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Cheri Brunvand-Summit County Recorder 6/25/2002 14:28 DF:

**DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
GIBSON HEIGHTS**

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS FOR GIBSON HEIGHTS ("Declaration") is made this 25th day of JUNE, 2002 by the Summit County Housing Authority, a statutory housing authority under and pursuant to the laws of the state of Colorado ("Declarant").

RECITALS

A. Declarant is the owner of certain real property located in Summit County, Colorado, more particularly described as Gibson Heights, according to the Plat thereof, and hereinafter referred to as the "Property".

B. Declarant desires to create a common interest community pursuant to the Colorado Common Interest Ownership Act as set forth in Colorado Revised Statutes 38-33.3-101 et. seq. ("Act") on the Property, the name of which is Gibson Heights.

C. Declarant also desires to protect and maintain the Property as a prime mountain residential area of high quality and value to enhance and protect its desirability and attractiveness.

D. Declarant further desires to provide for the operation and maintenance of the Common Elements (as defined below) and other related facilities serving the Property.

E. Declarant has deemed it necessary and desirable, for the welfare of the residents of Gibson Heights and the preservation of the Property, to subject the Property to the covenants, restrictions, easements, charges, assessments, and liens set forth below, which shall be to the burden and benefit of the Declarant and the other Lot Owners (as defined below) and their respective successors, heirs, executors, administrators, devisees, grantees, or assigns.

F. Declarant hereby desires to create certain agencies and to delegate and assign to said agencies the power and duties of maintaining and administering the Common Elements, and administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges created under this Declaration, for the burden and benefit of Declarant and all heirs, successors, grantees, and assigns of Declarant to any right, title, or interest in the Property.

**ARTICLE I
DECLARATION AND SUBMISSION**

Declarant hereby submits the Property to the provisions of the Act and declares that the Property shall be held, sold, and conveyed subject to the following 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.

**ARTICLE II
NAME, DESCRIPTION, LOT DESCRIPTION AND IDENTIFICATION**

Section 2.1. Name. The name of the project is Gibson Heights, a Planned Common Interest Community pursuant to the Act.

Section 2.2. Description. The entire Property is situated in the Town of Breckenridge, County of Summit, and State of Colorado.

Section 2.3. Association. The name of the association is Gibson Heights Owners Association. Declarant has caused the Association to be incorporated under the laws of the State of Colorado as a nonprofit corporation with the purpose of exercising the functions as herein set forth.

Section 2.4. Identification of Lots. The boundaries of each Lot are shown on the Plat. A maximum of forty (40) units shall be established on this property for the purposes of residential development.

ARTICLE III DEFINITIONS

Section 3.1. Definitions. The following words when used in this Declaration, unless inconsistent with the context of this Declaration, shall have the following meanings; the definitions in the Act shall apply if this Declaration doesn't adequately define a term:

A. "Act" means the Colorado Common Interest Ownership Act, C.R.S. §38-33.3-101, et seq., Colorado Revised Statutes, as it may be amended from time to time.

B. "Allocated Interests" means the Common Expense liability and votes in the Association allocated to Lots in the Property. The Allocated Interests are described in ARTICLE XVIII of this Declaration.

C. "Assessments" means the Annual, Special, and Default Assessments levied pursuant to ARTICLE IX of this Declaration. Assessments are further defined as a Common Expense Liability as defined under the Act.

D. "Association" means the Gibson Heights Owners Association, a Colorado non-profit corporation. It is hereby designated as the Association of Lot Owners pursuant to C.R.S. §38-33.3-301.

E. "Association Documents" means this Declaration, the Articles of Incorporation (the "Articles"), and the Bylaws of the Association (the "Bylaws"), and any procedures, rules, regulations, or policies adopted under such documents by the Association (the "Rules").

F. "Board of Directors" 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.

G. "Building" shall mean and refer to all structures containing one or more Units now or hereafter constructed on the Property.

H. "Common Elements" means all the real property and improvements thereon, if any, in which the Association owns an interest for the common use and enjoyment of all of the Owners on a nonexclusive basis. Such interest may include, without limitation, estates in fee, for terms of years, or easements.

I. "Common Expense" 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 Elements; (iii) all expenses of maintaining, repairing, or replacing the driveway and utility improvements benefiting more than one Lot Owner located within any private access and utility easements(s) shown on the Plat; (iv) insurance premiums for the insurance carried under ARTICLE VIII; and (v) all expenses lawfully determined to be common expenses by the Board of Directors of the Association.

J. "Declarant" shall mean and refer to the Summit County Housing Authority, and all its heirs, successors, and assigns in the Property, either in its entirety or a portion thereof.

K. "Design Review Committee" means and refers to the design review committee established by the Association in accordance with this declaration to perform such design review functions as are addressed herein.

L. "Development Rights" means the rights reserved by the Declarant under ARTICLE XVII of this Declaration.

M. "Director" means a member of the Board of Directors.

N. "Easements" shall mean and refer to any easements, of either a public or private nature, on the Property or providing for access or utilities to the Property, and for the storage of snow, including, but not limited to, the easements depicted and shown on the Plat as well as easements created herein for the benefit of certain Lots.

O. "Eligible Insurer" means an insurer or guarantor of a first Security Interest in a Lot. An Eligible Insurer must notify the Association in writing of its name and address and inform the Association that it has insured or guaranteed a first Security Interest in a Lot. It must provide the Association with the Lot number and address of the Lot on which it is the insurer or guarantor of a Security Interest. Such notice shall be deemed to include a request that the Eligible Insurer be given the notices and other rights described in ARTICLE XIII.

P. "Eligible Mortgagee" means the holder of a first Security Interest in a Lot, when the holder has notified the Association, in writing, of its name and address and that it holds a first Security Interest in a Lot. The notice must include the Lot number and address of the Lot on which it has a security interest. This notice shall be deemed to include a request that the Eligible Mortgagee be given the notices and other rights described in ARTICLE XIII.

Q. "Improvements" shall mean and refer to all improvements now or hereafter constructed on the Property., excluding units, but to include without limit parking areas, driveways, landscaping, lights, signage, drainage/water quality control facilities, and other related improvements.

R. "Lot" means the residential dwelling portion of the Property that is designed for separate ownership or occupancy, the boundaries of which are described on the Plat by specific numerical designation, and in ARTICLE VI of this Declaration, including ownership of Lots designated for duplex or townhouse units. Lot is further defined as a "Unit" under the Act.

S. "Lot Owner" or "Owner" means any person or entity who is record owner of a Lot by virtue of a fee simple deed. Lot Owner does not include a person having only a Security Interest or any other interest in a Lot merely as security for an obligation. The Declarant is the initial owner of each and every Lot created and defined by this Declaration and the Plat, and thus the Declarant and its successors and assigns in interest shall also be included in this definition of Owner. Lot Owner or Owner is further defined as a "Unit Owner" under the Act.

T. "Manager" means a person or entity engaged by the Association to perform certain duties, powers, or functions of the Association, as the Board of Directors may authorize from time to time, for the Property and the Association.

U. "Majority or Majority of Lot Owners" means the Owners of more than 50% of the votes in the Association.

V. "Member" means every person who holds membership in the Association.

W. "Mortgage" means any mortgage, deed of trust, or other document pledging any Lot or interest therein as security for payment of a debt or obligation. Mortgage is also defined as a Security Interest, but mortgages which represent junior liens or interests in any property shall not be considered to be Eligible Mortgagees for the purposes set forth herein.

X. "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.

Y. "Party Wall" shall mean and refer to each of the support and division walls, including footings, between certain duplex and townhouse Units constructed on the Lots.

Z. "Plat" means the subdivision map depicting the Property, recorded on _____, 200__, at Reception No. _____, together with such additional, supplemental, or amended plats or maps as may be filed for the Property in the records of the Summit County Clerk and Recorder.

AA. "Project" shall refer generally to the Gibson Heights Subdivision, as approved by the Town of Breckenridge, and memorialized in the Plat.

BB. "Rules and Regulations" shall include, without limit, any instruments adopted by the Association for the administration and management of the property, as may be amended from time to time.

CC. "Security Interest" means an interest in and encumbrance upon real estate or personal property, created by contract or conveyance, which secures payment or performance of an obligation. The term includes a lien created by a mortgage, deed of trust, installment land contract, lease intended as security, assignment of lease or rents intended as security, pledge of an ownership interest in the Association, and any other consensual lien intended as security for an obligation. A nonconsensual lien does not create a Security Interest.

DD. "Special Declarant Rights" means the rights reserved for the benefit of the Declarant under ARTICLE XVII of this Declaration.

EE. "Successor Declarant" means any party or entity to whom Declarant assigns any or all of its rights, obligations or interest as Declarant, as evidenced by an assignment or deed of record in the office of the Summit County Clerk and Recorder, 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 documents.

FF. "Unit" shall mean and refer to any individual residence constructed on a Lot, including all townhome and duplex residences.

