

**DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS  
OF  
WILLOW CREEK ESTATES HOMEOWNERS' ASSOCIATION, INC.**

THIS DECLARATION is made and entered into by J + M INVESTMENTS, LLC, a Colorado limited liability company (hereafter "J + M"), also hereinafter sometimes referred to as the "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of Lots 1-159 and 165-240, Willow Creek Estates (except Lots 187-196, 198-203, and 209-221, Willow Creek Estates, which are owned by Bellcove Rental, LLC, a Colorado limited liability company, who is executing this Declaration as an "Owner" and not as a "Declarant"), situate in the County of Fremont, State of Colorado shown on the plat of Willow Creek Estates, attached hereto as **Exhibit 1** and incorporated herein by reference (hereafter the "Property"), together with all easements, rights-of-way, common elements, and other appurtenances as shown on the recorded plat of said Willow Creek Estates; and

WHEREAS, Declarant desires to create a single family detached home planned community subject to all provisions of the Colorado Common Interest Ownership Act; and,

WHEREAS, portions of the Property are designated for residential use (as provided for in this Declaration) and other portions may be designated as Common Elements which make up this planned residential community; and

WHEREAS, Declarant has caused the Willow Creek Estates Homeowners' Association, Inc., a Colorado nonprofit corporation, ("Association") to be incorporated under the laws of the State of Colorado for the purpose of exercising the functions as set forth in this Declaration and as to which each Owner is a member.

NOW, THEREFORE, Declarant does hereby publish and declare that the following terms, covenants, conditions, easements, restrictions, uses, reservations, limitations and obligations shall be deemed to run with the land encompassing the Property and shall be a burden and a benefit to Declarant, its grantees, successors and assigns, and any person acquiring or owning an interest in the real property and improvements thereon which is subject to this Declaration, their grantees, successors, heirs, executors, administrators, devisees and assigns.

ARTICLE 1. DEFINITIONS. As used in this Declaration, unless the context otherwise requires, the terms hereinafter set forth shall have the following meanings:

(a) "Act" means the Colorado Common Interest Ownership Act, CRS 38-33.3-101 et seq., as may be amended from time to time.

(b) "Articles" means the articles of incorporation of the Association.

(c) "Assessment" includes all Common Expense Assessments and any other expense levied to a Lot pursuant to this Declaration or the Act.

(d) "Association" means the Willow Creek Estates Homeowners' Association, Inc., its successors and assigns, the Articles and Bylaws of which, with this Declaration, shall govern the administration of the Association and the Members of which shall be the Owners.

(e) "Board of Directors" or "Board" means the governing body of the Association, defined as the executive board in the Act.

(f) "Building" means the building improvements existing or to be erected within the Project.

(g) "Bylaws" means the bylaws of the Association.

(h) "Common Area" or "Common Element" means all real property owned by the Association for the common use and enjoyment of the Owners, together with all improvements on that real property, excluding the Lots. Common Area means the same as common elements in the Act and shall include Open Spaces A, B, C, D, and E, and Tracts H and I, as shown on the Plat.

(i) "Common Expense" means and includes:

(i) all sums lawfully assessed against the Owners by the Board;

(ii) expenses of administration, maintenance, repair or replacement of the Common Elements;

(iii) expenses declared Common Expense by provisions of this Declaration and any other Governing Document; and

(iv) expenses agreed upon as Common Expense by a vote of fifty-one (51%) of the Owners.

(j) "Declaration" means this Declaration together with any supplement or amendment hereto recorded in the office of the Clerk and Recorder of Fremont County, Colorado.

(k) "Declarant" means the Declarant named herein and such successor or successors as may be designated hereafter by Declarant by written notice duly recorded.

(l) "Declarant Control" means the period of time commencing on the date of recordation

of this Declaration and expiring on the earlier of 60 days after conveyance of 75% of the Lots created as provided for in this Declaration, or 2 years after the last conveyance of a Lot by Declarant in the ordinary course of business;

(m) "Development Rights" and/or "Special Declarant Rights" means those rights set forth in this Declaration and those rights set forth in the Act.

(n) "Director" means any person serving as a member of the Board of Directors.

(o) "Excluded Claim(s)" means to the full extent of state statutes, any claim in a civil action, lawsuit or arbitration, related to construction on a Lot or the Common Elements, drainage within the Property or any improvements constructed or designed by Declarant on the Common Elements, or the following persons: a contractor, subcontractor, developer, builder, architect, engineer or inspector, or any of the affiliates of those persons, or persons responsible for any part of the construction or design, including officers, directors, shareholders, members, managers, employers or servants of those persons.

(p) "Excluded Dispute" means a dispute about an Excluded Claim.

(q) "Governing Documents" means this Declaration and its exhibits, the Articles, Bylaws, Plat, Rules and Regulations, the Willow Creek Design Guidelines, and Willow Creek Architectural Guidelines, all as may be supplemented or amended from time to time.

(r) "Guest" means any agent, employee, tenant, guest, licensee or invitee of an Owner.

(s) "Homebuilder" means the Owner or any third-party whom Owner contracts with to build his or her Residence.

(t) "Improvement" means every structure of every type and kind including, but not limited to, buildings, outbuildings, fixtures, utilities, patios, garages, mailboxes, aerials, antennae, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, windbreaks, trees, shrubs and other plantings, poles, signs, exterior air conditioning units, solar collectors, pipes, lines, meters, and facilities used in connection with water, sewer, gas, electricity, solar energy, telephone, regular or cable television or other utilities.

(u) "Limited Common Elements" or "Limited Common Areas" means those Common Elements which are reserved for the use of certain Owners to the exclusion of the others as may be shown on the Plat.

(v) "Lot" or "Parcel" means and refers to any of the separately numbered lots owned in fee simple as designated on the Plat.

(w) "Managing Agent" means the Person employed by the Board to perform the management and operational functions of the Association.

(x) "Mortgage" means and includes any mortgage, deed of trust or other assignment or security instrument creating a lien on any Lot and "Mortgagee" shall include any grantee, beneficiary, or assignee of a Mortgage.

(y) "Owner" or "Member" means the Person or Persons owning a Lot in fee simple. The term also includes the Declarant so long as Declarant owns a Lot, but not a Mortgagee.

(z) "Person" means an individual, corporation, partnership, association, a trust or any other legal entity or any combination thereof.

(aa) "Plat" means the plat attached hereto as Exhibit 1.

(bb) "Project" means all the Property and Improvements submitted to this Declaration.

(cc) "Property" means the property as described above, together with all easements, rights, and appurtenances and improvements erected or to be erected thereon.

(dd) "Residence" means the dwelling unit located on a Lot.

