owner will permit any condition upon its portion of the Property which creates a fire hazard or is in violation of fire prevention regulations. No Owner shall permit any fireworks, except as permitted by the rules of the Association and in compliance with applicable law.

S. Noise. No exterior horns, whistles, bells or other sound devices except security devices used exclusively to protect the security of the Property or improvements, will be placed or used on any portion of the Property.

T. Lighting. All exterior lighting of the improvements and grounds on the Property, or interior lighting visible outside of any building, will be subject to regulation by the Design Review Board.

U. Obstructions. There will be no obstruction of any walkways or bike paths or interference with the free use of those walkways and paths except as may be reasonably required in connection with repairs. The Owners, their families, tenants, guests and invitees are granted non-exclusive easements to use the walkways and paths within the Property. That use will be subject to the Association rules adopted by the Executive Board from time to time.

V. Trail Restrictions. Any trail easements shown on the Plat, as contrasted to Roads, are restricted to hiking, cross-country skiing, snowshoeing and mountain biking. No motorized vehicles are permitted on the trail easements, provided, however, the right to use golf carts upon the trail easements depicted upon the Plat as "Golf Easements" shall be permitted so long as the golf cart is used for transportation to or from the Golf Course or during the normal course of play of golf upon the Golf Course.

W. Fence Restriction. No fence, wall, hedge or mass planting shall be constructed or permitted without the express written approval of the Design Review Board.

X. Camping and Picnicking. No camping or picnicking will be allowed within the Property except in those areas designated for those purposes. The Executive Board, in its discretion, may ban or permit public assemblies and rallies within the Property.

Y. House Numbers. Each dwelling unit will have a house number with a design and location established by the Design Review Board.

Z. Nuisance. No obnoxious or offensive activity will be carried on within the Property, nor will anything be done or permitted which will constitute a public nuisance. No noise or other nuisance will be permitted to exist or operate upon the Property so as to be offensive or detrimental to any other part of the Property or its occupants.

AA. Hazardous Material. No hazardous or toxic materials (as defined under any local, state or Federal law, regulation or ordinance) will be stored, generated, emitted from, released from, transported to or from, disposed of or used on the Property, except for normal household purposes in such quantities as do not violate environmental laws.

BB. Water Use. Lawn and garden irrigation from the Association's domestic water system shall be limited per Lot to no more than ten thousand (10,000) square feet.

CC. Sewage Disposal. No sewage disposal system, sanitary system, cesspool or septic tank shall be constructed, altered or allowed to remain or to be used on any Lot except as provided herein. All Lots within the Property shall be connected to a central sewage disposal system operated and maintained by Roaring Fork Water and Sanitation District or such other water and sanitation district or governmental or quasi-governmental agency providing sewage disposal services to the Property. Any sewage disposal system installed for Property within the Property shall be subject to applicable laws, rules and regulations of any governmental authority having jurisdiction.

DD. Wetlands. No improvement shall be constructed within 25 feet of any Wetlands boundary as depicted upon the Plat, and no residence shall be constructed outside the boundaries of the building envelope existing upon certain Lots as depicted upon the Plat.

EE. Tanks. No elevated tanks of any kind shall be erected, placed, or permitted upon any Lot.

FF. General Practices Prohibited. The following practices are prohibited at the Property:

- (i) Allowing construction suppliers and contractors to clean their equipment other than at a location designated for that purpose by the Design Review Board;
- (ii) Removing any rock, plant material, top soil or similar items from any property of others;
- (iii) Carrying firearms on the Property;
- (iv) Use of surface water for construction;
- (v) Careless disposition of cigarettes and other flammable materials;
- (vi) Capturing, trapping or killing of wildlife within the Property, except in circumstances posing an imminent threat to the safety of persons using the Property; or
- (vii) Any activity which materially disturbs, threatens or destroys the vegetation, wildlife, wetlands, or air or water quality within the Property or which use excessive amounts of water or which result in unreasonable levels of sound or light pollution.

Section 17.2 Use of Property During Construction. It will be expressly permissible and proper for any Owner acting with the prior written consent of the Design Review Board and for Declarant, and their respective employees, agents, independent contractors, successors, and assigns involved in the construction of improvements on, or the providing of utility service to, the Property, the Golf Course, or other real property owned by Declarant, to perform such activities and to maintain upon portions of the Common Area as they deem necessary such facilities as may be reasonably required, convenient, necessary or incidental to such construction and development of the Property. This permission specifically includes, without limiting the generality of the foregoing, maintaining storage areas, construction yards, model residences, sales offices, management offices and equipment and signs. However, no activity by any Owner will be performed and no facility will be maintained on any portion of the Property in such a way as to unreasonably interfere with the use, enjoyment or access of such Owner or his tenants or guests of and to his Lot. If any Owner's use under this provision is deemed objectionable by the Design Review Board, then the Design Review Board, in its sole discretion, may withdraw this permission.

Section 17.3 Partition or Combination of Lots. No part of a Lot may be partitioned or separated from any other part thereof. No Lots may be combined, but the Owner of two or more contiguous Lots may build one single family dwelling unit on the contiguous Lots, upon complying

with all applicable requirements of the County of Garfield, and with all applicable Design guidelines, including, without limitation, procedures for adjusting building sites otherwise drawn for the Lots to accommodate a larger dwelling unit, minimum and maximum limitations of living area that may be constructed on any given number of contiguous Lots, and measures necessary to preserve any easements reserved with respect to the contiguous Lots.

The fact that two or more contiguous Lots may be owned by one person and developed with one single family dwelling unit will not affect the number of votes or the amount of Assessments allocated to the Lots. If the Owner is required by the County of Garfield or any other governmental authority or by a Mortgagee to replat the Lots in order to construct improvements on the Lots, the number of votes and the allocation of Assessments to the Lots after replatting will equal the sum of the votes and Assessments allocated to the Lots before replatting. Each Lot will be conveyed, transferred, gifted, devised, bequeathed, encumbered or otherwise disposed of, as the case may be, with all appurtenant rights and interests created by law or by this Declaration, including the Owner's membership in the Association and the right to use the Common Area, and with the appropriate allocation of voting rights and liability for Assessments established for the Lot as provided in this Declaration.

Section 17.4 Leasing. The Owner of a Lot will have the right to lease his Lot, subject to the following conditions:

(viii) All leases will be in writing.

(ix) The lease shall be specifically subject to the Association Documents, and any failure of a tenant to comply with the Association Documents will be a default under the lease, enforceable by the Association.

(x) The Owner shall be liable for any violation of the Association Documents committed by the Owner's tenant, without prejudice to the Owner's right to collect any sums by the Owner on behalf of the tenant.

Section 17.5 Businesses. No Owner shall conduct any business, trade, garage sale, moving sale, rummage sale or similar activity on any Lot, except that an Owner or occupant residing on a Lot may conduct business activities within the residence so long as: (a) the existence or operation of the business activity is undetectable to the senses of sight, sound or smell from outside the residence; (b) the business activity conforms to all zoning requirements for the Property; (c) the business activity may be carried out within the confines of the residence and is free from regular visitation of the residence by clients, customers, suppliers or other business invitees or door-to-door solicitation of residents of the Property; and (d) the business activity is consistent with the residential character of the Property; or such business activity satisfies the definition of home-based day care contained within the zone district text for the Rose Ranch P.U.D.

This subsection shall not apply to any activity conducted by the Declarant or a builder approved by the Declarant with respect to the development and sale of the Property, or the Declarant's use of any Lot.

Section 17.6 Compliance with Laws. Subject to the rights of reasonable contest, each Owner will promptly comply with the provisions of all applicable laws, regulations, ordinances, and other governmental or quasi-governmental regulations with respect to all or any portion of the Property. Each owner will abide by any wildlife regulations imposed by the Association or any agency or authority having jurisdiction over the Property.

Section 17.7 Enforcement. Notwithstanding anything in the foregoing to the contrary, the Executive Board may prohibit any activity, business or otherwise, which, in the sole direction of the Executive Board, constitutes a nuisance, or a hazardous or offensive use, or threatens the security, safety, or quiet enjoyment of other residents of the Property. The Association may take such action as it deems advisable to enforce these covenants as provided in this Declaration. In addition, the Association will have a right of entry on any part of the Property for purposes of enforcing these Articles, and any costs incurred by the Association in connection with such enforcement which remain unpaid thirty (30) days after the Association has given notice of the cost to the Owner and otherwise complied with Act will be subject to interest at the default rate from the date of the advance by the Association through the date of payment in full by the Owner, and will be treated as a Default Assessment enforceable as provided in Article XI.