ARTICLE IV MEMBERSHIP, 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. Class Membership. The Association shall have one class of voting membership, which shall be all Owners, who, except as otherwise provided for in this Declaration, 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 person 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. In no event shall more than one vote be cast with respect to any one Lot.

Section 4.3. Period of Declarant Control. Declarant and any successor of Declarant, who takes title to all or part of the Property for the purpose of development and sale of the Property and who is designated as Successor Declarant in a recorded instrument executed by the Declarant, shall have exclusive power to appoint and remove members of the Board of Directors and officers of the Association to the fullest extent permitted by C.R.S. §38-33.3-303 of the Colorado Revised Statutes. This period of Declarant control shall terminate no later than the earlier of:

- A. 60 days after conveyance of 75% of the Lots that may be created in the Property to Lot Owners other than a Declarant; or
- B. two years after the last conveyance of a Lot by the Declarant in the ordinary course of business; or

C. two years after any right to add new Lots was last exercised.

Declarant may voluntarily surrender the right to appoint and remove officers of the Association and Members of the Board of Directors before termination of the period described above. In that event, the Declarant may require, for the duration of the period of Declarant control, that specified actions of the Association or Board of Directors, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

Not later than 60 days after conveyance of 25% of the Lots that may be created to Lot Owners other than Declarant, at least one Member and not less than 25% of the Members of the Board of Directors shall be elected by Lot Owners other than the Declarant. Not later than 60 days after conveyance of 50% of the Lots that may be created to Lot Owners other than a Declarant, not less than 33-1/3% of the Members of the Board of Directors shall be elected by Lot Owners other than the Declarant.

Not later than the termination of any period of Declarant control, the Lot Owners shall elect a Board of Directors of at least three Members. The Board of Directors shall elect the officers. The Board of Directors Members and officers shall take office upon election. At all times, owners of the Townhouse Units shall represent no less than one third of the total makeup of the Board of Directors Members and officers.

Notwithstanding any provision of this Declaration or the Bylaws to the contrary, following notice pursuant to C.R.S., §38-33.3-308, the Lot Owners, by a vote of 67% of all Lot Owners present and entitled to vote at a meeting of the Lot Owners at which a quorum is present, may remove a member of the Board of Directors with or without cause, other than a member appointed by the Declarant.

Section 4.4. 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 4.5. Manager. The Association may employ or contract for the services of a Manager to whom the Board of Directors may delegate certain powers, functions, or duties of the Association, as provided in the Bylaws of the Association.

Section 4.6. Implied Rights and Obligations. The Association may exercise any right or privilege expressly granted to the Association in the Association Documents, 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.

ARTICLE V POWERS OF THE BOARD OF DIRECTORS OF THE ASSOCIATION

Section 5.1. Association Records and Minutes of Board of Directors Meetings. The Board of Directors shall permit any Lot Owner, or holder, insurer or guarantor of first mortgages secured by Lots, to inspect the records of the Association and the minutes of Board of Directors and committee meetings during normal business hours. The minutes shall be available for inspection within fifteen days after any such meeting.

Section 5.2. Powers and Duties. The Board of Directors may act in all instances on behalf of the Association, except as provided in this Declaration, the Bylaws or the Act. The Board of Directors shall have, subject to the limitations contained in this Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Property, which shall include, but not be limited to, the following:

A. administer and enforce the covenants, conditions, restrictions, easements, uses, limitations,

obligations, and all other provisions set forth in the Declaration, and supplements thereto;

B. Adopt and amend Bylaws and Rules. The Owners may, in addition, either at any annual meeting or at a special meeting called for this purpose, amend the Rules or adopt new Rules. Only the Owners can alter Rules that were amended or adopted by the Owners. A copy of all Rules shall be delivered or mailed to each Member promptly upon adoption thereof, or upon becoming an Owner;

C. adopt and amend budgets for revenues, expenditures, and reserves;

D. collect Common Expenses Assessments from Lot Owners;

E. collect delinquent Assessments by suit or otherwise, and enjoin or seek damages from an Owner as is provided in the Declaration and the Bylaws;

F. hire and discharge Managers;

G. hire and discharge independent contractors, employees and agents other than Managers;

H. institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violations of or otherwise enforce the Association's Declaration, Bylaws or Rules in the Association's name, on behalf of the Association or two or more Lot Owners on matters affecting the Property;

I. make contracts and incur liabilities;

J. regulate the use, maintenance, repair, replacement and modification of the Common Elements;

K. Incur such costs and expenses to designate and remove personnel, and to enter contracts as may be necessary to keep in good order, condition, and repair all of the Common Elements and items of common personal property as provided in this Declaration; provided, however, there shall be no alterations, capital additions to, or capital improvements of the Common Elements requiring an expenditure in excess of \$5,000.00 without the prior approval of the Owners representing an aggregate ownership interest of 60% or more of the Common Elements. Any alteration, addition, or improvement to the Common Elements shall not change the percentage ownership, voting power, or Common Expense obligation of any Owner;

L. establish a bank account or accounts for the common treasury and for all separate funds that are required or may be deemed advisable;

M. keep and maintain full and accurate books and records showing all of the receipts and disbursements and to permit examination thereof at any reasonable time by each of the Owners and their mortgagees.

N. meet at least quarterly;

O. control and manage the use of the parking areas, including the reasonable allocation of parking spaces to Owners and their guests;

P. cause additional improvements to be made as a part of the Common Elements;

Q. acquire, hold, encumber and convey, in the Association's name, any right, title or interest to real estate or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to this Declaration and Section 38-33.3-312, Colorado Revised Statutes;

R. grant easements for any period of time, including permanent easements, leases, licenses and concessions through or over the Common Elements;

S. impose and receive a payment, fee or charge for the use, rental or operation of the Common Elements and for services provided to Lot Owners;

T. impose a reasonable charge for late payment of assessments and levy reasonable fines for violations of the Declaration, Bylaws, and Rules of the Association;

U. impose a reasonable charge for the preparation and recording of amendments to the Declaration and for a statement of unpaid assessments;

V. provide, at the option of the Board of Directors, for the indemnification of the Association's officers and Board of Directors and maintain Directors' and officers' liability insurance;

W. assign the Association's right to future income, including the right to receive Common Expense assessments;

X. exercise any other powers conferred by the Declaration, these Bylaws or the Act;

Y. exercise any other power that may be exercised in Colorado by a legal entity of the same type as the Association;

Z. exercise any other power necessary and proper for the governance and operation of the Association;

AA. by resolution, establish permanent and standing committees of Directors to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Lot Owners and the Board of Directors. However, actions taken by a committee may be appealed to the Board of Directors by any Lot Owner within 45 days of publication of the notice. If an appeal is made, the committee's action must be ratified, modified or rejected by the Board of Directors at its next regular meeting;

BB. Adopt and publish rules and regulations governing the use of the Common Elements, including any recreational facilities which may be constructed on such property and governing the personal conduct of the Members and their guests, and the Association may establish penalties, including, without limitation, the imposition of fines for the infraction of such rules and regulations;

CC. suspend 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 IX. Such rights may also be suspended after Notice and Hearing for a period up to 90 days for infraction of Rules, unless such infraction is ongoing, in which case the rights may be suspended during the period of the infraction and for up to 90 days thereafter, and;

DD. exercise for the Association all powers, duties, and authority vested in or delegated to the Board of Directors 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.

Section 5.3. Board of Directors Limitations. The Board of Directors may not act on behalf of the Association to amend this Declaration, to terminate the Property, to elect Members of the Board of Directors, or to determine the qualifications, powers and duties or terms of office of Board of Directors Members, but the Board of Directors may fill vacancies in its membership for the unexpired portion of any term.

ARTICLE VI UNIT AND BOUNDARY DESCRIPTIONS; DECLARATION OF PROPERTY RIGHTS

Section 6.1. Boundaries. Boundaries of each Lot created by the Declaration are shown on the Plat, and may hereafter be transferred by using the following legal description:

Lot ____, Building ____, Unit ____ Gibson Heights Subdivision, Filing Number ____, according to the plat recorded at Reception No. _____ on _____, 2002, in the records of the Clerk and Recorder of Summit County, Colorado.

Where improvements have been built on both sides of a boundary that is contiguous to two or more Lots, the vertical perimeter boundary of each Lot is defined as the midpoint between party walls common to the improvements on the two Lots.

Section 6.2. Additions, Alterations, and Improvements. No Lot Owner shall make any structural addition, alteration or physical change to his Lot or to the exterior appearance of any improvement thereon (including an exterior color change) without the prior written consent of the Board of Directors. A Lot Owner may submit a written request to the Board of Directors for approval of any such proposal. The Board of Directors shall answer any request for approval within 60 days after the receipt of the request. Failure to answer the request within this time shall not constitute consent by the Board of Directors to the proposed action. The Board of Directors shall review requests in accordance with its rules.