(ee) "Resident" means any Person staying overnight in a Residence for a total of more than 30 days, either consecutive or non-consecutive, in any calendar year, and includes tenants.

(ff) "Rules and Regulations" means any instrument adopted by the Association as allowed under this Declaration and the Act, for the regulation and management of the Project, and Common Areas and Lots, including any amendments or revisions to same.

## ARTICLE 2. NUMBER OF LOTS, BOUNDARIES, COMMON ELEMENTS AND EASEMENTS

### 1. Number of Lots.

(a) The number of Lots initially included in the Property is 235, as set forth on the attached Plat.

(b) Lots may be added, combined, or subdivided by Declarant, as provided in this Declaration.

2. Lots and Boundaries. The Property consists of Lots and any Common Elements. Each Lot is conveyed as a separately designated and legally described Lot subject to the Act and the Governing Documents.

(a) Lot Boundaries. Each Lot's horizontal boundaries are the horizontal planes shown on the Plat. Each Lot's vertical boundaries, if any, are shown on the Plat.

(b) Physical Boundaries. In interpreting deeds and the Plat, the existing physical boundaries of a Lot as originally improved or constructed are conclusively presumed to be its boundaries rather than the metes and bounds expressed in any deed or the Plat, regardless of minor variances between the boundaries shown on the Plat or in a deed and those of the Lot.

(c) Inclusions. Each Lot includes the spaces and improvements lying within the boundaries described above, as depicted on the Plat. Each Lot also includes the spaces and improvements containing utility meters, water heating facilities, all electrical switches, wiring, pipes, ducts, conduits, fire protection, smoke detector and security systems and communications, televisions, telephone and other telecommunications and electrical receptacles and boxes serving that Lot exclusively.

(d) Exclusions. Except when specifically included by other provisions of this Declaration or by the Plat, the following are excluded from each Lot: the spaces and improvements lying outside the boundaries described above, exterior street or common lighting, and any pipes, flues, ducts, wires, conduits, and other facilities running through a Lot for the purpose of furnishing utility and other services to other Lots and/or the Common Elements.

3. Common Elements. The initial Common Elements, if any, are identified on the Plat as either Common Elements (or Common Area) or Limited Common Elements (or Limited Common Area). No Owner or any other Person may bring any action for partition or division of the Common Elements or any part.

4. Easements for Use and Enjoyment. Owners and Guests have a right and non-exclusive easement of ingress and egress and use and enjoyment in and to the Common Elements, which easements and other rights are appurtenant to and pass with the title to the Lot. The Association also has a right and non-exclusive easement in and to the Common Elements to discharge its obligations under the Governing Documents.

5. Easements for Entry. Each Lot is subject to an easement in favor of the Association and to each Lot Owner to allow for their performance of obligations under this Declaration.

6. Encroachments. To the extent that any Lot or Common Element encroaches on any other Lot or Common Element, a valid easement for the encroachment exists. This easement does not relieve an Owner of liability in case of intentional misconduct.

7. Utilities. To the extent that any utility line, pipe, wire or conduit serving any Lot or Common Element lies wholly or partially within the boundaries of another Lot or the Common Elements, the other Lots or Common Elements are burdened with a non-exclusive easement for the use, maintenance, repair and replacement of the utility line, pipe, wire or conduit, the non-

exclusive easement to be in favor of the Lot or Common Element served by the same and of the Association.

8. Plat Easements. Easements for utilities and other purposes over and across the Lots and Common Elements may be as shown upon the Plat, if any, and on the recorded Plat of the Property, and as may be established pursuant to the provisions of this Declaration or granted by authority reserved in any recorded document.

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

10. Utility Reservations. Declarant creates and reserves to itself, until Declarant has sold the last Lot that may be created to an Owner other than Declarant, and, thereafter, to the Association, a blanket easement upon, across, over and under the Property and the Lots for access, utilities, drainage and the installation, replacement, repair and maintenance of utilities, including but not limited to water, sewer, gas, telephone, and other telecommunications systems, electricity, heat and cooling systems, and master television and satellite antennae or cable systems, and any other utility systems as may be desired or provided ("Utility Systems"). By virtue of this blanket easement, it shall be expressly permissible for Declarant or the Association to erect and maintain the necessary appurtenances to such Utility Systems. Any damage to any improvement caused by Declarant or the Association in exercising its rights under this paragraph is to be repaired promptly by the entity causing the damage. The foregoing, however, shall not be deemed to render the Association or Declarant liable for any damage caused by any third party, including, without limitation, any utility company.

11. Warranty, Repair and Construction Easement. The Declarant has the right to perform warranty work, repairs and complete construction on any Improvements on a Lot or the Common Elements or any part of the Property, even after conveyance of a Lot to an Owner, after notice and with reasonable coordination with the Owner. This includes the right to control such work and repairs, along with a right of access, until completion. These rights of Declarant are not to be construed as development rights or special declarant rights or other rights allowed for under the Act, but rather, as rights independent of the Act, based on common law.

### ARTICLE 3. THE ASSOCIATION

#### 1. The Association Structure and Voting.

(a) General Purposes and Powers. The Association, through the Board, shall perform functions and hold and manage property as provided in this Declaration so as to further the interests of the Owners. It shall have all powers necessary or desirable to effectuate such purposes.

(b) Membership. The membership of the Association at all times shall consist exclusively of all record Owners of a fee interest in any Lot subject to this Declaration. Said membership is appurtenant to the Lot of said Owner and the ownership of the membership for a Lot shall automatically pass with fee simple title to the Lot. Each Owner shall automatically be entitled to the benefits and subject to the burdens relating to the membership for his Lot in the Association. If the fee simple title to a Lot is held by more than one Person, each Owner of a Lot shall be a member of the Association.

(c) Board of Directors. The affairs of the Association shall be managed by a Board of Directors which may by resolution delegate any portion of its authority to an executive committee, or to a Managing Agent. There shall be a number of Directors as specified in the Bylaws, which may be amended from time to time. All of the Directors shall be Owners elected by Owners. Regardless of the number of members of the Board of Directors, the terms of at least one-third of such Board shall expire annually. Notwithstanding anything to the contrary provided for herein, until Declarant has conveyed 75% of the Lots, the Members of the Board of Directors shall be appointed by Declarant.

(d) Voting of Owners. The Owner or Owners of each Lot shall be entitled to one vote for each such Lot owned by said Owner or Owners.

(e) Bylaws and Articles. The purposes and powers of the Association and the rights and obligations with respect to Owners set forth in this Declaration may and shall be amplified by provisions of the Articles and Bylaws of the Association.