Section 17.8 Use of the Words "The Rose Ranch" or Logo. No Person shall use the words "The Rose Ranch" or any derivative thereof, or any other name given to the Property by the Declarant, or the logo of the development in any printed or promotional material without Declarant's prior written consent. However, Owners may use the term "The Rose Ranch" in printed or promotional matter where such term is used solely to specify that particular property is located within The Rose Ranch and the Association shall each be entitled to use the word "The Rose Ranch" in its name.

Section 17.9 Agreements with Adjacent Property Owners. The owners of some or all of the nonresidential properties adjacent to the Property may be obligated to share in certain costs associated with the maintenance, repair, replacement and insurance of portions of the Common Area, if any, which are used by or benefit jointly the owners of such nonresidential properties and the Owners within the Property, by agreement, contract or covenant to share costs. The owners of the nonresidential properties shall not be subject to the restrictions contained in this Declaration except as otherwise specifically provided herein.

## ARTICLE XVIII ADDITIONAL RESTRICTIONS FOR WILDLIFE PROTECTION



Section 18.1 Wildlife Restrictions. In order to preserve, protect and promote the well being of The Rose Ranch's existing wildlife, the use of the Property, and each Lot thereon, and the rights and easements of enjoyment in and to the Common Areas created hereunder are restricted as follows:

A. Access to, entry upon and/or use of that portion of Property identified and depicted upon the Plat as the Blue Heron Conservation Easement is expressly subject to and shall be governed by all the terms, conditions and restrictions set forth in the Grant of Conservation Easement executed by Roaring Fork Investments, LLC and the Roaring Fork Conservancy on 13-SEP, ~~1999~~ and filed for record in the Office of the Clerk and Recorder for Garfield County at Book 1706, Page 742 and Reception No. A on 11-SEP, 1900.  
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B. Access to or entry upon that portion of the Property lying west of County Road 109 ("Western Parcel") shall be closed to the public and to Members from December 1<sup>st</sup> through March 31<sup>st</sup> each year; provided, however, Declarant reserves unto itself, its agents, successors and assigns the right to use any portion of such property for the purpose of maintaining the Golf Course.

C. Access to or entry upon that portion of the Western Parcel identified and depicted upon the Plat as the Golden Eagle Protection Zone shall be closed to the public and Members from March 15<sup>th</sup> to July 1<sup>st</sup> each year.

D. The Association shall be responsible for the continued maintenance and care of the Wildlife Improvements constructed and installed on the Property by the Declarant identified below:

(i) the educational signs installed at the Primary Overlook, identified and described on the Plat, regarding golden eagle nesting;

(ii) the habitat improvement measures constructed and identified in the report titled, RECOMMENDATIONS FOR IMPROVING BIG GAME HABITAT ON THE ROSE RANCH DEVELOPMENT WEST OF COUNTY ROAD 109, prepared by Beattie Natural Resources Consulting, Inc. on October 22, 1998, as the same may be further amended or altered by the Declarant with the approval of the Colorado Division of Wildlife;

(iii) the vegetative screening installed along the east boundaries of Lots 70-80 and 108-118 to screen home sites and backyard activities located therein from the Blue Heron rookery;

(iv) the vegetative screening installed along the north boundary of the Teller Springs Buffer, identified and depicted on the Plat; and

(v) the artificial nesting platform(s) installed within the Blue Heron Conservation Easement.



E. All areas identified and depicted upon the Plat as Riparian Areas shall be preserved in their present natural character and condition to as great a degree as possible and no activity shall be permitted thereon which shall modify or alter their existing character and condition.

F. No tree or vegetation removal shall be permitted within the Riparian Areas except as may be necessary, in the determination of the Association, to remove a dangerous condition or to control an invasive species.

G. The area identified and depicted on the Plat as the Teller Springs Buffer Zone shall be maintained in sage brush or other natural vegetation

H. Access to or entry upon that area identified and depicted on the Plat as the Blue Heron Protection Zone shall be closed to the general public and Members February 15<sup>th</sup> through July 15<sup>th</sup>.

I. No more than two (2) domestic animals shall be permitted to be kept upon any Lot. Lot Owners shall be entitled to keep dogs on their property pursuant to the following restrictions and limitations and subject to any additional rules and regulations which may be promulgated by the Association:

(i) No more than one dog, including puppies, shall be kept by any Lot Owner at any time upon any one (1) Lot.

(ii) Dogs shall be kept under the control of their Owners at all times and shall not be permitted to run free or to cause a nuisance in the Property. No dogs shall be allowed beyond the boundaries of the Lot owned by the person(s) where the dog is housed unless leashed and accompanied by a person in full control of such dog.

(iii) Dogs shall not be allowed to bark continuously, which shall be defined as barking for a continuous fifteen (15) minute period, including successive barks or a series of barks which repeat or resume following a brief or temporary cessation.

(iv) When not accompanied by a person, all dogs shall be leashed, chained, "electric fenced," or kenneled. The location of kennels shall be subject to review of the Design Review Board.

(v) All dogs shall be kept reasonably clean, and all Lots shall be free of refuse and animal waste.

(vi) Should any dog chase or molest deer, elk or any domestic animals or persons, or destroy or disturb property of another, the Association shall be authorized to prohibit the

Owner or any tenant, invitee, event, guest or other user of a Lot from continuing to maintain the offending animal on his property and may dispose of that animal, if necessary, to protect wildlife or other Owners, Persons or property. The offending dog owner shall be provided written notice of such action at least two (2) days before disposal occurs. Within such two (2) day period, the offending dog shall be kenneled at a licensed kennel. All charges associated with action taken by the Association may be assessed against either the Owner and/or the dog owner, or both, at the Association's sole option.

(vii) Notwithstanding the foregoing, no animal may be kept upon a Lot which, in the sole discretion and judgment of the Executive Board results in any annoyance or is obnoxious to Lot Owners within the Subdivision.

J. The Association and all Lot Owners are prohibited from chasing, scaring, disturbing, hazing, or other using any other form of harassment to coerce big game (deer and/or elk) off of the Golf Course or Common Area.

K. The Association and all Lot Owners hereby waive and shall hold the Colorado Division of Wildlife harmless from, any and all claims for damages to landscaping improvements or ornamental plants located on the Lots or Common Area resulting from the activities of big game (deer and/or elk).

L. The Association and the Lot Owners shall be responsible for the removal and proper disposal of all animal carcasses located upon the Common Area or Lots, as may be appropriate.

M. The Association shall assess and enforce penalties against Owners violating any of the wildlife restrictions set forth in this Section 18.1 as follows: One Hundred Dollars (\$100.00) for the first violation committed by an Owner; Two Hundred Dollars (\$200.00) for the second violation; Three Hundred Dollars (\$300.00) for the third violation; and for each succeeding violation the fine increases in One Hundred Dollar (\$100.00) increments. The dollar amounts of the fines may be changed upon the approval of the Executive Board.

N. The restrictions of this Section 18.1 shall be enforceable in perpetuity and shall not be amended or terminated by action of the Association, Owners or Declarant nor by any provision for termination of this Declaration. The restrictions of this Section 18.1 shall be enforceable in any and all manner provided in this Declaration by the Association, Owners, Declarant, Garfield County or any state or federal agency charged with the preservation of wildlife and wetlands areas. Any such enforcement action shall entitle the enforcing party to recovery of damages equal to the cost of restoration of the property, and such enforcing party shall be entitled to an award of reasonable attorney fees and costs of enforcement, including but not limited to court costs, expert witness fees, costs of depositions and exhibits.



ARTICLE XIX  
MORTGAGEE'S RIGHTS

The following provisions are for the benefit of holders, insurers, or guarantors of First Mortgages on Lots. To the extent applicable, necessary, or proper, the provisions of this Article XIX apply to this Declaration and also the Articles and Bylaws of the Association.

Section 19.1 Approval Requirements. Unless at least 51% of the Mortgagees holding First Mortgages against any portion of the Property (based on one vote for each Mortgage owned), and at least 67% of the Owners (other than Declarant) have given their prior written approval, the Association shall not be entitled to:

(i) By act or omission seek to abandon, partition, subdivide, sell, or transfer all or part of the Common Area (provided, however, that the granting of easements or rights of way for public utilities or for other public purposes consistent with the intended use of such Common Area shall not be deemed a transfer within the meaning of this clause);

(ii) Subject to the expansion rights of Declarant set forth in Article XV, change the method of determining the obligations, Assessments, dues, or other charges which may be levied against an Owner;

(iii) Fail to maintain insurance required to be maintained under this Declaration;

(iv) Use hazard insurance proceeds for losses to improvements in the Common Area for other than the repair, replacement, or reconstruction of such property.

The failure of a Mortgagee to object in writing to an amendment within thirty (30) days after receipt of request for approval shall be deemed an approval of such amendment.