Section 6.3. Development of the Property. The development of the Property, which shall be known as Gibson Heights, shall be under the control of the Declarant and shall be carried out according to the Subdivision Plat of Gibson Heights, the Gibson Heights Landscape Plan, the Water Service Agreement with the Town of Breckenridge, the Gibson Heights Governmental Covenants and Agreements, the Gibson Heights Architectural and Development Standards, and the Subdivision Improvements Agreement with the Town of Breckenridge filed for record on the _____ day of _____, _____ in the office of the Clerk and Recorder for the County of Summit, State of Colorado, at Reception No. _____, and the Development Code of the Town of Breckenridge, State of Colorado. The maximum number of Lots that may be created within the Project is forty.

Section 6.4. Title to Lot. Title to a Lot may be held individually or in any form of concurrent ownership recognized in the State of Colorado. Any contract of sale, deed, lease, deed of trust, mortgage, security interest, will or other instrument affecting a Lot may describe it by its number as shown on the Plat, followed by the name of the development, and reference to the Plat and this Declaration. Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect a Lot and all appurtenant rights, benefits and burdens thereto as created by the provisions of this Declaration, and each such description shall be so construed.

ARTICLE VII MAINTENANCE OF THE COMMON INTEREST PROPERTY

Section 7.1. Maintenance of Lots. Each Owner shall be solely responsible for all maintenance and repair of his Lot and of the interior of the improvements on his Lot, including all fixtures and improvements and all utility lines and equipment located thereon. No Owner shall unreasonably damage the value of other Lots by the shoddy upkeep of his Lot.

Section 7.2. Maintenance of Party Walls.

A. Each wall that is built as a connection of two or more residences and that is constructed upon the boundary line between two Lots shall constitute a Party Wall, and to the extent not inconsistent with the provisions of this Section, the general rules of Colorado law regarding party walls and liability for property damage due to negligent or intentional acts or omissions shall apply thereto.

B. Ownership of any and all duplex units on the Property shall be subject to a Party Wall Agreement, recorded concomitantly with this Declaration and subject to modifications upon express written agreement of all the parties to be affected, provided such modification is approved by the Board and recorded in the records of the Summit County Clerk and Recorder.

C. Ownership of any and all townhouse Units on the Property shall be subject to a Townhouse Agreement, recorded concomitantly with this Declaration and subject to modifications upon express written agreement of all the parties to be affected, provided such modification is approved by the Board and recorded in the records of the Summit County Clerk and Recorder.

Section 7.3. Maintenance of Common Elements, Sidewalks, and Driveways. The Association shall

maintain and keep the Common Elements in good repair. This maintenance shall include, but shall not be limited to, upkeep, repair and replacement, subject to any insurance then in effect, of all landscaping, walls, gates, fences, signage, irrigation systems, driveways, and improvements, if any, located in the Common Elements. The cost of such maintenance shall be funded as provided in ARTICLE IX. Such maintenance shall include snow removal and trash pickup and shall be performed at such time and in such manner as the Association shall determine. In the event the Association does not maintain or repair the Common Elements, Declarant shall have the right, but not the obligation, to do so at the expense of the Association.

Section 7.4. Maintenance Contract. The Association or Board of Directors may employ or contract for the services of an individual or maintenance company to perform certain delegated powers, functions, or duties of the Association to maintain the Common Elements. The employed individual or maintenance company shall have the authority to make expenditures upon prior approval and direction of the Board of Directors. The Board of Directors shall not be liable for any omission or improper exercise by the employed individual or management company of any duty, power, or function so delegated by written instrument executed by or on behalf of the Board of Directors.

Section 7.5. Owner's Failure to Maintain or Repair. In the event that a Lot and the improvements thereupon, or the Party Wall for which such Lot Owner is responsible, are not properly maintained and repaired by such 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 the repair and 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 30 days prior written notice to the Owner and with the approval of the Board of Directors, shall have the right to enter the Lot to perform such work as is reasonably required to restore the Lot and the other improvements thereon to a condition of good order and repair. All costs incurred by the Association or the adjoining Lot Owner in connection with the restoration shall be reimbursed 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 IX.

Section 7.6. Townhouse Unit Common Elements. Those common elements specifically pertaining to the Townhouse Units, and subject to a special periodic townhouse assessment as set forth in Section 9.8 herein, are subject to the following conditions and restrictions on use and enjoyment:

- a. Storage units. Each Townhome Unit shall be assigned a storage unit as designated on the Plat, for the sole use and enjoyment of the Townhome Unit owner of said unit as designated. The rights to and responsibilities for such storage unit shall be conveyed to the Townhome unit owner as a limited common element which shall remain appurtenant to the Townhome Unit at all times. Although under control of the Association, such limited common element shall not be not subject to any divestiture or abrogation by the Association, the Declarant, or any other party, except as provided herein. Such storage units shall be subject to all necessary easements for utility lines, utility meters, common element maintenance, and all other reasonable and necessary encumbrances. Storage units not assigned to any specific Townhome Unit shall be herein dedicated as common elements for the use and enjoyment of the Association for Association purposes.
- b. Parking Spaces. Each Townhome Unit shall be assigned a parking space as designated on the Plat, for the sole use and enjoyment of the Townhome Unit owner of said unit as designated, subject to and in compliance with the provisions of the Townhouse Unit parking space easements set forth in Section 19.7. The rights to the quantity of parking spaces as originally designated for each Townhouse Unit shall remain appurtenant to the Townhome Unit at all times, and is not subject to any divestiture or abrogation by the Association, the Declarant, or any other party; provided, however, that the Association may take action on any issues pertaining to such spaces which do not have the effect of reducing the quantity or quality of parking available to the Townhouse Unit Owners.
- c. Access Easements. All Townhouse Units are entitled to an access easement for ingress and egress to the Townhouse Unit enjoying such easement, as set forth in detail in Section 19.8 herein.
- d. Landscaping. The landscaping surrounding the Townhouse Units, as contained within the common elements of Lot 16 on the Plat, shall be considered a limited common element, specifically for the use and enjoyment of the Townhouse unit owners. The costs of maintaining said landscaping shall be the

responsibility of the Townhouse Unit owners, and any modifications or alterations to said landscaping shall first receive approval of no less than fifty percent (50%) of said owners prior to implementation.

ARTICLE VIII INSURANCE, INDEMNIFICATION AND FIDELITY BONDS

Section 8.1 Insurance Requirements Generally

a. The Association shall obtain and maintain in full force and effect, commencing upon the time of first conveyance of a unit to a person other than Declarant and at all times thereafter, certain casualty, liability, and other insurance as hereinafter provided, in accordance with the provisions of C.R.S. §38-33.3-313. All such insurance shall be obtained, to the extent possible, from responsible companies duly authorized and licensed to do business in the State of Colorado.

b. To the extent possible, the casualty, property, and liability insurance shall: (i) provide for a waiver of subrogation by the insurer as to claims against the Association, its directors, officers, employees, agents, and members; (ii) provide that the insurance cannot be canceled, invalidated or suspended on account of the conduct of the Association, its officers, directors, employees, and agents; and (iii) provide that the policy of insurance shall not be terminated, canceled or substantially modified without at least thirty (30) days prior written notice to the Association; and provide as required by Section 313 of the Act as may be amended from time to time.

c. Any insurance policy may contain such deductible provisions as the Association deems consistent with good business practice and which shall be consistent with the requirements of the holders of any first mortgage or deeds of trust. Any loss falling within the deductible portion of a policy shall be borne by the Association. The cost and expense of all insurance obtained by the Association shall be paid out of Association funds collected by assessments and otherwise as elsewhere provided in this Declaration.

Section 8.2. General Insurance Provisions. All insurance coverage obtained by the Association shall be governed by the following provisions:

A. As long as Declarant owns any Lots, Declarant shall be protected by all such policies as an Owner. The coverage provided to Declarant under the insurance policies obtained in compliance with this Article shall not be deemed to protect or be for the benefit of any general contractor engaged by Declarant.

B. The deductible amount, if any, on any insurance policy purchased by the Association may be treated as a Common Expense payable from Annual Assessments or Special Assessments, or as an item to be paid from working capital reserves established by the Association; or alternatively, the Association may treat the expense as an assessment against an Owner whose Lot is specifically affected by the damage or whose negligence or willful act resulted in damage. The Association may enforce payment of any amount due from a Lot Owner toward the deductible in accordance with ARTICLE IX.

C. The named insured under any such policies shall include Declarant, until all the Lots have been conveyed, and the Association, as a trustee for the Owners and their Mortgagees, as their interests may appear, or the authorized representative of the Association who shall have exclusive authority to negotiate losses and receive payments under such policies.

Section 8.3 Property/Casualty Insurance. The Association or its agents shall obtain and maintain at all times insurance coverage or the nearest equivalent available, for broad form covered causes of loss, for the full replacement cost of any improvements and personal property of the Association.