(f) Notices. Notice of matters affecting business of the Association may be given to Owners by hand delivery, by first class mail, postage prepaid, addressed to each Owner at each address assigned to each Lot, or electronically to each email address which each Owner may provide to the secretary of the Association, which address shall be the presumed email address of such Owner unless and until said Owner informs the secretary of a different email address. Provided, however, attendance by an Owner at any meeting for which a notice would be required constitutes a waiver of notice unless such attendance is for the sole purpose of objecting to a lack of notice.

## 2. Certain Rights and Obligations of the Association.

(a) Association as Attorney-in-Fact for Owners. The Association is hereby irrevocably appointed attorney-in-fact for the Owners, and each of them, to manage, control and deal with the interest of each Owner in the Common Elements so as to permit the Association to fulfill all of its duties and obligations hereunder and to exercise all of its rights hereunder, to deal with the Property upon its condemnation or destruction, and to grant utility easements through any portion of the Common Elements. The acceptance by any Person of any interest in any Lot shall constitute an appointment of the Association as attorney-in-fact as provided above and hereinafter. The Association is hereby granted all powers necessary to govern, manage,

maintain, repair, rebuild, administer, and regulate the Property and to perform all of the duties required of it. Notwithstanding the above, unless at least three-fourths (3/4) of the first Mortgagees of Lots (based upon one vote for each first Mortgage owned) or at least three-fourths (3/4) of the Owners (excluding Declarant) have given their prior written approval, the Association shall not be empowered or entitled to:

(i) by act or omission, seek to abandon or terminate this planned residential community;

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

(iii) partition or subdivide any Lot;

(iv) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements, excluding the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Elements; and

(v) use hazard insurance proceeds for loss to the real estate (whether Lots or Common Elements) for other than repair, replacement, or reconstruction thereof.

(b) Common Elements. The Association shall provide for the care, operation, management, maintenance, repair, and replacement of the Common Elements. Without limiting the generality of the foregoing, said obligations shall include the keeping of such Common Elements in good, clean, attractive, and sanitary condition, order and repair; removing snow and any other materials from such Common Elements which might impair access to the Property or the Lots; keeping the Property safe, attractive and desirable; and making necessary or desirable alterations, additions, betterments or improvements to or on the Common Elements, including playground equipment, a creek, trails, and an entrance way which includes monumentation and landscaping.

(c) Other Association Functions. The Association may undertake any activity, function or service for the benefit of or to further the interests of all or some of the Owners on a self-supporting, special assessment or common assessment basis. Such activities, functions or services may include the provision of police or similar security services and garbage and trash collection services.

(d) Labor and Services. The Association (i) may obtain and pay for the services of a Managing Agent to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any Person with whom or which it contracts; (ii) may obtain and pay for legal and accounting services necessary or desirable in connection with the



operation of the Association or the enforcement of this Declaration; and (iii) may arrange with others to furnish lighting, heating, water, trash collection, sewer service and other common services.

(e) Property of Association. The Association may pay for, acquire and hold or lease real property and tangible and intangible personal property and may dispose of the same by sale or otherwise. Subject to the Rules and Regulations, each Owner and each Owner's family and Guests may use such property. A transfer of a Lot shall transfer to the transferee ownership of the transferor's beneficial interest in the Common Elements without any reference thereto. Each Owner may use such property in accordance with the purposes for which it is intended, without hindering or encroaching upon the lawful rights of the other Owners. The transfer of title to a Lot under foreclosure shall entitle the purchaser to the beneficial interest in the Common Elements associated with the foreclosed Lot.

(g) Mortgagee Notification. The Association shall notify each first Mortgagee of any proposed material amendment of the Association's Articles, Bylaws, or this Declaration at least ten (10) days prior to the effective date of such amendment or change. Further, upon the written request of any first Mortgagee, such first Mortgagee shall be entitled to receive the most recent annual financial statement of the Association and written notice of all meetings of the Association and such first Mortgagee shall have the right to designate a representative to attend any such meeting.

(h) Enforcement by Association. The Board may suspend any Owner's voting rights in the Association during any period or periods during which such Owner fails to comply with the Association's Rules and Regulations, or with any other obligations of such Owner under this Declaration. The Association may also take judicial action against any Owner to enforce compliance with such Rules and Regulations or other obligations under this Declaration or in the Bylaws, or to obtain damages for noncompliance, all to the extent permitted by law.

(i) Certificate. The Board of Directors may, from time to time, record a certificate of the identity and the mailing addresses of the persons then comprising the Board of Directors, together with the identity and address of the Managing Agent, if there be any. Such certificate shall be conclusive evidence thereof in favor of any Person relying thereon in good faith regardless of the time elapsed since the date thereof.

#### ARTICLE 4. BUDGET AND COMMON EXPENSE ASSESSMENTS AND THEIR PAYMENT

##### 1. Assessment for Common Expenses.

(a) Until the Association makes a Common Expense Assessment, the Declarant or his assigns shall pay all Common Expenses. After an Assessment has been made by the Association, Assessments shall be made no less frequently than annually and shall be based upon

a budget adopted no less frequently than annually by the Association. Except as hereinafter set forth, all Common Expenses shall be assessed against all the Lots in accordance with the allocations set forth in Exhibit 2. Any past-due Common Expense assessment or installment thereof shall bear interest at the rate established by the Association not exceeding 18% per year. Any Common Expense or portion thereof benefitting fewer than all the Lots shall be assessed exclusively against the Lots benefitted, and any Common Expense that benefits a particular Lot shall also be assessed exclusively against the Lot benefitted; and the costs of insurance may be assessed in proportion to risk. Any expense related to utilities not separately charged by the utility provider to the Lot or Owner may be assessed among the Lots served, with or without separate metering or an evaluation by an independent entity with expertise in making allocation determinations. Each Lot shall be metered for water, gas, electricity, and sewer. If any Common Expense is caused by the misconduct of any Owner, the Association may assess that expense exclusively against such Owner's Lot. Assessments for the estimated Common Expenses shall be due annually, in advance, on the first day of January. The Board of Directors shall prepare and deliver or mail to each Owner an itemized annual budget, as described below, showing the various estimated or actual expenses for which, the Assessments are made. The Assessments made for Common Expenses shall be based upon the requirements deemed to be such aggregate sum as the Board of Directors shall from time to time determine is to be paid or accrued to be paid to provide for the payment of all estimated Common Expenses growing out of or connected with the maintenance and operation of the Common Elements, which sum may include, among other things: expenses of management; any taxes not separately assessed against the Lots, and special Assessments; premiums for insurance; landscaping and care of grounds; common lighting and heating; repairs and renovations; trash collection; wages; water and sewer charges, if any; legal and accounting fees; capital expenditures made by the Board not exceeding \$2,500.00 in any one calendar year (unless a greater amount is approved by Owners holding a majority voting interest in the Association); expenses and liabilities incurred by the Board of Directors under or by reason of this Declaration; deficits remaining from a previous period; and other costs and expenses relating to the Common Elements. Further, as described below, it shall be mandatory for the Board to establish and segregate out of such annual Assessments a contingency or reserve fund for the repair, replacement and maintenance of those Common Elements that must be replaced periodically. The omission or failure of the Board of Directors to fix the Assessment for any year shall not be deemed a waiver, modification, or a release of the Owners from their obligation to pay the Assessment as described below. Any Owner or first Mortgagee may inspect the Association's records of receipts and expenditures at any reasonable time during convenient weekday business hours. At the end of any calendar year, the Board of Directors may refund to each Owner his proportionate share of funds then held by the Association which are not deemed to be necessary to meet the Common Expenses or credit such funds to reduce future Common Expense Assessments. Each Owner shall be obligated to pay all charges for any separately metered utilities servicing his or her Lot.