Section 19.2 Title Taken by Mortgagee. Any Mortgagee holding a First Mortgage of record against a Lot who obtains title to the Lot pursuant to remedies exercised in enforcing the Mortgage, including foreclosure of the Mortgage or acceptance of a deed in lieu of foreclosure, will be liable for all Assessments assessed against such Lot, whether such Assessments were assessed prior to or after Mortgagee has taken title to such Lot.

Section 19.3 Distribution of Insurance or Condemnation Proceeds. In the event of a distribution by the Association of insurance proceeds or condemnation awards allocable among the Lots for losses to, or taking of, all or part of the Common Area, neither the Owner nor any other person shall take priority in receiving the distribution over the right of any Mortgagee who is a beneficiary of a First Mortgage against the Lot.



Section 19.4 Right to Pay Taxes and Charges. Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Area, and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such Common Area.

**ARTICLE XX  
DURATION OF COVENANTS AND AMENDMENT**

Section 20.1 Term. The covenants and restrictions of this Declaration shall run with and bind the land in perpetuity, subject to the termination provisions of the Act.

Section 20.2 Amendment. This Declaration, or any provision of it, may be amended at any time by Owners holding not less than 67% of the votes possible to be cast under this Declaration at a meeting of the Owners called for that purpose, except as limited by Article XIX. Any amendment must be executed by the President of the Association and recorded, and approval of such amendment may be shown by attaching a certificate of the Secretary of the Association to the recorded instrument certifying the approval of a sufficient number of Owners of the amendment. No amendment to the Declaration which affects the rights of Declarant reserved hereunder shall be valid without the written consent of Declarant. Notwithstanding the foregoing, Declarant, acting alone, reserves to itself the right and power to modify and amend this Declaration and/or the Plat to the fullest extent permitted under the Act. Further, the Executive Board may, pursuant to the provisions of the Act, petition the district court in which the Property is situated to amend this Declaration as provided in the Act.

Section 20.3 Revocation. This Declaration shall not be revoked, except as provided in Article XIV regarding total condemnation, without the consent of all of the Owners evidenced by a written instrument duly recorded.

**ARTICLE XXI  
SPECIAL DISTRICT**

The Association shall have the power, and is hereby authorized, to contract with and to cooperate with the Special District in order to ensure that their respective responsibilities are discharged. The Association is further authorized to act on behalf of its Members to ensure that the level of services provided by the Special District, if created, is consistent with the community-wide standard.

Each Owner, by acceptance of his or her deed or recorded contract of sale, is deemed to covenant and consent to the creation of the Special District and to executing a separate document so consenting to the creation of the Special District, if requested to do so by the Declarant.

ARTICLE XXII  
GENERAL PROVISIONS

Section 22.1 Declarant Powers.

A. Notwithstanding anything in this Declaration to the contrary, the Declarant hereby reserves the following special declarant rights to the fullest extent permitted by the Act: To complete improvements indicated on plats and maps filed with this Declaration or Supplemental Declaration; to exercise any development right (as defined in the Act); to maintain sales offices, management offices, signs advertising the Property and models; to use easements through the Common Areas for the purpose of making improvements within the Property or within real estate which may be added to and made subject to this Declaration; to make the Property subject to a master association; to merge or consolidate a common interest community of the same form of ownership; and to appoint or remove any officer of the Association or any Executive Board member during any period of Declarant control. All such special declarant rights shall, to the maximum extent permitted by law, be exercisable by Declarant for a period of twenty (20) years after the Declarant no longer controls the Executive Board.

B. Notwithstanding anything to the contrary herein, no rights or powers reserved to Declarant hereunder shall exceed the time limitations or permissible extent of such rights or powers as restricted under the Act. Any provision in this Declaration in conflict with the requirements of the Act shall not be deemed to invalidate such provision as a whole but shall be adjusted as is necessary to comply with the Act.

Section 22.2 Enforcement. Except as otherwise provided in this Declaration, the Executive Board, Declarant, or any Owner (provided the Executive Board fails to take action after reasonable notice is given to the Executive Board by such Owner) shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Executive Board of the Association, Declarant, or by any Owner to enforce any covenant or restriction contained in this Declaration shall in no event be deemed a waiver of the right to do so thereafter. The prevailing party in any legal action arising under this Declaration shall be entitled to reimbursement of all costs of such action including, without limitation, reasonable attorneys' fees.

Section 22.3 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 22.4 Conflicts Between Documents. In case of conflict between this Declaration and the Articles and the Bylaws of the Association, this Declaration shall control. In case of conflict between the Articles and the Bylaws, the Articles shall control.





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EXHIBIT A  
(Property Legal Description)

*Declaration of Protective Covenants  
Rose Ranch P.U.D.  
13-Sep-99*





ROSE RANCH P.U.D. PHASE 1  
PROPERTY DESCRIPTION

A PARCEL OF LAND SITUATED IN LOTS 7, 8, 9, 12, 13, 15 AND 16 OF SECTION 12, TOWNSHIP 7 SOUTH, RANGE 89 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 12, A BLM BRASS CAP IN PLACE; THENCE S 39°16'15" E 4369.77 FEET TO THE SOUTHWEST CORNER OF THE ROSE RANCH, SAID POINT BEING ON THE EASTERLY RIGHT-OF-WAY OF COUNTY ROAD NO. 109, A REBAR AND CAP L.S. #19598 IN PLACE, THE POINT OF BEGINNING; THENCE THE FOLLOWING THE SEVEN (7) COURSES ALONG SAID EASTERLY RIGHT-OF-WAY:

1. N 13°15'08" E 30.84 FEET
2. N 13°40'41" E 86.97 FEET
3. N 14°26'34" E 8.37 FEET
4. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 263.67 FEET AND A CENTRAL ANGLE OF 22°42'13", A DISTANCE OF 104.48 FEET (CHORD BEARS N 03°05'28" E 103.80 FEET) -
5. N 08°15'39" W 721.97 FEET
6. N 09°37'30" W 215.26 FEET
7. N 09°32'11" W 374.52 FEET; THENCE LEAVING SAID EASTERLY

RIGHT-OF-WAY; N 80°27'49" E 61.66 FEET; THENCE S 69°00'00" E 114.87 FEET; THENCE N 64°00'00" E 195.36 FEET; THENCE N 31°18'55" E 343.31 FEET; THENCE N 29°11'53" E 207.54 FEET; THENCE N 53°00'00" W 117.98 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 80.00 FEET AND A CENTRAL ANGLE OF 59°30'10", A DISTANCE OF 83.08 FEET (CHORD BEARS N 50°44'48" E 79.40 FEET); THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 35.00 FEET AND A CENTRAL ANGLE OF 55°34'57", A DISTANCE OF 33.95 FEET (CHORD BEARS N 48°47'11" E 32.64 FEET); THENCE N 76°34'40" E 45.82 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 145.00 FEET AND A CENTRAL ANGLE OF 07°59'08", A DISTANCE OF 20.21 FEET (CHORD BEARS N 80°34'14" E 20.19 FEET); THENCE N 84°33'48" E 162.26 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 145.00 FEET AND A CENTRAL ANGLE OF 12°40'07", A DISTANCE OF 32.06 FEET (CHORD BEARS S 89°06'08" E 32.00 FEET); THENCE S 82°46'05" E 88.97 FEET; THENCE N 16°02'33" E 71.09 FEET; THENCE N 59°50'09" E 321.51 FEET; THENCE N 62°10'49" E 340.58 FEET TO A POINT ON THE WESTERLY BOUNDARY

OF THAT PROPERTY DESCRIBED IN BOOK 511 AT PAGE 103 OF THE GARFIELD COUNTY CLERK AND RECORDER'S OFFICE; THENCE THE FOLLOWING FOUR (4) COURSES ALONG THE WESTERLY LINE OF SAID PROPERTY:

1. S 47°16'43" E 189.98 FEET
2. S 34°28'09" E 123.72 FEET
3. S 04°45'38" E 390.41 FEET
4. S 08°01'51" W 130.25 FEET TO THE SOUTHWEST CORNER OF SAID