Section 8.4. Public/Commercial General Liability Insurance. In accordance with C.R.S. §38-33.3-313(1)(a), the Association shall obtain and maintain comprehensive general liability insurance including non-owned and hired automobile liability coverage, owned automobile liability covering liabilities of the Association, its officers, directors, employees, agents, and members arising in connection with ownership, operation, maintenance, occupancy, or use of the Lots and any other area the Association is required to restore, repair, or maintain pursuant

to this Declaration with bodily injury liability limits not less than One Million Dollars (\$1,000,000.00) for each occurrence and property damage liability limits of not less than One Million Dollars (\$1,000,000.00) aggregate. Each policy shall include a "severability of interest" endorsement.

Section 8.4 Personal Liability Insurance of Officers and Directors. To the extent obtainable at reasonable cost, appropriate personal liability insurance shall be maintained by the Association to protect the officers and directors from personal liability in relation to their duties and responsibilities in acting as such officers and directors on behalf of the Association.

Section 8.5 Insurance by Owners. Each Owner shall obtain property, hazard and liability insurance for the Owner's Lot and Unit, and shall provide copies of such insurance policies to the Association, if the Association so requests. At all time each Owner shall also be responsible for obtaining insurance for all of the Owner's personal property and furnishings, and, except as provided by this Article, the Association shall not be responsible for providing any such insurance. Nothing herein shall be construed as requiring any owner to obtain any insurance whatsoever as to his own personal property.

Section 8.6 Fidelity Insurance. The Association may maintain adequate fidelity coverage, if available, to protect against dishonest acts on the part of the directors, officers, trustees, and employees of the Association. Such fidelity bonds shall (i) name the Association as obligee, (ii) be written in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operation expenses of the Association, including reserves, (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation, and from and definition of "employee" or similar expression, and (iv) provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premiums) without at least fifteen (15) days written notice to the Association.

Section 8.7 Other Insurance. The Association may obtain such additional insurance coverage against such additional risks as it shall determine to be appropriate.

Section 8.8 Indemnification.

a. Indemnification. The Association shall indemnify each director, officer, property manager, their respective successors, personal representatives and heirs, against all losses, costs and expenses, including attorney's fees, reasonably incurred by them in connection with any action, suit or proceeding to which they may be made a party be reason of their position with or employment by the Association, except as to matters as to which such person(s) shall be finally adjudged in such action, suite or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such Director, officer or property manager in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director, officer or property manager is entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason of or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as a common expense, provided, however, that nothing in this Section 9.8 contained hereto shall be deemed to obligate the Association to indemnify any member or Owner under and by virtue of this Declaration.

b. No independent contractor, including a director, officer, member or owner providing services to the Association as an independent contractor, shall be protected by this indemnification provision, any indemnification provision provided for in the Bylaws of the Association or any insurance policy obtained by the Association in relating to any such indemnification provision.

c. The Town of Breckenridge shall be not responsible for or liable to Lot owners for damage to landscaping or to structures resulting from road maintenance or snow removal conducted by The Town of Breckenridge.

ARTICLE IX
ASSESSMENTS FOR COMMON EXPENSES

Section 9.1. Obligation. Declarant, for each Lot owned by Declarant, hereby covenants, and each Owner, by accepting a deed for a Lot, is deemed to covenant to pay to the Association (i) the Periodic Assessments imposed by the Board of Directors as necessary to meet the common Expenses of maintenance, operation, and management of the Common Elements and to perform the functions of the Association; (ii) Special Assessments for capital improvements and other purposes as stated in this Declaration, if permitted by law; 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 9.2. Purpose of Assessments. The Assessments shall be used exclusively to promote the health, safety, and welfare of the Owners and occupants of the Property, and for the improvement and maintenance of the Common Elements, all as more fully set forth in this Declaration.

Section 9.3. Budget. Within 30 days after the adoption of any proposed budget for the Association, the Board of Directors shall mail, by ordinary first class mail, or otherwise deliver a summary of the budget to all Owners and shall set a date for a meeting of the Owners to consider ratification of the budget not less than 14 or more than 60 days after mailing or other delivery of the summary. Unless at that meeting a majority of all Owners reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the Board of Directors.

Section 9.4. Periodic Assessments. Periodic Assessments for Common Expenses shall be based upon the estimated cash requirements as the Board of Directors shall from time to time determine is necessary to be paid by all of the Owners. Estimated Common Expenses shall include, but shall not be limited to, the cost of routine maintenance and operation of the Common Elements; expenses of management; taxes and special governmental assessments pertaining to the Common Elements; insurance premiums for insurance coverage as deemed desirable or necessary by the Association; landscaping, care of grounds and improvements within the Common Elements; routine repairs and renovations within the Common Elements; wages; common water and utility charges for the Common Elements; 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 Elements on a periodic basis, as needed. Periodic Assessments shall be payable on a prorated basis each year in advance and shall be due on the first day of each year, or such other periods as the Board of Directors may determine. The omission or failure of the Association to fix the Periodic 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 Periodic Assessments in excess of the actual expenses incurred in any fiscal year.

Section 9.5. Common Elements Working Fund. The Association or Declarant shall require each Owner of a Lot (other than Declarant) to make a non-refundable payment to the Association in an amount equal to one quarter the regular annual assessment, which sum shall be held, without interest, by the Association as a working fund. The working fund shall be collected and transferred to the Association at the time of closing of the initial sale by Declarant of each Lot. No refund or proration of this working fund shall be made by the Association upon a subsequent sale of a Lot. The working fund shall be maintained for the use and benefit of the Association. Such payment shall not relieve an Owner from making regular payments of Assessments as they become due. The amount of the contribution to the working fund may be altered by the Board of Directors when the Declarant no longer appoints members of the Board of Directors as provided in ARTICLE IV.

Section 9.6. Apportionment of Periodic Assessments. Each Owner shall be responsible for that Owner's share of the Common Expenses, which shall be divided equally among the Lots, 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 shall be borne by the Owners of those affected Lots only.

Section 9.7. Special Assessments. In addition to the Periodic Assessments authorized by this Article, the

Association may levy in any fiscal year one or more Special Assessments, if permitted by applicable law, 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 Elements, or for any other expense incurred or to be incurred as provided in this Declaration. This Section 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 Periodic Assessments, 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 action of a particular Owner (or his agents, servants, guests, tenants, or invitees) shall be borne by that Owner. Notice in writing of 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 30 days after such notice shall have been given.

Section 9.8. Special Periodic Townhouse Assessments. Each Townhouse Unit shall be individually assessed a special periodic townhouse assessment in addition to all other assessments provided for herein. Said special periodic townhouse assessments shall be based upon the estimated cash requirements as the Board of Directors shall from time to time determine is necessary to be paid by all of the Townhouse Owners for the snow removal and maintenance of the private drive and parking area serving the Townhouse Units, and for the costs of maintenance of the landscaping in the common elements surrounding the Townhouse Units, and for the costs of maintenance and upkeep of the exterior roofing, siding, and trim on the townhouse units. Such assessments shall be made as to each Townhouse Unit in an equal and proportionate manner, in accordance with C.R.S. §38-33.3-315(3)(a). These Assessments shall become due and payable in conjunction with the schedule of payment and responsibilities for payment applicable to the Periodic Assessments for all Unit Owners as provided for in sections 9.4 and 9.6 above.

Section 9.9 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 30 days prior to the due date.

Section 9.10. Effect of Nonpayment; Assessment Lien. Any Assessment, whether Periodic, Special, or Default, which is not paid within 30 days after its due date shall be delinquent. If an Assessment becomes delinquent, the Association, in its sole discretion, may take any or all of the following actions:

- A. Assess a late charge for each delinquency in such amount as the Association deems appropriate;
- B. Assess an interest charge from the date of delinquency at the yearly rate established by the Board of Directors, not to exceed 18% per annum;
- C. Suspend the voting rights of the Owner during any period of delinquency;
- D. Accelerate all remaining Assessment installments so that unpaid Assessments for the remainder of the fiscal year shall be due and payable at once;
- E. Bring an action at law against any Owner personally obligated to pay the delinquent Assessments; and
- F. File a statement of lien with respect to the Lot and proceed with foreclosure as set forth in this subsection. Assessments chargeable to any Lot shall constitute a continuing lien on such Lot. To evidence the lien created under this Section, the Association may, but is not required to, prepare a written notice setting forth (i) the address of the Association, (ii) the amount of such unpaid indebtedness, (iii) the amount of accrued penalty on the indebtedness, (iv) the name of the Owner of the Lot, and (v) a description of the Lot. The notice shall be signed and acknowledged by the President or Vice President of the Association, the Association's attorney, or by the Manager, and the Association shall serve the notice upon the Owner by mail to the address of the Lot or to such other address as the Association may have in its files for such Owner.