(b) The Initial Assessment against a Lot shall be paid in the following amounts:

(i) A Lot approved by the City of Florence for a building permit shall be assessed at 50% of the most recent annual Assessment;

(ii) A Residence that has been approved for a certificate of occupancy from the City of Florence shall pay the full amount of the Assessment then due;

(iii) The Assessment on a Lot of a new Owner shall be prorated from January first of the given year to the date of closing.

(c) The Board of Directors shall have the right during any calendar year to levy and assess against all Owners a special assessment for such purpose or purposes, in accordance with the Governing Documents, as may be necessary to keep the Property in excellent and attractive condition. Such special assessment shall be borne by the Owners in accordance with each Owner's voting interest in the Association and shall be due and payable as determined by the Board of Directors.

2. Assessment Reserves. The Association may require an Owner, other than Declarant, to deposit with the Association an amount not exceeding seven times the amount of the original estimated monthly common assessment, which sum shall be held, without interest, by the Association as a reserve to be used for paying such Owner's annual common assessment and for working capital. Such an advance payment shall not relieve an Owner from making the regular annual payment of the annual common assessment as the same comes due. Upon the transfer of a Lot, an Owner shall be entitled to a credit from his transferee for any unused portion thereof. Such reserves shall at all times remain as capital of the Association.

3. Lien for Non-Payment of Common Expenses. All sums assessed by the Board pursuant to any provision of this Declaration, including, without limitation, the share of Common Expenses chargeable to any Lot, shall constitute a lien on such Lot which is superior or prior to all other liens and encumbrances, excepting only those set forth in section 38-33.3-316 of the Act.

(a) If any assessment shall remain unpaid 20 days after the due date thereof, such unpaid sums shall bear interest from and after the due date thereof at the rate of 18% per annum and the Board of Directors may impose a late charge on such defaulting Owner in an amount not exceeding Ten Dollars (\$10.00) to cover the extra cost and expenses involved in handling such delinquent assessments.

(b) Such lien may be enforced by foreclosure of the defaulting Owner's Lot by the Association in like manner as a mortgage on real property. In any such foreclosure the Owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien and all reasonable attorney's fees. The Owner shall also be required to pay to the Association the monthly assessment for the Lot during the period of foreclosure, and the Association shall be entitled to the appointment of a Receiver, without notice to the Owner, to collect the same. The Board of Directors shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey same.

(c) Any encumbrancer holding a lien on a Lot may pay, but shall not be required to pay, any unpaid Common Expenses payable with respect to such Lot, and upon such payment

such encumbrancer shall have a lien on such Lot for the amounts paid of the same rank as the lien of its encumbrance. Any first Mortgagee who acquires a Lot by foreclosure shall acquire title to such Lot free and clear of any lien for unpaid Common Expenses except as otherwise provided in the Act or this Declaration. Such Mortgagee shall be responsible for Common Expenses arising after the date upon which such first Mortgagee acquired title to the Lot pursuant to the terms of the Act.

(d) Declarant states in accordance with the requirements of the Act, that it is possible that liens other than mechanic's liens, assessment liens and tax liens, may be obtained against the General Common Elements, including judgment liens and Mortgage liens.

(e) Each Owner hereby agrees that the Association's lien on a Lot for assessments as hereinbefore described shall be superior to the Homestead Exemption provided by C.R.S. § 38-41-201, et. seq. and each Owner hereby agrees that the acceptance of the deed or other instrument of conveyance in regard to any Lot shall signify such grantee's waiver of the Homestead right granted in said section of the Colorado statutes.

4. Owners' Personal Obligations for Payment of Assessments. The amount of the Common Expenses and/or any special Assessment assessed against each Lot shall be the personal and individual debt of the Owner or Owners thereof at the time the Assessment is made. In addition to lien foreclosure described above, suit to recover a money judgment for unpaid Common Expenses and/or special Assessments, and costs of suit and attorney's fees, may be maintainable without foreclosing or waiving the lien securing same. No Owner may exempt himself from liability for his contribution towards the Common Expenses and/or any special Assessment by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Lot.

(a) Upon payment of a reasonable fee not to exceed Twenty Dollars (\$20.00) and upon 10 days' prior written notice from any Owner or any Mortgagee or prospective Mortgagee or grantee of a Lot, the Association, by its Managing Agent or Board of Directors, shall issue a written statement setting forth the amount of the unpaid Common Expenses, if any, with respect to the subject Lot, the amount of the current monthly assessment, the date that such assessment becomes due, the amount of any assessment reserve on deposit with the Association and any credit for advanced payments for prepaid items, including but not limited to insurance premiums, which statement shall be conclusive upon the Association in favor of all Persons who rely thereon in good faith. Unless such request for such a statement shall be complied with within 10 days from the receipt thereof, all unpaid Common Expenses which become due prior to the date of making such request shall be subordinate to the lien of the Person requesting such statement.

#### 5. Budget.

(a) Prior to the beginning of each fiscal year, the Association is to prepare a proposed budget covering the estimated costs of operating the Project during the coming year,

including an annual reserve contribution for replacement of Improvements that are the Association's responsibility, and establish the Common Expense Assessment for the coming year.

(b) The Association is to deliver a summary of the proposed budget to each Owner within 90 days after adopting the proposed budget and set a date for an Association meeting to consider the proposed budget, which meeting is to occur within a reasonable time after delivery of the proposed budget summary.

(c) The proposed budget and the Assessments from it become effective unless disapproved at a duly called Association meeting by a majority vote of the quorum present; provided, however, if a quorum is not obtained at the meeting, the budget is to become effective even though a vote to disapprove the budget could not be called at this meeting.