PROPERTY; THENCE N 67°25'06" E ALONG THE SOUTHERLY LINE OF SAID PROPERTY 211.00 FEET TO A POINT ON THE EASTERLY LINE OF LOT 9 OF SAID SECTION 12; THENCE S 00°22'11" E ALONG SAID EASTERLY LINE 606.90 FEET TO THE SOUTHEAST CORNER OF SAID LOT 9, A REBAR AND ALUMINUM CAP, LS #22580, IN PLACE; THENCE S 03°11'58" W ALONG THE EASTERLY LINE OF LOT 12 OF SAID SECTION 12 A DISTANCE OF 741.05 FEET TO THE SOUTHEAST CORNER OF SAID LOT 12, A REBAR AND ALUMINUM CAP IN PLACE; THENCE S 00°06'02" E ALONG THE EASTERLY LINE OF LOT 16 OF SAID SECTION 12 A DISTANCE OF 555.52 FEET TO THE SOUTHEAST CORNER OF SAID LOT 16, A REBAR AND ALUMINUM CAP IN PLACE, SAID POINT ALSO BEING THE NORTHEAST CORNER OF TELLER SPRINGS SUBDIVISION; THENCE S 89°59'08" W ALONG THE NORTHERLY LINE OF SAID TELLER SPRINGS SUBDIVISION 220.61 FEET TO THE SOUTHEAST CORNER OF PARCEL C OF RECEPTION NO. 444311 OF THE GARFIELD COUNTY CLERK AND RECORDER'S OFFICE; THENCE LEAVING SAID NORTHERLY LINE N 12°57'48" W ALONG THE EASTERLY LINE OF SAID RECEPTION NO. 444311 169.14 FEET; THENCE N 87°58'25" W ALONG THE NORTHERLY LINE OF SAID PARCEL C 324.74 FEET; THENCE ALONG THE WESTERLY LINE OF SAID PARCEL C ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 582.29 FEET AND A CENTRAL ANGLE OF 17°52'51", A DISTANCE OF 181.72 FEET (CHORD BEARS S 13°29'05" E 180.98 FEET) TO A POINT ON THE NORTHERLY LINE OF SAID TELLER SPRINGS SUBDIVISION; THENCE S 89°52'26" W ALONG SAID NORTHERLY LINE 174.01 FEET TO THE NORTHWEST CORNER OF THE TELLER SPRINGS OPEN SPACE; THENCE LEAVING SAID NORTHERLY LINE S 21°55'10" W ALONG THE WESTERLY LINE OF SAID OPEN SPACE 53.97 FEET TO THE NORTHEAST CORNER OF LOT 5 OF SAID TELLER SPRINGS SUBDIVISION AS SHOWN ON THE AMENDED PLAT THEREOF; THENCE S 89°59'08" W ALONG THE NORTHERLY LINE OF SAID LOT 5 165.35 FEET; THENCE CONTINUING ALONG SAID NORTHERLY LINE N 45°01'42" W 28.27 FEET; THENCE CONTINUING ALONG SAID NORTHERLY LINE S 89°59'08" W 855.53 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 89.288 ACRES, MORE OR LESS.

TOGETHER WITH A PARCEL OF LAND SITUATED IN LOTS 3 AND 4, SECTION 12 AND LOTS 28 AND 29, SECTION 1, TOWNSHIP 7 SOUTH, RANGE 89 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 12, A BLM BRASS CAP FOUND IN PLACE; THENCE N 86°59'45" E 2478.86 FEET, THE POINT OF BEGINNING; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A

RADIUS OF 170.00 FEET AND A CENTRAL ANGLE OF 65°53'11", A DISTANCE OF 195.49 FEET (CHORD BEARS N 29°55'34" E 184.89 FEET); THENCE N 62°52'09" E 50.72 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 230.00 FEET AND A CENTRAL ANGLE OF 32°51'34", A DISTANCE OF 131.91 FEET (CHORD BEARS N 46°26'22" E 130.11 FEET); THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 35.00 FEET AND A CENTRAL ANGLE OF 91°43'08", A DISTANCE OF 56.03 FEET (CHORD BEARS N 75°52'09" E 50.23 FEET); THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 105.00 FEET AND A CENTRAL ANGLE OF 35°43'54", A DISTANCE OF 65.48 FEET (CHORD BEARS S 40°24'20" E 64.43 FEET); THENCE S 22°32'23" E 367.78 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 145.00 FEET AND A CENTRAL ANGLE OF 39°28'24", A DISTANCE OF 99.90 FEET (CHORD BEARS S 42°16'35" E 97.93 FEET); THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 105.00 FEET AND A CENTRAL ANGLE OF 59°42'05", A DISTANCE OF 109.41 FEET (CHORD BEARS S 32°09'45" E 104.53 FEET); THENCE S 02°18'42" E 155.70 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 260.00 FEET AND A CENTRAL ANGLE OF 34°26'18", A DISTANCE OF 156.28 FEET (CHORD BEARS S 19°31'51" E 153.93 FEET); THENCE S 36°45'00" E 647.15 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 155.00 FEET AND A CENTRAL ANGLE OF 43°58'55", A DISTANCE OF 118.98 FEET (CHORD BEARS S 14°45'33" E 116.08 FEET); THENCE S 07°13'55" W 6.00 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 35.00 FEET AND A CENTRAL ANGLE OF 90°00'00", A DISTANCE OF 54.98 FEET (CHORD BEARS S 52°13'55" W A DISTANCE OF 49.50 FEET); THENCE N 82°46'05" W 14.61 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 205.00 FEET AND A CENTRAL ANGLE OF 12°40'07", A DISTANCE OF 45.33 FEET (CHORD BEARS N 89°06'08" W 45.23 FEET); THENCE S 84°33'48" W 162.26 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 205.00 FEET AND A CENTRAL ANGLE OF 07°59'08", A DISTANCE OF 28.57 FEET (CHORD BEARS S 80°34'14" W 28.55 FEET); THENCE S 76°34'40" W 45.82 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 35.00 FEET AND A CENTRAL ANGLE OF 55°34'57", A DISTANCE OF 33.95 FEET (CHORD BEARS N 75°37'51" W 32.64 FEET); THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 80.00 FEET AND A CENTRAL ANGLE OF 06°20'04", A DISTANCE OF 8.84 FEET (CHORD BEARS N 51°00'24" W 8.84 FEET); THENCE N 41°00'00" E 94.71 FEET; THENCE N 47°00'00" W 488.04 FEET; THENCE N 50°47'54" W 40.59 FEET; THENCE N 25°00'00" W 384.00 FEET; THENCE N 25°52'15" W 41.58 FEET; THENCE N 05°31'07" W 211.73 FEET; THENCE N 22°32'23" W 214.58 FEET; THENCE N 74°00'00" W 80.63 FEET, TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 13.185 ACRES, MORE OR LESS.



TOGETHER WITH A PARCEL OF LAND SITUATED IN LOTS 5, 11, 12, 13, 15, 16, 23, 24, AND 28 OF SECTION 1, TOWNSHIP 7 SOUTH, RANGE 89 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 1, A BLM BRASS CAP IN PLACE; THENCE N 82°31'27" W 2263.73 FEET, TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF COUNTY ROAD 109, THE POINT OF BEGINNING; THENCE THE FOLLOWING SIXTEEN (16) COURSES ALONG SAID EASTERLY RIGHT-OF-WAY:

1. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1870.00 FEET AND A CENTRAL ANGLE OF 05°38'57", A DISTANCE OF 81.70 FEET (CHORD BEARS N 05°00'44" W 81.69 FEET)
2. N 03°45'38" W 70.62 FEET
3. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1155.00 FEET AND A CENTRAL ANGLE OF 08°59'23", A DISTANCE OF 181.22 FEET (CHORD BEARS N 08°15'19" W 181.03 FEET)
4. N 12°45'01" W 250.30 FEET
5. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 518.09 FEET AND A CENTRAL ANGLE OF 35°11'37", A DISTANCE OF 318.23 FEET (CHORD BEARS N 30°20'49" W 313.26 FEET)
6. N 47°56'38" W 239.80 FEET
7. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1520.00 FEET AND A CENTRAL ANGLE OF 14°05'17", A DISTANCE OF 373.74 FEET (CHORD BEARS N 40°53'59" W 372.80 FEET)
8. N 33°51'20" W 485.97 FEET
9. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 620.00 FEET AND A CENTRAL ANGLE OF 19°38'05", A DISTANCE OF 212.47 FEET (CHORD BEARS N 43°40'23" W 211.43 FEET)
10. N 53°29'25" W 511.09 FEET
11. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 470.00 FEET AND A CENTRAL ANGLE OF 34°45'42", A DISTANCE OF 285.15 FEET (CHORD BEARS N 36°06'34" W 280.80 FEET)
12. N 18°43'43" W 773.97 FEET
13. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 620.00 FEET AND A CENTRAL ANGLE OF 30°05'19", A DISTANCE OF 325.59 FEET (CHORD BEARS N 03°41'04" W 321.86 FEET)
14. N 11°21'36" E 171.27 FEET
15. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 380.00 FEET AND A CENTRAL ANGLE OF 02°00'48", A DISTANCE OF 13.35 FEET (CHORD BEARS N 10°21'13" E 13.35 FEET)