At least ten days after the Association mails the Owner such a notice, the Association may record the notice in the office of the Clerk and Recorder of Summit County, Colorado. Such lien for Assessments shall attach from the due date of the Assessment. Thirty days following the date the Association mails the notice, the Association may institute foreclosure proceedings against the defaulting Owner's Lot in the manner for foreclosing a mortgage on real property under Colorado law. 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 attorneys' fees incurred in connection with the enforcement of the lien. The Association shall have the power to bid on the Lot at a foreclosure sale and to acquire and hold, lease, mortgage, and convey the same.

Section 9.11. Personal Obligation. The amount of any Assessment chargeable against any Lot shall be a personal and individual debt of the Owner of the Lot. 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 part of the Common Elements. Suit to recover a money judgment for unpaid Assessments, any penalties and interest, thereon, the cost and expenses of such proceedings, and all reasonable attorneys' fees in connection therewith shall be maintainable without foreclosing or waiving the Assessment lien provided in this Declaration.

Section 9.12. Successor's Liability for Assessment. In addition to the personal obligation of each Owner to pay all Assessments and the Association's perpetual lien for such Assessments, all successors to the fee simple title of a Lot, except as provided below, shall be jointly and severally liable with the prior Owner or Owners thereof for any and all unpaid Assessments, interest late charges, costs, expenses, and attorneys' fees against such Lot without prejudice to such successor's right to recover from any prior Owner any amounts paid by such successor. This liability of a successor shall be personal, and shall not terminate upon termination of such successor's fee simple interest in the Lot. In addition such successor shall be entitled to rely on the Statement of Status of Assessment Payment by or on behalf of the Association under this Article.

Section 9.13. Priority of Lien. The lien of the Assessments provided for in this Article is prior to all other liens except: (i) the lien of real estate taxes and special governmental assessments, (ii) liens and encumbrances recorded prior to the recordation of the Declaration, and (iii) a first Security Interest on the Lot recorded before the date on which the assessment sought to be enforced became delinquent, subject to the priority granted to the Association's lien under the Act. The lien of the Assessments shall be superior to and prior to any homestead exemption provided now or in the future by the laws of the State of Colorado. An Owner's transfer of any Lot shall not affect the Association's lien except that sale or transfer of any Lot pursuant to foreclosure of any first mortgage, or any proceeding in lieu thereof, or cancellation or forfeiture shall only extinguish the Association's liens as provided in the Act. The amount of such extinguished lien may be reallocated and assessed to all Lots as a Common Expense at the direction of the Board of Directors. No sale or transfer shall relieve the purchaser or transferee of a Lot from liability for, or the Lot from the lien of, any Assessments made after the sale or transfer.

Section 9.14. Notice to Mortgagees. The Association shall report to any Mortgagee any unpaid Assessments remaining unpaid for longer than 60 days after the same shall have become due, if such Mortgagee first shall have furnished to the Association written notice of the Mortgage and a request for notice of unpaid Assessments. 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 9.15. Statement of Status of Assessment Payment. The Association shall furnish to an Owner or such Owner's designee or to a holder of a security interest or its designee upon written request, delivered personally or by certified mail, first class postage prepaid, return receipt, to the Association's registered agent, a written statement setting forth the amount of unpaid assessments currently levied against such Owner's Lot. The statement shall be furnished within 14 calendar days after receipt of the request and is binding on the Association, the Board of Directors and every Owner. If no statement is furnished after request to the Owner or holder of a security interest or their designee, delivered personally or by certified mail, first class postage prepaid, return receipt requested, to the inquiring party, the Association shall have no right to assert a lien upon the Lot for unpaid assessments which were due as of the date of the request.

ARTICLE X ASSOCIATION AS ATTORNEY-IN-FACT

Each Owner hereby irrevocably appoints the Association as the Owner's true and lawful attorney-in-fact to deal with any improvements covered by insurance written in the name of the Association pursuant to ARTICLE VIII upon their damage or destruction as provided in ARTICLE XI. 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 necessary to exercise the powers granted to the Association as attorney-in-fact.

ARTICLE XI DAMAGE OR DESTRUCTION

In the event of damage to or destruction of all or part of any Common Elements, or other property covered by insurance written in the Association's name under ARTICLE VIII, the Board of Directors shall determine the schedule and manner of repair or replacement.

ARTICLE XII CONDEMNATION

Section 12.1. Rights of Owners. Whenever all or any part of the Common Elements shall be taken by any authority having power of condemnation or eminent domain (a "taking"), or whenever all or any part of the Common Elements is conveyed in lieu of a taking by the Board of Directors 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 proceeding incident to the condemnation proceeding, unless otherwise prohibited by law.

Section 12.2. 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 Elements was conveyed, and the award shall be disbursed as follows:

If the taking involves a portion of the Common Elements on which improvements have been constructed, then, unless within 60 days after such taking Declarant and Owners who represent at least 67% of the votes of all of the Owners shall otherwise agree, the Association shall restore or replace such improvement so taken on the remaining land included in the Common Elements to the extent lands are available for such restoration or replacement in accordance with plans approved by the Board of Directors. If the taking does not involve any improvements on the Common Elements, 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, if any, and then to the Owners, as their interests appear.

Section 12.3. Complete Condemnation. If all of the Property is taken, condemned, 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 Elements shall be distributed as provided in Section 12.2 above.

ARTICLE XIII MORTGAGEE PROTECTION

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 apply to this Declaration and also the Articles and Bylaws of the Association.

Section 13.1. Approval Requirement. 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:

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

B. Change the method of determining the obligations, Assessments, dues, or other charges that may be levied against an Owner (provided, however, that the Board of Directors and the Association shall retain the right to determine annually the amount of any surcharge to be charged to Owners for utility usage in accordance with Section 9.7 of this Declaration).

Section 13.2. Right to Pay Taxes and Charges. Mortgagees who hold first mortgages against Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Elements, 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, and Mortgagees making such payments shall be owed immediate reimbursement therefore from the Association.

Section 13.3 Notice. Each Mortgagee who holds a first mortgage against a Lot, upon written request to the Association, shall be entitled to:

B. Receive any audited or unaudited financial statement of the Association within ninety days following the end of any fiscal year that is prepared for distribution to the Owners;

C. Receive copies of notices of meetings of Owners;

D. Receive notice of the decision of the Declarant or the Owners to make any material amendment to this Declaration, the Bylaws, or the Articles;

E. Receive notice of substantial damage to or destruction of any part of the Common Elements;

F. Receive notice of any default under this Declaration of the Owner of a Lot on which the Mortgagee holds a first mortgage;

G. Examine the books and records of the Association at any reasonable time; and

H. Receive any other notice or copy provided for elsewhere in this Declaration.

ARTICLE XIV AMENDMENT OF DECLARATION

Section 14.1. Amendment. This Declaration, or any provision of it, may be amended at any time by an instrument signed by Owners holding no less than 67% of the votes possible to be cast under this Declaration and signed by Declarant (during period of Declarant control as further described in ARTICLE IV) and at least 51% of the Mortgagees holding First Mortgages against any portion of the Property (based on one vote for each Mortgage owned); provided, however, that no amendment may be adopted that conflicts with any regulation or law, or that conflicts with the annexation agreement for the Property or with the Site Plan approved by the Town of Breckenridge. 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 that signatures of a sufficient number of Owners approving the amendment are on file in the office of the Association. The procedure for amendment must follow the procedures of C.R.S. §38-33.3-217.

Section 14.2. Revocation. This Declaration shall not be revoked, except as provided in ARTICLE XII regarding total condemnation, without the consent of all of the Owners evidenced by a written instrument duly recorded.

Section 14.3. Limitation of Challenges. An action to challenge the validity of an amendment adopted by the Association pursuant to this Article may not be brought more than one year after the amendment is recorded.

Section 14.4. Unanimous Consent. Except to the extent expressly permitted or required by other provisions of the Act, an amendment may not create or increase Special Declarant Rights, increase the number of Lots, change the boundaries of a Lot, the Allocated Interests of a Lot or the uses to which a Lot is restricted, except by unanimous consent of the Lot Owners.

Section 14.5. Execution of Amendments. An amendment to the Declaration required by the Act to be recorded by the Association, which has been adopted in accordance with this Declaration and the Act, must be prepared, executed, recorded and certified on behalf of the Association by an officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association.

Section 14.6. Amendments To Exercise Development Rights. To exercise any Development Right reserved under ARTICLE XVII of this Declaration the Declarant shall prepare, execute and record an amendment to the Declaration. The Declarant shall also record an amendment to the Plat as necessary to conform to the requirements of C.R.S. §38-33.3-209. The amendment to the Declaration shall assign an identifying number to each new Lot created.

Section 14.7. Non-material Amendments by Declarant. During the period of Declarant control, Declarant may amend, without the consent of the Owners, the Declaration, Plat, Articles or Bylaws to make non-material changes, such as the correction of typographical, clerical, or technical errors.