(d) If the membership disapproves a proposed budget or the Association fails for any reason to determine the budget for the succeeding year, then until a new budget is determined, the budget in effect for the current year is to continue. In such a case, the Association may propose a new budget at any time during the year. The approval procedure set forth in this section shall also apply to such new budget proposed by the Association.

(e) A ratified or approved budget does not operate as a limitation on expenditures by the Association, but, rather, the budget is merely an estimate of Common Expenses.

## ARTICLE 5. MAINTENANCE AND IMPROVEMENT RESPONSIBILITIES

### 1. Initial Owner—Landscape Improvement Responsibilities.

(a) Each Homebuilder must install initial landscaping. Such landscaping is subject to review and approval of the Association. Landscaping must be installed in accordance with the Willow Creek Architectural Guidelines.

2. Owner Maintenance Responsibilities. Each Owner is obligated to maintain and keep in good repair all portions of the Owner's Lot consistent with standards as set by the Board and the Willow Creek Architectural Guidelines. This maintenance responsibility includes, but is not limited to, the following:

(a) Maintenance, repair and replacement of all Improvements located within Owner's Lot;

(b) Landscaping must be kept in a neat, attractive and well-kept condition, which includes lawns mowed regularly, hedges, shrubs, and trees pruned and trimmed, adequate watering, replacement of dead, diseased or unsightly trees and other vegetation, and regular

removal of weeds and debris, and otherwise maintained in accordance with the standards set forth in the Willow Creek Architectural Guidelines.

(c) Each Owner must perform his or her obligations in a manner that does not unreasonably disturb other Owners and Residents.

(d) Any maintenance or repair performed on or to the Common Areas by an Owner or Resident, including landscaping, is performed at the Owner's sole expense and the Owner or Resident is not entitled to reimbursement from the Association even if the Association accepts the work.

### 3. Association Maintenance Responsibilities.

(a) The Association is to maintain and keep in good repair as a Common Expense the Common Areas of the Property. This maintenance is to be kept in a neat, attractive and well-kept condition, which includes regular trimming and pruning, adequate watering, replacement of dead or unsightly vegetation, if any, and removal of weeds and debris, performed consistent with the standards as set by the Board.

(b) If the Association determines that the need for maintenance, repair, or replacement of the Common Areas is caused through the willful or negligent act of any Owner or Resident, or their Guests, the Association may assess the cost of that maintenance, repair, or replacement against the Owner's Lot, which cost becomes the Owner's personal obligation, a lien against the Lot, and collected as provided in this Declaration.

4. Maintenance Standards and Interpretation. The maintenance standards and enforcement and interpretation of maintenance obligations under this Declaration may vary from one term of the Board to another. These variances shall not constitute a waiver by the Board of the right to adopt and enforce maintenance standards under this Article. No decision or interpretation by the Board shall constitute a binding precedent with respect to subsequent decisions or interpretations of the Board.

5. Failure to Maintain. If the Association determines that any Owner has failed or refused to properly discharge his or her maintenance, repair, or replacement obligations, as provided in the Governing Documents, the Association must give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide the necessary work and materials at the Owner's sole cost and expense. The notice must describe with reasonable particularity the work the Association deems necessary. Unless the Association determines that an emergency exists, the Owner has 10 days to control weeds, grass, tree trimming, and/or other unsightly growth on the Lot and 30 days to complete maintenance or repair to the Residence or other Improvements on the Lot. If the maintenance or repair of the Residence or other such Improvements cannot reasonably be completed within such time period, the Owner must commence replacement or repair within 30 days. If the Association determines that an emergency exists, or Owner has not complied with the Association's demand, the Association

may perform the work and assess the cost of that work against the Owner's Lot, which cost becomes the Owner's personal obligation, a lien against the Lot, and collected as provided in this Declaration. If both the Owner and the Association fail to act, the Owner's Lot is subject to municipal weed and excessive growth ordinances and the remedies contained therein. Any lien asserted by the City for such clean-up shall be assessed against the Owner's Lot only and in order of priority as provided by law.

## ARTICLE 6. ARCHITECTURAL CONTROLS

1. Architectural controls are contained in the Willow Creek Architectural Guidelines.

## ARTICLE 7. RESTRICTIVE COVENANTS AND OBLIGATIONS

1. The Property is held, used and enjoyed subject to the covenants, limitations and restrictions of this Declaration, including as set forth in this Article. The strict application of the covenants, limitations and restrictions in any specific case may be modified or waived, in whole or in part, by the Board if such strict application would be unreasonable or unduly harsh under the circumstances. Any such modification or waiver must be in writing or must be contained in written guidelines or rules and regulations adopted by the Board. All covenants, limitations and use restrictions are also subject to the Development Rights and Special Declarant Rights reserved by Declarant.

2. Owner Responsibility for Compliance. Each Owner is responsible for ensuring that the Owner's Guests and Residents comply with all provisions of the Governmental Documents. Each Owner, Guest and Resident must endeavor to observe and promote the purposes for which the Association was established. In addition to any rights the Association may have in law against the Owner, his or her Guest, or Resident, as a result of violation of the Governing Documents, the Association may take action under this Declaration against the Owner as necessary to enforce compliance hereunder.

3. Use of Lots and Residences.

- (a) Occupancy, Residential and Business Use Covenants and Restrictions.

Except as provided below, each Lot is to be used primarily as a Residence. No trade or business may be conducted in or from a Lot or any part of the Property, except that the Owner or Resident may conduct ancillary business activities within the Lot so long as the business activity:

- (i) is not apparent or detectable by sight, sound, or smell from the outside of the Lot;

- (ii) does not involve visitation of the Lot by employees, clients, customers, suppliers or other business invitees in greater volume than would normally be expected for guest visitation to a Residence without business activity;

(iii) does not increase the insurance premium paid by the Association or otherwise negatively affect the Association's ability to obtain insurance coverage;

(iv) is consistent with the Property's residential character, and does not constitute a nuisance or hazardous or offensive use, or threaten the security or safety of other Residents, as determined by the Board; and

(v) does not result in a materially greater use of Common Area or Association services;

(vi) and complies with all city zoning and other land use regulations.

The terms "business" and "trade," as used in this Article, have their ordinary, generally accepted meanings, and include, without limitation, any occupation, work, or activity undertaken on an ongoing basis that involves provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether the activity is engaged in full or part-time, or the activity is intended to or does generate a profit, or a license is required for the activity.

(b) Occupancy. If an Owner is a corporation, partnership, trust or other legal entity, the entity is to designate in writing to the Association the names(s) of the natural person(s) who is/are to occupy the Residence.

(c) Restrictive Covenants and Obligations.