16. N 19°24'30"E 52.13 FEET; THENCE LEAVING SAID WESTERLY RIGHT-OF-WAY S 05°09'02" E 158.12 FEET; THENCE S 11°21'36" W 124.44 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1000.00 FEET AND A CENTRAL ANGLE OF 20°55'56", A DISTANCE OF 365.34 FEET (CHORD BEARS S 02°39'27" E 363.31 FEET); THENCE S 18°43'43" E 446.82 FEET; THENCE N 71°16'17" E 67.02 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 292.00 FEET AND A CENTRAL ANGLE OF 37°24'07", A DISTANCE OF 190.61 FEET (CHORD BEARS N 52°34'13" E 187.25 FEET); THENCE N 33°52'10" E 231.99 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 295.00 FEET AND A CENTRAL ANGLE OF 14°20'09", A DISTANCE OF 73.81 FEET (CHORD BEARS N 41°02'14" E 73.60 FEET); THENCE S 17°00'00" E 57.28 FEET; THENCE S 60°27'28" E 705.20 FEET; THENCE S 41°00'00" E 291.19 FEET; THENCE S 59°10'31" E 528.72 FEET; THENCE S 65°03'14" E 289.30 FEET; THENCE S 12°42'29" W 193.82 FEET; THENCE S 69°26'39" W 162.39 FEET; THENCE S 12°06'13" E 354.63 FEET; THENCE S 03°31'27" E 80.00 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 510.00 FEET AND A CENTRAL ANGLE OF 34°21'58", A DISTANCE OF 305.90 FEET (CHORD BEARS S 68°46'29" W 301.33 FEET); THENCE S 39°38'44" E 684.26; THENCE S 31°03'39" E 112.70 FEET; THENCE S 06°45'49" W 144.32 FEET; THENCE S 12°45'01" E 209.29 FEET; THENCE S 60°00'00" E 110.74 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 170.00 FEET AND A CENTRAL ANGLE OF 38°53'55", A DISTANCE OF 115.41 FEET (CHORD BEARS S 43°25'11" W 113.21 FEET); THENCE S 62°52'09" W 50.72 FEET; THENCE S 80°35'25" W 299.88 FEET, TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 48.206 ACRES, MORE OR LESS.

TOGETHER WITH A PARCEL OF LAND SITUATED IN LOTS 2, 3, AND 9 OF SECTION 12, AND LOTS 10, 11, 12, 17, 22, 29, AND 30 OF SECTION 1, TOWNSHIP 7 SOUTH, RANGE 89 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 1, A BLM BRASS CAP IN PLACE; THENCE S 76°17'40" E 3972.43 FEET TO THE POINT OF BEGINNING; THENCE N 44°21'10" W 102.28 FEET; THENCE N 58°00'42" W 191.26 FEET; THENCE N 31°18'36" W 193.84 FEET; THENCE N 35°01'04" W 195.06 FEET; THENCE N 50°10'09" W 174.71 FEET; THENCE N 54°11'49" W 43.11 FEET; THENCE N 24°39'20" W 163.26 FEET; THENCE S 69°34'20" W 77.75 FEET; THENCE N 02°18'42" W 50.18 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 145.00 FEET AND A CENTRAL ANGLE OF 59°42'05", A DISTANCE OF 151.09 FEET (CHORD BEARS N 32°09'45" W 144.35 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF

105.00 FEET AND A CENTRAL ANGLE OF 18°41'42", A DISTANCE OF 34.26 FEET (CHORD BEARS N 52°39'56" W 34.11 FEET); THENCE N 66°06'05" E 97.52 FEET; THENCE N 12°00'28" W 243.11 FEET; THENCE N 11°30'42" W 105.63 FEET; THENCE N 07°12'34" W 75.18 FEET; THENCE N 08°02'04" W 130.43 FEET; THENCE N 00°42'38" W 148.65 FEET; THENCE N 84°00'00" W 223.25 FEET; THENCE N 05°18'54" E 90.01 FEET; THENCE S 84°00'00" E 226.92 FEET; THENCE N 03°33'06" E 162.15 FEET; THENCE N 00°42'38" W 162.56 FEET; THENCE N 21°00'00" E 332.51 FEET; THENCE N 00°42'38" W 202.27 FEET; THENCE N 09°00'00" W 381.49 FEET; THENCE N 00°42'38" W 176.32 FEET; THENCE N 86°49'23" W 193.89 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 580.00 FEET AND A CENTRAL ANGLE OF 10°53'34", A DISTANCE OF 110.27 FEET (CHORD BEARS N 21°33'22" W 110.10 FEET); THENCE S 86°49'23" E 225.61 FEET; THENCE N 25°43'53" W 308.74 FEET; THENCE N 14°33'44" W 79.98 FEET; THENCE N 30°42'43" W 86.50 FEET; THENCE N 34°03'44" W 197.29 FEET; THENCE N 34°19'54" W 149.21 FEET; THENCE N 49°00'00" W 200.56 FEET; THENCE N 59°50'00" W 206.65 FEET; THENCE N 69°00'00" W 209.58 FEET; THENCE N 65°00'00" W 362.59 FEET; THENCE N 67°51'09" W 379.36 FEET; THENCE N 72°00'00" W 128.25 FEET, TO A POINT ON THE EASTERLY LINE OF THAT PROPERTY DESCRIBED IN BOOK 590 AT PAGE 955; THENCE N 37°11'37" E ALONG SAID EASTERLY LINE 123.94 FEET TO A POINT ON THE CENTERLINE OF THE ROARING FORK RIVER; THENCE THE FOLLOWING FIVE (5) COURSES ALONG THE CENTERLINE OF SAID RIVER:

1. S 64°20'33" E 539.13 FEET
2. S 69°24'54" E 523.30 FEET
3. S 61°41'54" E 147.51 FEET
4. S 34°19'54" E 646.80 FEET
5. S 29°54'54" E 516.97 FEET TO A POINT ON THE EASTERLY LINE

OF LOT 17 OF SAID SECTION 1; THENCE LEAVING SAID CENTERLINE S 00°42'38" E ALONG THE EASTERLY LINE OF LOTS 17, 22 AND 29, A DISTANCE OF 2140.70 FEET; THENCE LEAVING SAID EASTERLY LINE N 89°15'45" E 43.14 FEET TO THE NORTHWEST CORNER OF THAT PROPERTY DESCRIBED IN BOOK 511 AT PAGE 103 OF THE GARFIELD COUNTY CLERK AND RECORDER'S OFFICE; THENCE THE FOLLOWING THREE (3) COURSES ALONG THE WESTERLY LINE OF SAID PROPERTY:

1. S 41°07'10" E 559.76 FEET
2. S 47°56'39" E 519.80 FEET
3. S 47°16'43" E 276.72 FEET; THENCE LEAVING SAID WESTERLY LINE

S 62°10'49" W 340.58 FEET, TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 18.603 ACRES, MORE OR LESS.

TOGETHER WITH A PARCEL OF LAND SITUATED IN LOTS 23 AND 28 OF SECTION 1 AND LOTS 4, 5, 6, 7, 14, THE NW1/4NW1/4 AND THE SW1/4NW1/4 OF SECTION



12, TOWNSHIP 7 SOUTH, RANGE 89 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID PARCEL OF LAND BEING MORE PARTICULARLY AS DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 1, A BLM BRASS CAP IN PLACE, THE POINT OF BEGINNING; THENCE S 88°08'24" E ALONG THE NORTHERLY LINE OF THE NW1/4NW1/4 AND LOT 5 OF SAID SECTION 12 1925.15 FEET; THENCE LEAVING SAID NORTHERLY LINE S 01°19'06" W 100.00 FEET; THENCE S 88°08'24" E 150.00 FEET; THENCE N 00°03'38" E 200.10 FEET; THENCE N 88°08'24" W 100.15 FEET TO A POINT ON THE WESTERLY LINE OF LOT 28 OF SAID SECTION 1; THENCE N 01°16'57" W ALONG THE WESTERLY LINE OF LOTS 28 AND 23 OF SAID SECTION 1 1061.60 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF COUNTY ROAD 109; THENCE LEAVING THE WESTERLY LINE OF SAID LOT 23 THE FOLLOWING SEVEN (7) COURSES ALONG THE WESTERLY RIGHT-OF-WAY OF SAID COUNTY ROAD 109:

1. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 458.09 FEET AND A CENTRAL ANGLE OF 36°07'56", A DISTANCE OF 288.88 FEET (CHORD BEARS S 30°48'59" E 284.12 FEET)
2. S 12°45'01" E 247.15 FEET
3. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1095.00 FEET AND A CENTRAL ANGLE OF 08°59'23", A DISTANCE OF 171.80 FEET (CHORD BEARS S 08°15'19" E 171.63 FEET)
4. S 03°45'38" E 70.62 FEET
5. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1930.00 FEET AND A CENTRAL ANGLE OF 05°38'57", A DISTANCE OF 190.29 FEET (CHORD BEARS S 06°35'06" E 190.21 FEET)
6. S 09°24'35" E 1739.96 FEET
7. S 09°32'11" E 545.09 FEET (TO A POINT WHENCE AN ONE INCH