ARTICLE XV PROTECTIVE COVENANTS

Section 15.1 Architectural Approval Required for improvements and/or modifications to structures and landscaping

- a. All structures built by the Declarant prior to conveyance of such Units in the Project shall be constructed and improved in accordance with the architectural standards for initial development established by the Declarant and the Town of Breckenridge. Any subsequent improvements in the Project by any Unit Owners shall at all time maintain consistency with these architectural standards for initial development.
- b. All shared garages shall be built in strict accordance with the design standards for such shared

garages, as set forth in detail in Section 19.7 herein.

- c. An Architectural Review Committee shall be established by the Board of Directors for the purpose of ensuring that all future improvements, repairs, modifications or other alterations to the structures and landscaping established by the Declarant maintains consistency with the natural environs, the surrounding development and infrastructure, the aesthetics of the community, and compliance with the regulations of the Town of Breckenridge, this Declaration, and any and all other restrictions upon the use and improvement of the Property.
- d. No improvement may be erected, placed, reconstructed, replaced, repaired or otherwise altered, nor may any construction, repair or reconstruction be commenced until plans for the improvements shall have been approved by the Architectural Review Committee, which approval shall not be unreasonably or arbitrarily withheld.
- e. Planting any landscaping or vegetation with a full growth height of more than four feet must first be approved by the Architectural Review Committee, which approval shall not be unreasonably or arbitrarily withheld.
- f. Improvements that are completely within a dwelling structure, and do not involve any exterior alterations of any manner or degree, may be undertaken by a owner without the review of the Board of Directors.
- g. Any owner desiring to obtain approval of Architectural Review Committee shall submit to said committee the plans for such improvements, and all supporting documents in such regard. The Architectural Review Committee may request additional information, more details, or any other materials that are reasonably necessary to determine the propriety of the proposal so submitted.
- h. Within 45 days of the submission of all such materials as required by the Architectural Review Committee, said Committee shall make a decision to approve or deny such proposal. The grounds for such decision shall be provided to the applicant in writing, and kept on file by the Committee, available for all members of the association to review.
- i. Any decision by the Architectural Review Committee to approve or deny a submitted proposal may be appealed to the Board of Directors within ten (10) days of notice of such decision. The Board of Directors may review such an application on a de novo basis utilizing the standards for review set forth in subsection a of this Section 15.1.
- j. The Architectural Review Committee may propose to the Board of Directors detailed and specific standards for architectural design. Such standards, if adopted by the Board of Directors, shall become the operative design standards for all property interests in the Project, and all decisions regarding proposed improvements to property implicated herein shall be made in accordance with such standards.

Section 15.2 Improvements Prohibited. No used or second-hand structure, no building of a temporary character, mobile home, house trailer, tent, or shack shall be placed or used on the Property, either temporarily or permanently; except those items which are necessary for construction may be used during the period extending no later than (i) eighteen months after commencement of construction or (ii) the date of substantial completion of said improvement, whichever is earlier. The placement, appearance, and maintenance of such temporary structures may be subject to reasonable rules of the Association.

Section 15.3. Code Offense considered HOA offense. This Declaration is expressly intended to be consistent with and complimentary to the rules and regulations promulgated by the Town of Breckenridge Land Use and Development Code. Accordingly, provided such matter is not expressly permitted by this Declaration, any offense under the Town of Breckenridge Land Use and Development Code which results in any type of formal enforcement action by the Town of Breckenridge shall be deemed to be a violation of this Declaration as well, enforceable by the Board.

Section 15.4 Use Restrictions.

a. No Unit or Lot shall be used, and no Building and/or Unit shall be hereafter constructed or converted for a use other than a single family dwelling. No secondary or accessory unit or apartment may be created in any Unit or on any Lot. All uses undertaken shall be wholly compatible with the structure of the Building, the Lot, the surroundings, and the topography of the land, as well as the legitimate and proper uses of the Property.

b. No tree may be cut down on the Property without the approval of the Board and the Town of Breckenridge. No planting or gardening shall be done, and no fences, hedges, walls, or other improvements or structures shall be erected or maintained in or upon any Lot or upon the Open Space except as approved by the Design Review Committee. Except for the right of ingress and egress, the Owners are hereby prohibited and restricted from using any of the Property outside the exterior boundary lines of their respective Lots, except as may allowed by the Association's Board of Directors and this Declaration. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners and is necessary for their protection.

c. Maintenance, upkeep and repairs of any Building and/or Unit or other improvements on or to each Lot except as to certain maintenance more fully described in Section 8.2 of the Article, shall be the sole responsibility of the Owner thereof and not of the Association. In the event an Owner of any Lot shall fail to maintain his Lot or Unit and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association shall have the right, through its agents and employees, to enter upon said Lot and in said Unit and to repair, maintain, and restore the Lot or Unit and the exterior of the Unit and any other improvements erected thereon. The cost of such maintenance shall be added to and become part of the assessment to which such Lot is subject.

d. All utilities, fixtures and equipment installed within any Lot, commencing at a point where the utility lines, pipes, wires, conduits or systems enter the Lot, shall be maintained and kept in repair by the Owner thereof. An owner shall not do any act or work that will impair any Easement or hereditament, nor perform any act nor allow any condition to exist which will adversely affect the other Lots or the Owners thereof.

e. By way of enumeration, and not limitation, the use of all Property, Units, Buildings and Lots located thereon shall be subject to the following restrictions and limitations:

i. Signs. No sign, billboards, posterboard, or advertising structure of any kind, including, but not limited to "For Sale", "For Rent", or similar real estate signs shall be erected or maintained for any purpose whatsoever except such signs as have been approved by the Association pursuant to its regulations. Any signs that are permitted under the foregoing restrictions shall be erected or maintained on the Property only with the prior written approval of the Association. In no event shall any signs advertising a home business or occupation be allowed.

ii. Trash. No trash, ashes, or other refuse or debris may be thrown or dumped on the Property. The burning of any refuse or debris outdoors shall not be permitted. No incinerators or other device for the burning of refuse indoors shall be constructed, installed, or used by any person except as approved by the Board of Directors. No Owner shall permit the outdoor storage of trash, and all commercial collection and pickup of trash shall be through one or more community receptacles. An Owner may not place an individual trash receptacle on a Lot that is visible from the adjacent street, even temporarily. The Association may adopt rules and regulations reasonably limiting the manner in which trash is collected and disposed.

iii. Pets. Owners may keep up to a total of three domestic pets on a Lot, but no more than two dogs or two cats, except with the prior written permission of the Declarant or the Association. Pets may not be kept for any commercial purpose. Any pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property upon three days written notice following Notice and Hearing from the Board of Directors. Owners shall hold the Association harmless from any claim resulting from any action of their pets. No equine, bovine, ovine, asinine, caprine, lupine, cervine, struttious, or porcine animals are permitted.

iv. Noxious or Offensive Activity. No noxious or offensive activity shall be conducted in any Lot, nor shall anything be done or placed on a Lot or the Property that is or may become a nuisance or cause embarrassment, disturbance, or annoyance to others.

v. Maintenance of Lots and Outside Storage. Every Lot (including the improvements thereon) shall be kept and maintained by the Owner thereof in a clean, safe, attractive, and sightly condition and in good repair; and no lumber, grass, shrub, or tree clippings or plant waste, metals, building materials, scrap, refuse or trash shall be kept, stored, or allowed to accumulate in or on any Lot. All personal property on any Lot shall be kept and maintained in a neat and orderly fashion. No clotheslines shall be permitted on any Lot.

vi. Annoving Lights, Sounds, or Odors. No lights shall be emitted from any Lot which are unreasonably bright or cause unreasonable glare; no sound shall be emitted from any Lot which is unreasonably loud or annoying; and no odor shall be emitted from any Lot which is noxious or unreasonably offensive to other Owners.

vii. Fences. Those fences and barriers delineated on the Site Plan attached as Exhibit A are expressly permitted. No fences or other barriers of more than four feet six inches in height shall be permitted on the Property, and fences lower than four feet six inches in height shall only be permitted upon review and approval of the Board.

viii. Recreational Equipment. No outdoor playground or other recreational equipment, whether portable or permanent, shall be kept on a Lot outside the back yard, as shown on the Site Plan attached as Exhibit A.

ix. Natural State. No hunting, target practice, discharge of firearms, or disturbance of the natural state of the Property, including the removal of living trees, plants, shrubs, bushes, sagebrush, grass, or topsoil, is permitted without the consent in writing of the Association.

x. Occupancy.