(i) No Violation of Law. No Owner, Guest or Resident shall do anything or keep anything in or on the Project which would be improper, offensive or in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

(ii) No Noxious, Offensive, Hazardous or Annoying Activities. No noxious or offensive activity shall be carried on upon the Project nor shall anything be done or placed on or in any part of the Project which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others. No activity shall be conducted on any part of the Project and no improvements shall be made or constructed on any part of the Project which are or might be unsafe or hazardous to any Person or property. No sound shall be emitted on any part of the Project which is unreasonably loud or annoying. No odor shall be emitted on any part of the Project which is noxious or offensive to others. No light shall be emitted from any part of the Project which is unreasonably bright or causes unreasonable glare.

(iii) No Unsightliness. No unsightliness or waste shall be permitted on or in any part of the Project. Without limiting the generality of the foregoing, no Owner, Guest or Resident shall keep or store anything (except in designated storage areas) on or in any Lot that is unsightly, nor shall any Owner, Guest or Resident hang, erect, affix or place anything



unsightly or offensive upon any Residence or Improvement, and nothing shall be placed on or in windows or doors of Residences, which would or might create an unsightly or offensive appearance.

(iv) **Restriction on Animals:** Except as provided by federal or state law regarding companion and service animals, no animals, livestock, reptiles or birds shall be kept in any part of the Project, except a reasonable number of dogs and cats, subject to all municipal animal ordinances and subject to Rules and Regulations promulgated by the Board in regard thereto, provided that said animals are not kept for any commercial purpose. An Owner, Guest or Resident is responsible for any damage caused by his or her animal(s) and shall be obligated to clean up after his or her animal(s), including feces, anywhere upon the Project, including the Owner's Lot. No animals shall be allowed to remain tied or chained to any balconies, patios or Improvements, and any such animal(s) so tied or chained may be removed by the Association. Dogs must be leashed when accompanying an Owner, Resident or Guest when away from an Owner's Lot, pursuant to municipal ordinance.

(v) **Restriction on Signs:** Except for patriotic and political signs and other such expressions that comply with C.R.S. 38-33.3-106.5, no signs or advertising devices of any nature shall be erected or maintained on a Residence without the prior written consent of the Board.

(vi) **No Violation of Rules:** No Owner, Guest or Resident shall violate the Rules and Regulations adopted from time to time by the Association, whether relating to the use of Lots, the use of the Common Elements, or otherwise.

(vii) **Restriction on Marijuana Use, Growth and Distribution.** Except for the growth and use of marijuana for personal use by the Resident as permitted by Colorado law, no Owner, Resident or other Person may use a Lot or any portion thereof for the growth, use, or distribution of marijuana by any means which is illegal under State law. No Lot may be used for the production or use of hash oil, whether for personal use or distribution. The restrictions in this section may be further clarified by the Board through Rules and Regulations. Owners are responsible for any costs or damages resulting from violation of this paragraph.

(viii) **Owner Caused Damages:** If, due to the act or neglect of an Owner, Guest, or Resident, loss or damage shall be caused to any Person or property upon the Common Elements or any Lot, such Owner shall be liable and responsible for the same except to the extent that such damage or loss is covered by insurance obtained by the Association and the carrier of the insurance has waived its rights of subrogation against such Owner. The amount of such loss or damage may be collected by the Association from such Owner as an assessment against such Owner, and such amount (including reasonable attorneys' fees) shall be secured by a lien on the Owner's Lot as provided hereinabove for assessments or other charges.

4. **Leasing.** The Property is intended to be owner-occupied. However, any Owner has the right to lease or allow occupancy of a Lot upon terms and conditions the Owner deems

advisable, subject to restrictions of this Declaration, any other restrictions of record, and the following:

(a) Leasing for purposes of this Declaration is defined as regular, exclusive occupancy of a Lot by any Person other than the Owner, with or without consideration. For purposes of this Declaration, occupancy by not more than one roommate of an Owner who occupies the Lot as their primary residence does not constitute leasing under this Declaration.

(b) Leases are to be for the entire Lot.

(c) Leases may be for any term, including short term (under 30 days), if all municipal land use and any other relevant regulations that govern short-term rentals are complied with.

(d) The lease is to be in writing and is to provide that the lease is subject to the Governing Documents. Owners are required to provide Residents with copies of the current Declaration and Rules and Regulations.

(e) Each Owner who leases his or her Lot is to provide the Association a copy of the current lease (lease amount may be redacted) and tenant information reasonably requested by the Board.

(f) All leases shall provide that failure of the lessee to comply with the Governing Documents is a default of the lease.

5. Use of Common Areas. There may be no obstruction of the Common Areas, nor may anything be kept, parked, or stored on or removed from any part of the Common Areas without the prior written consent of the Board. No exterior additions, alterations, or decorations may be made to any Common Area, including fencing, signage or landscaping. The Association may remove unattended personal property from Common Areas. The Association is not liable to the Owner or Resident for the loss or damage to said property that occurs during the removal of such property.

6. Drainage. No Owner or Resident may interfere with the use and function of drainage facilities upon the Project.

7. Vehicles and Parking.

(a) Parking is subject to the Rules and Regulations adopted by the Board.

(b) Prohibited Vehicles. Boats, trailers, jet-skis and trailers for same, hauling trailers, pickup trucks over 1 ton, panel trucks, buses, and recreational vehicles are not to be parked on the Project.

(c) No unlicensed vehicles may be parked on the Common Areas. No stored or abandoned or inoperable vehicles may be stored or parked on the Common Areas. Such vehicles are subject to towing by the Association, after reasonable notice, without liability therefor by the Association or its directors, officers or agents.

8. Vehicle Repair. Maintenance, repair, rebuilding, dismantling, repainting, or any kind of servicing of vehicles, trailers or boats may not be performed or conducted on a Lot unless said work is performed in a garage.

## ARTICLE 8. INSURANCE

1. Owner's Insurance. Each Owner shall obtain such property and liability insurance as he or she deems prudent covering loss, damage or destruction by fire or other casualty to the Improvements, the other property of the Owner, and any injuries occurring to persons while on a Lot. The Association is not liable for the failure of any Owner to maintain such insurance.

2. Insurance to be Carried by the Association. The Association must obtain and maintain in full force and effect, to the extent reasonably available and at all times, the following insurance coverages:

(a) Association Comprehensive/General Liability Insurance. The Association must obtain hazard, comprehensive/general liability insurance for the Common Areas and any other property the Association maintains, in amounts the Board determines from time to time. Coverage must include, without limitation, liability coverage for personal injuries and operation of automobiles on behalf of the Association, and workers' compensation as required by law.