IRON PIPE BEARS S 80°39'46" W 15.01 FEET); THENCE LEAVING SAID WESTERLY RIGHT-OF-WAY S 80°39'46" W ALONG THE NORTHERLY LINE EXTENDED AND THE NORTHERLY LINE OF RECEPTION NO. 402764 156.56 FEET TO AN ONE INCH IRON PIPE IN PLACE; THENCE CONTINUING ALONG SAID NORTHERLY LINE S 46°49'46" W 319.59 FEET TO THE NORTHWEST CORNER OF SAID RECEPTION NO. 402764, A REBAR AND CAP IN PLACE; THENCE S 08°30'14" E ALONG THE WESTERLY LINE OF SAID RECEPTION NO. 402764 AND RECEPTION NO. 418590, 302.72 FEET TO THE SOUTHWEST CORNER OF SAID RECEPTION NO. 418590; THENCE S 80°45'44" W ALONG THE NORTHERLY LINE OF RECEPTION NO. 397182, 177.17 FEET TO THE NORTHWEST CORNER OF SAID RECEPTION NO. 397182; THENCE S 17°25'15" W ALONG THE WESTERLY LINE OF RECEPTION NO. 397182 AND RECEPTION NO. 411767, 741.91 FEET TO THE NORTHWEST CORNER OF LOT 21 OF SAID SECTION 12, ALSO BEING THE NORTHWEST CORNER OF TELLER SPRINGS SUBDIVISION; THENCE S 00°00'34" W ALONG THE WESTERLY LINE OF SAID TELLER SPRINGS SUBDIVISION AND THE EASTERLY LINE OF LOT 14 OF SAID SECTION 12 768.25 FEET TO THE SOUTHEAST CORNER OF SAID LOT 14; THENCE LEAVING THE WESTERLY LINE OF TELLER SPRINGS SUBDIVISION

---S 89°00'59" W ALONG THE SOUTHERLY LINE OF SAID LOT 14 468.99 FEET TO

THE SOUTHWEST CORNER OF SAID LOT 14; THENCE N 00°22'13" E ALONG THE WESTERLY LINE OF SAID LOT 14 1378.08 FEET TO THE NORTHWEST CORNER OF SAID LOT 14; THENCE N 89°07'53" W ALONG THE SOUTHERLY LINE OF THE SW1/4NW1/4 OF SAID SECTION 12 1347.91 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 12, AN ALUMINUM CAP IN PLACE; THENCE N 00°33'14" W ALONG THE WESTERLY LINE OF SAID SECTION 12 2728.80 FEET TO THE POINT OF BEGINNING, SAID PARCEL OF LAND CONTAINING 166.038 ACRES, MORE OR LESS.

TOGETHER WITH A PARCEL OF LAND SITUATED IN LOTS 5 AND 13 OF SECTION 1, TOWNSHIP 7 SOUTH, RANGE 89 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 1, A BLM BRASS CAP IN PLACE: THENCE S 56°22'41" E 518.09 FEET TO THE POINT OF BEGINNING. THENCE S 59°20'23" E 118.46 FEET; THENCE S 60°00'00" W 121.04 FEET; THENCE S 11°21'36" W 58.67 FEET; THENCE N 05°09'02" W 158.12 FEET; THENCE N 19°24'30" E 31.12 FEET; THENCE S 65°25'04" E 20.16 FEET TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 0.220 ACRES, MORE OR LESS.

TOGETHER WITH A PARCEL OF LAND SITUATED IN LOTS 12 AND 13 OF SECTION 1, TOWNSHIP 7 SOUTH, RANGE 89 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 1, A BLM BRASS CAP IN PLACE: THENCE S 34°35'14" E 723.60 FEET TO THE POINT OF BEGINNING. THENCE S 14°00'00" E 407.29 FEET; THENCE S 18°43'43" E 156.81 FEET; THENCE S 69°00'00" E 190.08 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 232.70 FEET AND A CENTRAL ANGLE OF 38°55'16" , A DISTANCE OF 158.08 FEET (CHORD BEARS S 51°47'11" W 155.05 FEET); THENCE S 71°16'17" W 67.02 FEET; THENCE N 18°43'43" W 446.82 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1000.00 FEET AND A CENTRAL ANGLE OF 20°55'56" , A DISTANCE OF 365.34 FEET (CHORD BEARS N 02°39'27" W 363.31 FEET) TO THE POINT OF BEGINNING; SAID PARCEL CONTAINING 1.300 ACRES, MORE OR LESS.

TOGETHER WITH A TRACT OF LAND SITUATED IN SECTION 35, TOWNSHIP 6 SOUTH, RANGE 89 WEST AND SECTION 2, TOWNSHIP 7 SOUTH, RANGE 89 WEST, ALL IN THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE COMMON CORNER TO SECTIONS 1 AND 2, TOWNSHIP 7 SOUTH, RANGE 89 WEST OF THE SIXTH PRINCIPAL MERIDIAN, SAID CORNER ALSO BEING COMMON TO SECTIONS 35 AND 36, TOWNSHIP 6 SOUTH, RANGE 89 WEST OF THE SIXTH PRINCIPAL MERIDIAN; THENCE N 76°04'29" W 4185.64 FEET TO THE NORTHEAST CORNER OF LOT 21, WESTBANK RANCH SUBDIVISION, FILING 1, THE



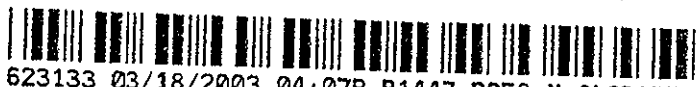
POINT OF BEGINNING; THENCE THE FOLLOWING TWENTY FIVE (25) COURSES  
ALONG THE NORTHERLY AND EASTERLY BOUNDARY OF SAID WESTBANK RANCH,  
FILING 1:

1. S 09°00'22" W 226.00 FEET TO A REBAR AND CAP, L.S. NO. 19598
2. S 69°53'22" W 82.00 FEET TO A REBAR AND CAP, L.S. NO. 19598
3. S 06°59'38" E 79.00 FEET TO A REBAR AND CAP, L.S. NO. 19598
4. S 55°29'38" E 95.00 FEET TO A REBAR AND CAP (ILLEGIBLE)
5. S 75°13'38" E 215.00 FEET TO A NO. 5 REBAR
6. N 88°58'22" E 451.00 FEET TO A REBAR AND CAP (ILLEGIBLE)
7. N 82°55'22" E 240.00 FEET TO A REBAR AND CAP (ILLEGIBLE)
8. S 20°35'18" E 185.00 FEET TO A REBAR AND CAP (ILLEGIBLE)
9. N 69°24'42" E 210.00 FEET TO A REBAR AND CAP, L.S. NO. 19598
10. N 07°18'26" W 251.73 FEET TO A NO. 5 REBAR
11. N 71°15'22" E 272.00 FEET TO A REBAR AND CAP (ILLEGIBLE)
12. N 41°00'22" E 372.54 FEET TO A NO. 5 REBAR
13. S 65°59'38" E 435.00 FEET TO A NO. 5 REBAR
14. S 19°59'38" E 210.00 FEET TO A NO. 5 REBAR
15. S 60°00'22" W 398.80 FEET TO A NO. 5 REBAR
16. S 48°16'51" W 235.20 FEET TO A NO. 5 REBAR
17. S 50°30'22" W 210.22 FEET TO A NO. 5 REBAR
18. S 69°24'42" W 180.00 FEET TO A NO. 5 REBAR
19. N 20°35'18" W 260.00 FEET TO A REBAR AND CAP, L.S. NO. 19598
20. S 69°24'42" W 230.27 FEET TO A NO. 5 REBAR
21. S 20°35'18" E 266.00 FEET TO A REBAR AND CAP (ILLEGIBLE)
22. S 66°09'07" W 96.57 FEET TO A REBAR AND CAP, L.S. NO. 19598
23. S 01°23'54" W 109.60 FEET TO A REBAR AND CAP, L.S. NO. 7168
24. S 28°05'38" E 250.00 FEET TO A REBAR AND CAP (ILLEGIBLE)
25. S 67°07'27" E 149.99 FEET TO A REBAR AND CAP (ILLEGIBLE), THE

COMMON CORNER OF WESTBANK RANCH SUBDIVISION FILING 1 AND WESTBANK  
RANCH SUBDIVISION FILING 2, SAID CORNER ALSO BEING THE NORTHWEST  
CORNER OF LOT 23 OF SAID FILING 2; THENCE THE FOLLOWING SEVENTEEN (17)  
COURSES ALONG THE NORTHERLY BOUNDARY OF SAID WESTBANK RANCH  
SUBDIVISION FILING 2:

1. S 69°05'38" E 633.53 FEET TO A NO. 5 REBAR
2. N 78°31'22" E 318.16 FEET TO A NO. 5 REBAR
3. S 62°19'08" E 376.50 FEET TO A REBAR AND CAP (ILLEGIBLE)
4. S 84°58'08" E 192.70 FEET TO A REBAR AND CAP (ILLEGIBLE)
5. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 585.00  
FEET, A CENTRAL ANGLE OF 03°55'13" AND A DISTANCE OF 40.03 FEET  
(CHORD BEARS N 03°04'17" E 40.02 FEET) TO A NO. 5 REBAR
6. N 84°58'08" W 183.32 FEET TO A NO. 5 REBAR
7. N 62°19'08" W 133.53 FEET TO A NO. 5 REBAR

8. N 10°46'22" E 65.11 FEET TO A 1 INCH STEEL PIPE
9. N 30°36'38" W 476.00 FEET TO A REBAR AND CAP, L.S. NO. 9184
10. N 39°08'22" E 306.48 FEET TO A NO. 5 REBAR
11. N 77°24'22" E 264.88 FEET TO A REBAR AND CAP (ILLEGIBLE)
12. S 33°46'38" E 544.01 FEET
13. S 18°29'38" E 217.00 FEET
14. S 06°49'38" E 218.79 FEET TO A REBAR AND CAP, L.S. NO. 19598
15. N 84°58'08" W 259.29 FEET TO A NO. 5 REBAR
16. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 645.00 FEET, A CENTRAL ANGLE OF 03°33'20" AND A DISTANCE OF 40.03 FEET (CHORD BEARS S 03°15'14" W 40.02 FEET) TO A REBAR AND CAP (ILLEGIBLE)
17. S 84°58'08" E 334.45 FEET TO A NO. 5 REBAR, THE COMMON CORNER OF WESTBANK RANCH SUBDIVISION FILING 2 AND WESTBANK RANCH SUBDIVISION FILING 3, SAID CORNER ALSO BEING THE NORTHWEST CORNER OF LOT 14 OF SAID FILING 3; THENCE THE FOLLOWING SIXTEEN (16) COURSES ALONG THE WESTERLY BOUNDARY OF SAID WESTBANK RANCH SUBDIVISION FILING 3:
  1. N 81°07'37" E 357.91 FEET TO A REBAR AND CAP, L.S. NO. 9184
  2. N 89°54'22" E 200.00 FEET TO A REBAR AND CAP, L.S. NO. 19598
  3. S 78°32'08" E 216.49 FEET TO A NO. 5 REBAR
  4. S 74°29'38" E 173.39 FEET TO A REBAR AND CAP (ILLEGIBLE)
  5. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 300.00 FEET, A CENTRAL ANGLE OF 09°56'03" AND A DISTANCE OF 52.02 FEET (CHORD BEARS N 00°36'54" E 51.95 FEET) TO A REBAR AND ALUMINUM CAP, L.S. NO. 11204
  6. N 74°29'38" W 319.84 FEET TO A REBAR AND ALUMINUM CAP, L.S. NO. 11204
  7. N 33°34'38" W 232.00 FEET TO A REBAR AND CAP (ILLEGIBLE)
  8. N 22°27'38" W 382.00 FEET TO A REBAR AND CAP, L.S. NO. 9184
  9. N 20°22'38" W 328.18 FEET TO A NO. 5 REBAR
  10. N 35°29'38" W 119.00 FEET TO A REBAR AND CAP, L.S. NO. 9184
  11. N 52°29'38" W 175.00 FEET TO A REBAR AND CAP, L.S. NO. 9184
  12. N 52°29'38" W 215.00 FEET TO A REBAR AND CAP, L.S. NO. 9184
  13. N 16°18'38" W 321.00 FEET TO A REBAR AND CAP (ILLEGIBLE)
  14. N 33°56'22" E 228.90 FEET TO A REBAR AND CAP, L.S. NO. 9184
  15. S 69°27'38" E 475.00 FEET TO A REBAR AND CAP, L.S. NO. 9184
  16. S 50°45'38" E 395.00 FEET TO A REBAR AND CAP, L.S. NO. 9184, SAID POINT ALSO BEING THE NORTHEAST CORNER OF LOT 23 OF SAID WESTBANK RANCH SUBDIVISION FILING 3; THENCE LEAVING SAID BOUNDARY N 42°04'22" E 160.00 FEET TO A POINT IN THE CENTER OF THE ROARING FORK RIVER; THENCE THE TWELVE (12) FOLLOWING COURSES ALONG SAID CENTERLINE:
    1. N 51°47'38" W 124.10 FEET



2. N 45°56'38" W 239.80 FEET
3. N 64°32'38" W 507.80 FEET
4. N 84°51'38" W 169.60 FEET
5. N 79°36'38" W 203.00 FEET
6. N 72°34'38" W 879.00 FEET
7. S 87°46'22" W 342.00 FEET
8. S 85°12'22" W 231.00 FEET
9. S 65°57'22" W 517.00 FEET
10. S 48°42'22" W 332.00 FEET
11. S 69°44'22" W 363.00 FEET
12. N 80°02'30" W 181.97 FEET TO THE POINT OF BEGINNING; SAID TRACT OF LAND CONTAINING 93.860 ACRES, MORE OR LESS.

TOGETHER WITH A 30.00' WIDE ACCESS AND UTILITY EASEMENT EXTENDING FROM MEADOW LANE TO COUNTY ROAD NO. 109 AND BEING THE SOUTHERLY 30.00 FEET OF LOT 15, WESTBANK SUBDIVISION, FILING NO. 3, AS SHOWN ON THE PLAT THEREOF RECORDED IN THE GARFIELD COUNTY CLERK AND RECORDER'S OFFICE.

TOGETHER WITH A LIMITED ACCESS EASEMENT THROUGH WEST BANK OPEN SPACE BEING A 25.00 FOOT WIDE STRIP OF LAND SITUATED IN LOT 24, SECTION 1, TOWNSHIP 7 SOUTH, RANGE 89 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID STRIP OF LAND LYING 12.50 FEET TO EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 1, A BLM BRASS CAP IN PLACE; THENCE N 61°13'24" E 2223.28 FEET TO A POINT ON THE PAGE EASTERLY LINE OF SAID LOT 24, SAID POINT ALSO BEING ON SAID CENTERLINE, THE POINT OF BEGINNING; THENCE LEAVING SAID EASTERLY LINE N 48°52'57" W ALONG SAID CENTERLINE 236.91 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1404.75 FEET AND A CENTRAL ANGLE OF 10°55'42", A DISTANCE OF 267.94 FEET (CHORD BEARS N 43°25'05" W 267.53 FEET); THENCE CONTINUING ALONG SAID CENTERLINE N 69°16'39" E 20.95 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY OF COUNTY ROAD NO. 109; THENCE LEAVING SAID RIGHT-OF-WAY AND CONTINUING ALONG SAID CENTERLINE S 69°16'39" W 30.81 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 42°43'58", A DISTANCE OF 18.65 FEET (CHORD BEARS N 89°21'22" W 18.22 FEET); THENCE CONTINUING ALONG SAID CENTERLINE N 67°59'23" W 56.79 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF

64°44'47", A DISTANCE OF 28.25 FEET (CHORD BEARS S 79°38'13" W 26.77 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 47°15'50" W 58.23 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1250.00 FEET AND A CENTRAL ANGLE OF 05°28'45", A DISTANCE OF 119.54 FEET (CHORD BEARS S 44°31'27" W 119.49 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 41°47'05" W 96.44 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 100.00 FEET AND A CENTRAL ANGLE OF 18°48'32", A DISTANCE OF 32.83 FEET (CHORD BEARS S 51°11'21" W 32.68 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 60°35'37" W 46.99 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 100.00 FEET AND A CENTRAL ANGLE OF 16°49'45", A DISTANCE OF 29.37 FEET (CHORD BEARS S 69°00'29" W 29.27 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 77°25'22" W 39.30 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 33°15'59", A DISTANCE OF 14.52 FEET (CHORD BEARS S 60°47'22" W 14.31 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 44°09'23" W 33.76 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET AND A CENTRAL ANGLE OF 29°35'03", A DISTANCE OF 25.82 FEET (CHORD BEARS S 29°21'52" W 25.53 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 14°34'20" W 21.94 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET AND A CENTRAL ANGLE OF 25°18'20", A DISTANCE OF 22.08 FEET (CHORD BEARS S 01°55'10" W 21.90 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 10°44'00" E 127.50 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 71°09'00", A DISTANCE OF 31.05 FEET (CHORD BEARS S 24°50'30" W 29.09 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 60°25'00" W 83.15 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 68°29'58", A DISTANCE OF 29.89 FEET (CHORD BEARS S 26°10'01" W 28.14 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 08°04'58" E 10.67 FEET TO A POINT ON THE SOUTHERLY LINE OF LOT 24 OF SAID SECTION 1, THE TERMINUS; WHENCE THE SOUTHWEST CORNER OF SAID SECTION 1 BEARS S 50°30'32" W 1335.39 FEET.