A. No Lot shall be occupied by more than two unrelated people per bedroom.

B. Owners shall be allowed to rent Lots for use and occupancy as employee housing for a maximum cumulative total of twelve (12) months during the time of ownership by a Unit Owner. Short-term rentals (less than six months) shall not be permitted.

xi. House Number. Each dwelling shall have a house number displayed with a design and at a location established by Declarant.

xii. Vehicles and Garages. Licensed and operable passenger automobiles and pickup trucks shall be parked in driveways or inside garages only. No trailers, motor homes, recreational vehicles, snowmobiles, or boats shall be parked or stored within the Property, except inside a garage or other structure approved by the Board of Directors. No unlicensed or inoperable vehicles of any kind, snowmobiles, boats, trailers, or motor homes shall be parked or stored within the Property, except inside a garage or structure approved by the Board of Directors. No snowmobiles or other recreational vehicles shall be operated within the Property.

xiii. Conduct of Occupant. Lots may be used for residential purposes only, and for no commercial uses except those home occupations that may be permitted by applicable zoning. No improper, offensive or unlawful use may be made of the Property. Lot Owners shall comply with and conform to all applicable laws and regulations of the United States and of the State of Colorado and all ordinances, rules and regulations of the Town of Breckenridge. The violating Lot Owner shall hold the Association and other Lot Owners harmless from all fines, penalties, costs and prosecutions for any violation or noncompliance.

xiv. Exterior Walls & Windows.

A. No openings shall be made in any exterior walls without the prior written approval of the Board of Directors.

B. No television, radio or other antennas of any nature or description, including satellite dishes with a diameter of 24 inches or more, shall be affixed in any manner to exterior walls, nor shall they be permitted within the Common Elements.

C. No exterior blinds, awnings or other window treatments shall be permitted without the prior written approval of the Board of Directors.

xv. Exterior Maintenance.

A. Owners shall cooperate in maintaining the Common Elements in a clean, neat, orderly, and attractive manner.

B. All trash, debris, brooms, ladders, building materials or similar items shall be kept out of sight.

C. All patio, deck and lawn furniture, grills, bicycles, tricycles, toys and recreational equipment shall be kept in the backyard, as shown on the Site Plan, attached as Exhibit A.

D. No clotheslines or outdoors hanging of laundry shall be permitted.

E. No landscaping of any portion of the Common Elements shall be permitted without the prior written consent of the Association.

xvi. Tanks. No tanks of any kind, either elevated or buried, shall be erected, placed, or permitted upon the Property.

xvii. No free standing mailbox or newsbox shall be erected, placed or permitted unless first approved by the Board.

xviii. No wood burning appliances shall be installed in any Unit. Only natural gas fireplaces may be installed in the Units.

Section 15.5. Lease Provisions. All leases pertaining to any Lot, any Unit thereon, or any partial interest in such property interests, shall include a provision that the tenant will recognize and abide by all the Association Rules and Regulations, and that a failure to do so may result in an actionable default under such lease.

ARTICLE XVI DEED RESTRICTIONS ON OCCUPANCY AND RE-SALE

Section 16.1. Deed Restricted Lots. All Lots in Gibson Heights are deed-restricted and are subject to certain limitations on rental, occupancy, and resale price. These deed restricted covenants may be enforced by the Declarant, the Association, other Lot Owners, and the Town of Breckenridge or its designee, and each such deed restriction shall be incorporated herein by reference as if expressed in full. Each of such restrictions and covenants applies to all Lots, whether pertaining to the initial sale of a Lot or in regards to any subsequent re-sale of a Lot. Execution and recordation of such deed restrictions shall be an absolute prerequisite to ownership of any Lot on the Property, and notice of such Restrictions shall be provided by notation on the Plat as well.

**ARTICLE XVII
DEVELOPMENT RIGHTS AND OTHER SPECIAL DECLARANT RIGHTS**

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

- A. to maintain sales offices, model units, management offices, and signs advertising the Property and models;
- B. to use easements through the Common Elements and Lots for the purpose of making improvements within the Property;
- C. to appoint or remove an officer of the Association or an Board of Directors member during a period of Declarant control subject to the provisions of ARTICLE IV of this Declaration; and
- D. to perform warranty work, repairs and construction work in Lots and Common Elements, to store materials in secure areas, and to control and have the right of access to work and repairs until completion. All work may be performed by the Declarant without the consent or approval of the Board of Directors. The Declarant has an easement through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising Special Declarant Rights, whether arising under the Act or reserved in this Declaration. This easement includes the right to convey access, utility and drainage easements to the Town, the County of Summit, or the State of Colorado.

**ARTICLE XVIII
ALLOCATED INTERESTS**

Payment of dues shall commence when the Declarant transfers ownership of a Lot to a buyer. The percentage of liability for Common Expenses allocated to each Lot is based on one share to each Lot compared with the total shares allocated to all the Lots in the Property. Nothing contained in this Subsection shall prohibit certain Common Expenses from being apportioned to particular Lots under ARTICLE IX or any other Article of this Declaration.

**ARTICLE XIX
EASEMENTS AND LICENSES**

Section 19.1. Each Lot and the Common Elements shall be subject to: all easements and rights of way as shown on the Plat recorded at approximately the same time as this Declaration is recorded; easements and encroachments created by construction, including those for overhangs, roofs, patios and fences; easements for utility and utility services as designed or constructed by the Declarant; easements for vehicular and pedestrian access to and from each Unit, over, across and through driveways as constructed by Declarant on Common Elements or on any other Lot, whether located completely or partially on or shared with such adjacent Lot, and for parking of vehicles, provided that no Owner, tenant, guest or other invitee shall have any right to park any vehicle on any portion of any driveway in a location which hinders vehicular access to or from the Unit located on any other Lot; easements for snow storage as shown on the Plat; easements for maintenance of all improvements and utility services; and easements for access by the Association to effect the purposes set forth in these Declarations, including, but not limited to, the promotion of the health, safety, and welfare of the residents of the Property.

Section 19.2. Declarant shall have an easement over the Lots and Common Elements for the purpose of completing the full and final development and improvement of the Property.

Section 19.3. The Association, the Board of Directors, and their agents shall have a non-exclusive right and easement to make such use of and to enter into or upon the Common Elements, the Lots and the Units as may be necessary or appropriate for the performance of the duties and functions which they are obligated or permitted to perform under this Declaration and under the Act.

Section 19.4. Each Lot and the Common Elements shall be subject to: all easements and rights of way as shown on the Plat recorded at approximately the same time as this Declaration is recorded; easements and encroachments created by construction, including those for overhangs, roofs, patios and fences; easements for utility and utility services as designed or constructed by the Declarant; easements for vehicular and pedestrian access to and from each Unit, over, across and through driveways as constructed by Declarant on Common Elements or on any other Lot, whether located completely or partially on or shared with such adjacent Lot, and for parking of vehicles, provided that no Owner, tenant, guest or other invitee shall have any right to park any vehicle on any portion of any driveway in a location which hinders vehicular access to or from the Unit located on any other Lot; easements for snow storage as shown on the Plat; easements for maintenance of all improvements and utility services; and easements for access by the Association to effect the purposes set forth in these Declarations, including, but not limited to, the promotion of the health, safety, and welfare of the residents of the Property.

Section 19.5. Declarant shall have an easement over the Lots and Common Elements for the purpose of completing the full and final development and improvement of the Property.

Section 19.6. The Association, the Board of Directors, and their agents shall have a non-exclusive right and easement to make such use of and to enter into or upon the Common Elements, the Lots and the Units as may be necessary or appropriate for the performance of the duties and functions which they are obligated or permitted to perform under this Declaration and under the Act.

Section 19.7. Garage location easements. Several Lots in the Gibson Heights Subdivision are designated for shared garages with a minimum 20' front Lot line setback and a 0' side Lot line setback. All such garages are specifically subject to the shared garage architectural designs established in Exhibit "B" to this document. Declarant hereby expressly reserves and conveys all such Lots designated on the Plat for shared garages to a mutual, shared garage easement with the adjoining Lots designated for the other half of such a shared garage. Said easement shall be for the purposes of construction, use and enjoyment, ingress and egress, maintenance and lateral and adjacent support of a shared garage structure upon such Lots as designated on the Plat, and for no other purposes. Affected homeowners are encouraged to enter into collaborative agreements with adjacent Lot owners designated for such shared garages, for the purposes of construction, maintenance, and continued use of such garages.

Section 19.8. Townhouse parking easements. That portion of the Common Elements on the Property, designated on the Plat for Townhouse parking ("Townhouse Parking Easement"), shall be established as an exclusive parking easement for the purposes of ingress, egress, and parking of vehicles for the sole use and benefit of the owners of the Townhouse Units. Notwithstanding any provision herein to the contrary, including without limitation the provisions of Articles IV, V, and XIV herein, said easement shall not be modified, released, or otherwise altered or abrogated by the Association, the Declarant, or any other party without the express written consent of no less than 90% of the Townhouse Unit owners. Provided, however, that issues regarding maintenance, repair, design, and other such issues related to said Townhouse Parking Easement which do not have the effect of reducing the quantity or quality of parking available to the Townhouse Unit Owners shall be subject to actions of the Association as established herein. Moreover, said Townhouse Parking Easement area may be used as common element for all members of the association for purposes of pedestrian and vehicular access, consistent with the grant for exclusive parking set forth herein.