(b) Association Fidelity Insurance. The Association must obtain fidelity coverage to protect against dishonest acts on the part of its officers, directors, and employees and on the part of all others who handle the funds of the Association. The fidelity coverage should be in an amount sufficient to cover the maximum funds that may be in the control of the Association. The fidelity coverage may be in at least an amount equal to the aggregate of two months' Assessments plus reserves, based on the current budget, to the extent reasonably available.

(c) Directors' and Officers' Personal Liability Insurance. The Association must obtain directors' and officers' personal liability insurance to protect the officers and directors and any other individuals acting at the Board's direction from personal liability in relation to their duties and responsibilities in acting on the Association's behalf.

(d) Other Insurance. The Association may obtain other insurance against other risks of similar or dissimilar nature as it deems appropriate with respect to its responsibilities and duties.

## ARTICLE 9. DEVELOPMENT RIGHTS OF DECLARANT

1. Development Rights and Special Declarant Rights. The Declarant, for itself and its successors, reserves through the period of 10 years after the recording of this Declaration, the following Development Rights and Special Declarant Rights:

(a) the right to relocate boundaries between adjoining Lots owned by the Declarant, enlarge Lots, reduce the size of Lots, subdivide Lots owned by Declarant or complete or make improvements, as the same may be indicated on the Plat filed of record, all in accordance with the requirements of municipal land use regulations.

(b) the right to enlarge or reduce or relocate the Common Elements and create additional Lots.

(c) the right to exercise any additional reserved right created by any other provision of this Declaration.

(d) the right to amend the use restrictions included in this Declaration, together with the right to add new use restrictions.

(e) the right to make amendments to this Declaration or the other Governing Documents to meet or comply with any requirements of any lender to an Owner.

(f) the right to appoint or remove any officer of the Association or any Director during Declarant Control.

(g) the right to amend the Plat in connection with the exercise of any development right.

(h) the right to amend the Declaration, Bylaws or Articles to meet or comply with any requirement of FHA or VA.

(i) the right to use and to permit others to use easements through the Common Elements, as may be reasonably necessary.

2. Additional Reserved Rights. In addition to the rights set forth above, Declarant also reserves the following additional rights:

(a) the right to maintain mobile and other sales offices, parking lots, management offices and models on Lots of the Declarant.

(b) the right to maintain signs and advertising on the Project and to advertise it.

i. Declarant and their successors and assigns expressly reserve to themselves the right to perform warranty work, and repairs and construction work, and to store materials in secure areas, in Lots and in Common Elements, and the future right to control such work and repairs and the right of access thereto, until completion. All work may be performed without the consent or approval of any Owner or holder of a security interest. Declarant and its assigns have an easement through the Common Elements as may be reasonably necessary for exercising reserved rights in this Declaration. Such easement includes the right to construct underground utility lines, pipes, wires, ducts, conduits, and other facilities.

(c) the right to enter into, establish, execute, amend, and otherwise deal with contracts and agreements for the use, lease repair, maintenance and regulation of the Common Elements.

(d) Declarant and its assigns shall have an access easement to and from any part of the Property to any other part.

(e) the right to exercise any additional reserved right created by any other provision of this Declaration or by the Act.

3. Transfer of Rights. Any rights created or reserved under this Article or the Act for the benefit of Declarant may be transferred to any person by an instrument describing the rights transferred recorded in the real property records of Fremont County. Such instrument shall be executed by the transferor Declarant and the transferee. The rights transferred may then be exercised in compliance with the requirements of CRS 38-33.3-210 and 209(6) without the consent of the Association, the Owners or any holders of a security interest in a Lot. Any rights created or reserved under this Article or the Act for the benefit of Declarant may also be transferred to the Association by an instrument describing the rights transferred and recorded in Fremont County. Such instrument shall be executed by the Declarant and the Association.

4. No Further Authorizations Needed. Except as set forth in this Declaration, the Consent of Owners or holders of security interests in Lots shall not be required for exercise of any reserved rights and Declarant may proceed without limitation at its sole option. Declarant may exercise any reserved rights on all or any portion of the Property in whatever order determined.

5. Amendment of the Declaration or Plat. If Declarant elects to exercise any reserved rights, he shall comply with the Act.

6. Termination of Reserved Rights. The rights reserved to Declarant, for themselves and their successors and assigns, shall expire as set forth above or in the Act, unless (a) reinstated or extended by the Association, subject to whatever terms, conditions and limitations the Board may impose, (b) extended as allowed by law or, (c) terminated by written

instrument executed by the Declarant, recorded in the records of the Clerk and Recorder of Fremont County.

## ARTICLE 10. AUTHORITY AND ENFORCEMENT

### 1. Compliance with and Enforcement of Governing Documents.

(a) Compliance Required. Every Owner and Resident must comply with the applicable provisions of the Governing Documents. Any aggrieved Owner or Resident has the right to take action to enforce the terms of the Governing Documents against another Owner or Resident.

(b) Association Remedies. The Association may enforce all applicable provisions of the Governing Documents and may impose sanction for their violation. Sanctions may include, without limitation:

i. imposing reasonable monetary fines, after notice and opportunity for a hearing, which may be a lien upon the violator's Lot. In the event that any Resident or Guest violates the Governing Documents and a fine is imposed, the fine may first be assessed against the violator. If the fine is not paid by the violator within the time period set by the Association, the Owner must pay the fine upon notice from the Association.

(ii) suspending any services provided by the Association to an Owner or the Owner's Lot if the Owner is more than 30 days delinquent in paying any assessment or other charge owed to the Association.

(iii) requiring an Owner, at the Owner's expense, to cease any construction of any modification that has not been approved, or to remove any structure or improvement in the Lot or Common Areas in violation of the Governing Documents and to restore the Lot or Common Areas to its previous condition and, upon the Owner's failure to do so, the Association has the right to enter the Lot or Common Areas, remove the violation and restore the Lot or Common Areas to substantially the same condition as previously existed without such action being deemed a trespass.

(c) Emergencies and Legal Action. In addition, the Association may take the following enforcement procedures to seek compliance with the Governing Documents:

(i) exercise self-help in any emergency situation; and/or

(ii) institute any civil action to enjoin any violation or to recover monetary damages or both.

(d) Remedies are Cumulative. All remedies set forth in the Governing

Documents are cumulative of any remedies available at law or in equity.

(e) Costs Incurred by Association. If the Association exercises any of its rights pursuant to this section, all costs may be assessed against the violating Owner or Resident and may be a lien against the Lot. Additionally, subject to the Act, the Association is also entitled to recover its reasonable attorney fees which may be collected as an Assessment.