TOGETHER WITH A LIMITED ACCESS EASEMENT THROUGH TROUT BEING A 40.00 FOOT WIDE STRIP OF LAND SITUATED IN LOT 26 AND 27, SECTION 1, TOWNSHIP 7 SOUTH, RANGE 89 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID STRIP OF LAND LYING 20.00 FEET TO EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 1, A BLM BRASS CAP  
IN PLACE; THENCE N 50°30'32" E 1335.39 FEET TO A POINT ON THE  
NORTHERLY LINE OF SAID LOT 26, SAID POINT ALSO BEING ON SAID  
CENTERLINE, THE POINT OF BEGINNING; THENCE LEAVING SAID NORTHERLY LINE  
S 08°04'58" W ALONG SAID CENTERLINE 38.58 FEET; THENCE CONTINUING  
ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A  
RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 79°39'45", A DISTANCE OF  
34.76 FEET (CHORD BEARS S 31°44'55" W 32.03 FEET); THENCE CONTINUING  
ALONG SAID CENTERLINE S 71°34'47" W 11.95 FEET; THENCE CONTINUING  
ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A  
RADIUS OF 50.00 FEET AND A CENTRAL ANGLE OF 21°47'02", A DISTANCE OF  
19.01 FEET (CHORD BEARS S 82°28'18" W 18.90 FEET); THENCE CONTINUING  
ALONG SAID CENTERLINE N 81°44'27" W 16.83 FEET; THENCE CONTINUING  
ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A  
RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 95°09'44", A DISTANCE OF  
41.52 FEET (CHORD BEARS S 50°40'40" W 36.91 FEET); THENCE CONTINUING  
ALONG SAID CENTERLINE S 01°01'23" W 29.68 FEET; THENCE CONTINUING  
ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A  
RADIUS OF 50.00 FEET AND A CENTRAL ANGLE OF 31°40'51", A DISTANCE OF  
27.65 FEET (CHORD BEARS S 16°51'49" W 27.30 FEET); THENCE CONTINUING  
ALONG SAID CENTERLINE S 32°42'14" W 88.36 FEET; THENCE CONTINUING  
ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A  
RADIUS OF 50.00 FEET AND A CENTRAL ANGLE OF 26°01'54", A DISTANCE OF  
22.72 FEET (CHORD BEARS S 19°41'17" W 22.52 FEET); THENCE CONTINUING  
ALONG SAID CENTERLINE S 06°40'20" W 19.05 FEET; THENCE CONTINUING  
ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A  
RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 60°30'09", A  
DISTANCE OF 26.40 FEET (CHORD BEARS S 23°34'44" E 25.19 FEET); THENCE  
CONTINUING ALONG SAID CENTERLINE S 53°49'49" E 8.59 FEET; THENCE  
CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT  
HAVING A RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 28°56'52", A  
DISTANCE OF 12.63 FEET (CHORD BEARS S 39°21'22" E 12.50 FEET); THENCE  
CONTINUING ALONG SAID CENTERLINE S 24°52'56" E 10.28 FEET; THENCE  
CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT  
HAVING A RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 42°02'11", A  
DISTANCE OF 18.34 FEET (CHORD BEARS S 03°51'51" E 17.93 FEET); THENCE  
CONTINUING ALONG SAID CENTERLINE S 17°09'15" W 46.43 FEET; THENCE  
CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT  
HAVING A RADIUS OF 100.00 FEET AND A CENTRAL ANGLE OF 10°32'50", A  
DISTANCE OF 18.41 FEET (CHORD BEARS S 22°25'40" W 18.38 FEET); THENCE  
CONTINUING ALONG SAID CENTERLINE S 27°42'05" W 49.78 FEET; THENCE  
CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT  
HAVING A RADIUS OF 50.00 FEET AND A CENTRAL ANGLE OF 46°09'03", A

DISTANCE OF 40.27 FEET (CHORD BEARS S 04°37'33" W 39.19 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 18°26'59" E 9.34 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 50.00 FEET AND A CENTRAL ANGLE OF 41°51'43", A DISTANCE OF 36.53 FEET (CHORD BEARS S 02°28'53" W 35.72 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 23°24'44" W 52.26 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET AND A CENTRAL ANGLE OF 39°55'48", A DISTANCE OF 34.85 FEET (CHORD BEARS S 03°26'50" W 34.14 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 16°31'04" E 8.35 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 50.00 FEET AND A CENTRAL ANGLE OF 48°53'14", A DISTANCE OF 42.66 FEET (CHORD BEARS S 07°55'33" W 41.38 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 32°22'11" W 27.64 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET AND A CENTRAL ANGLE OF 26°24'43", A DISTANCE OF 23.05 FEET (CHORD BEARS S 19°09'49" W 22.85 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 05°57'27" W 107.09 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 100.00 FEET AND A CENTRAL ANGLE OF 05°31'35", A DISTANCE OF 9.65 FEET (CHORD BEARS S 03°11'40" W 9.64 FEET); THENCE CONTINUING ALONG SAID CENTERLINE S 00°25'52" W 48.93 FEET; THENCE CONTINUING ALONG SAID CENTERLINE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 100.00 FEET AND A CENTRAL ANGLE OF 09°55'00", A DISTANCE OF 17.31 FEET (CHORD BEARS S 05°23'22" W 17.29 FEET) TO A POINT ON THE SOUTHERLY LINE OF LOT 26 OF SAID SECTION 1, THE TERMINUS; WHENCE THE SOUTHWEST CORNER OF SAID SECTION 1 BEARS N 88°08'24" W 801.05 FEET. THE ABOVE DESCRIBED PROPERTY CONTAINING A TOTAL ACREAGE OF 430.698 ACRES, MORE OR LESS.

8/5/99

623133 03/18/2003 04:07P B1447 P962 M ALSDORF  
79 of 81 R 406.00 D 0.00 GARFIELD COUNTY CO

EXHIBIT B  
(Annexable Property Legal Description)

Those parcels of property identified as Future Development, Phase 1, Future Development, Phase 2, Future Development Phase 3 and Future Development, Phase 4 and more particularly described on the Final Plat of Rose Ranch Planned Unit Development, Phase 1, recorded in the records of the Clerk and Recorder for Garfield County, Colorado on 11-Sep., 2000, at Reception No. 569155

*Declaration of Protective Covenants  
Rose Ranch P.U.D.  
13-Sep-99*



623133 03/18/2003 04:07P B1447 P963 M ALSDORF  
80 of 81 R 406.00 D 0.00 GARFIELD COUNTY CO

EXHIBIT C  
(Golf Course Parcel Legal Description)

Those parcels of property identified as Golf Course Parcel 1, Golf Course Parcel 2, Golf Course Parcel 3, Golf Course Parcel 4, Golf Course Parcel 5 and Golf Course Parcel 6 and more particularly described on the Final Plat of Rose Ranch Planned Unit Development, Phase 1, recorded in the records of the Clerk and Recorder for Garfield County, Colorado on 11-Sep, 2000, at Reception No. 569188



EXHIBIT D  
(Recorded Easements, Licenses, Covenants and Restrictions)

1. Declaration of Golf Facilities Development, Construction and Operational Easement, executed by Roaring Fork Investments, LLC on 15-Sep, 1999, and recorded in the records of the Clerk and Recorder for Garfield County, Colorado on 14-Sep, 1999, at Book 1206, Page 787 and Reception No. 509195
2. Grant of Conservation Easement, conveyed by Roaring Fork Investments, LLC to the Roaring Fork Conservancy on 15-Sep, 1999, and recorded in the records of the Clerk and Recorder for Garfield County, Colorado on 11-Sep, 1999, at Book 1206, Page 748 and Reception No. 509196
3. Easement Agreement, between Roaring Fork Investments, LLC and the Westbank Mesa Homeowner's Association, Inc., dated 4-Apr, 1998, and recorded in the records of the Clerk and Recorder for Garfield County, Colorado on 4-Apr, 1999, at Book 1061, Page 54 and Reception No. 522915
4. Roaring Fork Water & Sanitation District Roaring Fork Investments, LLC Pre-inclusion Agreement, between Roaring Fork Investments, LLC, the Roaring Fork Water & Sanitation District and the Board of County Commissioners for Garfield County, Colorado, date 15-Sep, 1999 and recorded in the records of the Clerk and Recorder of Garfield County, Colorado on 11-Sep, 1999 at Book 1206, Page 640 and Reception No. 509193