(f) Failure to Enforce. The Board has the discretion to determine whether enforcement action in any particular case may be pursued, provided that the Board exercises its judgment in a reasonable manner and that such exercise is not arbitrary and capricious. Notwithstanding the above, no right of action exists against the Association for failure of enforcement where: (i) the Board determines that the Association's position is not strong enough to justify taking enforcement action; (ii) a particular violation is not of such a material nature as to be objectionable to a reasonable person or justify the expense and resources to pursue; or (iii) the Owner or party asserting a failure of enforcement possesses an independent right to bring an enforcement action at law or in equity, or under this Declaration, and has failed to do so. A decision of the Association not to pursue enforcement action is not to be construed as a waiver of the Association's right to enforce such provision at a later time under other circumstances or preclude the Association from enforcing any other provision of the Governing Documents.

(f) Excluded Claims that are the subject of Excluded Disputes shall be resolved pursuant to statute, including CRS 13-20-801 et seq.

## ARTICLE 11. AMENDMENTS OR TERMINATION

1. This Declaration may be amended by the affirmative vote, written agreement, or any combination of affirmative vote and written agreement of the Owners holding at least 67% of the total Association vote.

2. If a proposed amendment is to be considered at a Member meeting, notice of the meeting is to state the general subject matter of the proposed amendment. No amendment is to be effective until signed by the Association's president and recorded in the real property records of Fremont County.

3. The Board of Directors, without the necessity of a vote by the Owners, may amend this Declaration to correct any scrivener's errors, to comply with any applicable local, state, or federal law, and/or to bring the Property into compliance with applicable rules and regulations of the Federal National Mortgage Association ("Fannie Mae"), Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Department of Housing and Urban Development ("HUD"), and the Veterans Administration ("VA").

4. Amendment of Declaration or Plat by Declarant. If Declarant shall

determine that any amendments to this Declaration or the Plat shall be necessary in order to make non-material changes, Declarant shall have the right and power to make and execute any such amendments without obtaining the approval of any Lot Owners or Mortgage Holders. Each such amendment of this Declaration shall be made, if at all, by Declarant prior to the expiration of 10 years from the date this Declaration is recorded. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Declarant to make or consent to an amendment under this section on behalf of each Lot Owner and Mortgage Holder. Each deed, security interest, other evidence of obligation or other instrument affecting a Lot and the acceptance is deemed to be a grant and acknowledgment of, and consent to the reservation of, the power of Declarant to make, execute and record an amendment under this section.

5. Validity. Any action to challenge an amendment's validity must be brought within one year of the effective date of the amendment.

6. Termination. This Declaration may be terminated in the manner as provided for and allowed in the Act.

## ARTICLE 12. GENERAL PROVISIONS

1. Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it by the Governing Documents or reasonably necessary to effectuate any of its rights or privileges.

2. Electronic Records, Notices and Signatures. Notwithstanding any other portion of this Declaration, records, signatures and notices are not denied validity or effectiveness hereunder solely on the grounds that they are transmitted, stored, made or presented electronically.

3. Duration. This Declaration run with and bind the Property perpetually unless otherwise terminated as provided in the Act.

4. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order does not affect the application of such provision to other circumstances or affect any other provisions of this Declaration which remain in full force and effect.

5. Singular Includes the Plural; Gender. Unless the context otherwise requires, the singular includes the plural, and the plural includes the singular, and each gender referral is deemed to include the masculine, feminine and other.

6. Conflicts. In the event of a conflict between this Declaration and the Articles



of Incorporation or Bylaws, this Declaration shall control. In the event of a conflict between the Articles and Bylaws, the Articles shall control.

7. Effect of Provisions of Declaration: Each provision of this Declaration, and an agreement, promise, covenant and undertaking to comply with each provision of this Declaration, and any necessary exception or reservation or grant of title, estate, right or interest to effectuate any provision of this Declaration shall:

(i) be deemed incorporated in each deed or other instrument by which any right, title or interest in a Lot is granted, devised or conveyed, whether or not set forth or referred to in such deed or instrument;

(ii) by virtue of acceptance of any right, title or interest in a Lot by an Owner, be deemed accepted, ratified, adopted and declared as a personal covenant of such Owner, and, as a personal covenant, shall be binding on such Owner and such Owner's heirs, personal representatives, successors and assigns and shall be deemed a personal covenant to, with and for the benefit of the Association but not to, with or for the benefit of any other non-aggrieved Owner;

(iii) be deemed a real covenant by Declarant, for itself, its successors and assigns, and also an equitable servitude, running, in each case, as a burden with and upon the title to the Property and, as a real covenant and also as an equitable servitude, shall be deemed a covenant and servitude for the benefit of the Property; and

(iv) be deemed a covenant, obligation and restriction secured by a lien in favor of the Association, burdening and encumbering the title to a Lot in favor of the Association.

IN WITNESS WHEREOF, Declarant has executed this Declaration this 3/5 day of March, 2022

J + M INVESTMENTS, LLC, a Colorado limited liability company

By:   
Jay D. Stoner, Member-Manager

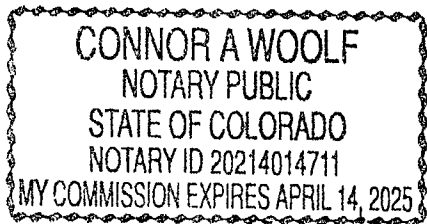
STATE OF COLORADO )  
 )  
COUNTY OF El Paso )

The foregoing instrument/<sup>JAVD.</sup> was acknowledged before me this 31<sup>st</sup> day of March, 2022, by ~~J.D.~~ Stoner, as Member-Manager of J + M investments, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

My commission expires: 04-14-2025  
Connor A Woolf  
Notary Public

In Witness Whereof, the below Owner has executed this Declaration as an Owner this 31<sup>st</sup> day of March 2022.



BELLCOVE RENTAL, LLC, a Colorado limited liability company

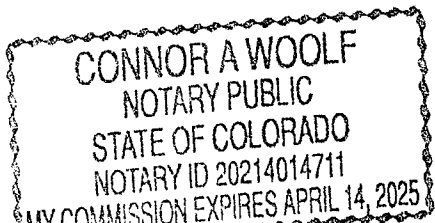
By: Michale A. Stoner  
Michale A. Stoner, Member-Manager

STATE OF COLORADO )  
 )  
COUNTY OF El Paso )

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of March, 2022, by Michale A. Stoner, as Member-Manager of Bellcove Rental, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

My commission expires: 04-14-2025  
Connor A Woolf  
Notary Public





**EXHIBIT 2**

LOT NUMBER	% ALLOCATION FOR ASSESSMENTS
1-159 and 165-240	.42735% allocation per lot (234 lots)
Total:	100%