Section 19.9 Townhouse access easements. Those portions the Common Elements on the Property, as designated on the Plat in Lot 16, shall at all times be utilized for the preservation of Townhouse Unit access. An easement for the purposes of ingress and egress to and from the Townhouse Units ("Townhouse Access Easement") shall be irrevocably established on such common elements, for the use and benefit of the owners of the Townhouse Units. Notwithstanding any provision herein to the contrary, including without limitation the provisions of Articles IV, V, and XIV herein, said easement shall not be modified, released, or otherwise altered or abrogated by the Association, the Declarant, or any other party in any manner, and shall provide a permanent means of access to such Townhouse Units. Provided, however, that issues regarding maintenance, repair, design, location of walkways and other such issues related to said Townhouse Access Easement which do not have the effect of reducing the facility or quality of access granted and available to the Townhouse Unit Owners shall be subject to actions of the Association as established herein. Moreover, said Townhouse Access Easement area may be used as common element for all members of the

association for purposes of pedestrian access, consistent with the grant for access set forth herein.

Section 19.10 Utility Service Line Easements.

a. The Townhome Units shall all be subject to mutual and reciprocal utility service line easements for all electrical and gas lines traversing from each unit to the utility meters located on the storage units adjoining such Townhouse Unit complexes. The easement provided for herein shall be for the establishment, maintenance, and repair of all such utility lines as is necessary and appropriate. All Townhome Unit owners are specifically advised that such easement may run through the structures on their property, particularly an easement for electrical lines running laterally across the joist spaces in adjoining units to the electrical meters located on the adjoining storage units. The reservation of such easement as herein described includes a reasonable right of access to the utility lines, ingress and egress into units for such purposes; provided, however, that such rights of access, ingress and egress shall not be utilized until a representative of the association has approved such access in advance.

b. Moreover, all Townhome Unit owners are specifically advised that an easement for gas lines, as depicted in the Plat, shall run laterally, outside if the structure, across the yard space of such units, to the gas meters located on the adjoining storage units. All such wires, conduits, ducts, or other fixtures serving such purposes lying partially within and partially outside the designated boundaries of such units shall be deemed a common element for the benefit of all Townhouse Unit owners served by such fixture provided said fixture serves more than one such unit or any portion of the common elements. Any costs of maintenance, repair, or replacement of any part or all of such fixtures as provided for herein shall be subject to a special assessment by the Association issued to the Unit Owners affected by such fixtures. This reservation of easements and designation of common element interests is drafted in accordance with C.R.S. §38-33.3-202.

**ARTICLE XX
TERMINATION**

Termination of the Property may be accomplished only in accordance with C.R.S., §38-33.3-218.

**ARTICLE XXI
INCIDENTS OF OWNERSHIP**

Section 21.1. Inseparability. Every gift, devise, bequest, transfer, encumbrance, conveyance, or other disposition of a Lot and improvements thereon shall be presumed to be a gift, devise, bequest, transfer, encumbrance, or conveyance respectively of the entire Lot, including each easement, license, and all other appurtenant rights created by this Declaration.

Section 21.2. No Partition. The Common Elements shall be owned by the Association, and no Owner, group of Owners, or the Association shall bring any action for partition or division of the Common Elements or of any Lot. The acquisition of any property interest under the Plat and subject to this Declaration shall be deemed an implicit covenant against the initiation of any such partition action.

ARTICLE XXII
PERSONS AND LOTS SUBJECT TO DOCUMENTS; ENFORCEMENT

Section 22.1. Compliance with Documents. All Lot Owners, tenants, mortgagees and occupants of Lots shall comply with the Documents. The acceptance of a deed or the exercise of any incident of Ownership or the entering into of a lease or the occupancy of a Lot constitutes agreement that the provisions of the Documents are accepted and ratified by that Lot Owner, tenant, mortgagee or occupant. All provisions recorded in the Records are covenants running with the land and shall bind any Persons having at any time any interest or estate in any Lot.

Section 22.1. Enforcement. Except as otherwise provided in this Declaration, the Board of Directors, Declarant, or any 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 the Declaration. Failure by the Board of Directors 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.

Additionally, any such violation shall give the Declarant or the Board of Directors the right, in addition to any other rights set forth therein, (i) to enter the Lot or improvement thereon in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing, or condition that may exist therein in violation of the Declaration or rules adopted by the Association of Manager without being deemed guilty in any manner of trespass or any other civil or legal violation; and (ii) to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach, with each Owner or other person constructing improvements upon the Property hereby waiving the posting of a bond upon entry of such injunction. All reasonable attorney's fees and costs incurred by the Declarant or the Association in a suit to enforce the terms hereof shall, if said Declarant of the Association prevails in such action, be recoverable from the losing party.

Section 22.2. Adoption of Rules. The Board of Directors may adopt Rules regarding the use and occupancy of Lots as it affects the Common Elements and the activities of occupants, subject to Notice and Comment.

Section 22.3. Right to Notice and Comment. Before the Board of Directors amends the Bylaws or the Rules, whenever the Documents require that an action be taken after "Notice and Comment," and at any other time the Board of Directors determines, the Lot Owners have the right to receive notice of the proposed action and the right to comment orally or in writing. Notice of the proposed action either shall be given to each Lot Owner in writing, delivered personally or by mail to all Lot Owners at such address as appears in the records of the Association, or it shall be published in a newsletter or similar publication which is routinely circulated to all Lot Owners. The notice shall be given not less than five days before the proposed action is to be taken. It shall invite comment to the Board of Directors orally or in writing before the scheduled time of the meeting. The right to Notice and Comment does not entitle a Lot Owner to be heard at a formally constituted meeting.

Section 22.4. Right to Notice and Hearing. Whenever the Documents require that an action be taken after "Notice and Hearing," the following procedure shall be observed: The party proposing to take the action (e.g., the Board of Directors, a committee, an officer, the Manager, etc.) shall give written notice of the proposed action to all Lot Owners or occupants of Lots whose interest would be significantly affected by the proposed action. The notice shall include a general statement of the proposed action and the date, time and place of the hearing. At the hearing, the affected person shall have the right, personally or by a representative, to give testimony orally, in writing or both (as specified in the notice), subject to reasonable rules of procedure established by the party conducting the meeting to assure a prompt and orderly resolution of the issues. Any evidence shall be duly considered, but is not binding in making the decision. The affected person shall be notified of the decision in the same manner in which notice of the meeting was given.

Section 22.5. Appeals. Any person having a right to Notice and Hearing shall have the right to appeal to the Board of Directors from a decision of persons other than the Board of Directors by filing a written notice of appeal with the Board of Directors within ten days after being notified of the decision. The Board of Directors shall conduct a hearing within 30 days, giving the same notice and observing the same procedures as were required for the original

meeting.

Section 22.6. Access. All meetings of the Board of Directors, at which action is to be taken by vote will be open to the Lot Owners, except as hereafter provided.

Section 22.7. Notice. Notice of every such meeting will be given not less than 24 hours prior to the time set for such meeting, by posting such notice in a conspicuous location in the Property, except that such notice will not be required if an emergency situation requires that the meeting be held without delay.

ARTICLE XXIII GENERAL PROVISIONS

Section 23.1. 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 23.2. Conflicts. 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 Bylaws, the Articles shall control. The Documents are intended to comply with the requirement of the Act. If there is any conflict between the Documents and the provisions of the Act, the provisions of the Act shall control.

Section 23.3. Captions. The captions contained in the Documents are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the Documents or the intent of any provision thereof.

Section 23.4. Gender. The use of the masculine gender refers to the feminine gender, and vice versa, and the use of the singular includes the plural, and vice versa, whenever the context of the Documents so require.

Section 23.5. Waiver. No provision contained in the Documents is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches that may occur.

Section 23.6. Plat Amendment. Declarant reserves the right to amend the Plat described herein so as to make minor adjustment to Lot or Tract lines of Lots or Tract then owned by Declarant as Declarant deems appropriate for a period of five (5) years from the date such Plat is recorded.

Section 23.7. Assignability. Declarant's right hereunder shall be freely assignable.

Section 23.8. No Partition or Subdivision. The Private Open Space shall remain undivided and no owner, other person, or other entity shall bring any action for partition, division, or subdivision of the Private Open Space. Similarly, no action shall be brought for partition or subdivision of a Lot or Unit between or among the owners thereof. Each Owner hereby expressly waives any and all such rights of partition or subdivision he may have by virtue of his ownership of a Lot. This Section 10.6 shall not, however, be interpreted to prevent adjustment to Lot lines agreed to by the Owners of the Lots affected.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed this 20th day of June, 2002.

Summit County Housing Authority:

By: Gordon D. Ferris
Gordon D. Ferris, Executive Director

STATE OF COLORADO)

County of Summit)ss.

The foregoing instrument was acknowledged before me this 20th day of June, 2002, by Gordon D. Ferris, as Executive Director of the Summit County Housing Authority.

Witness my hand and official seal.

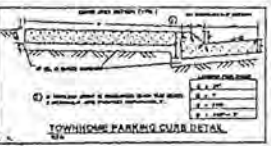
My commission expires: 4/3/04

Gileen Friedman
Notary Public

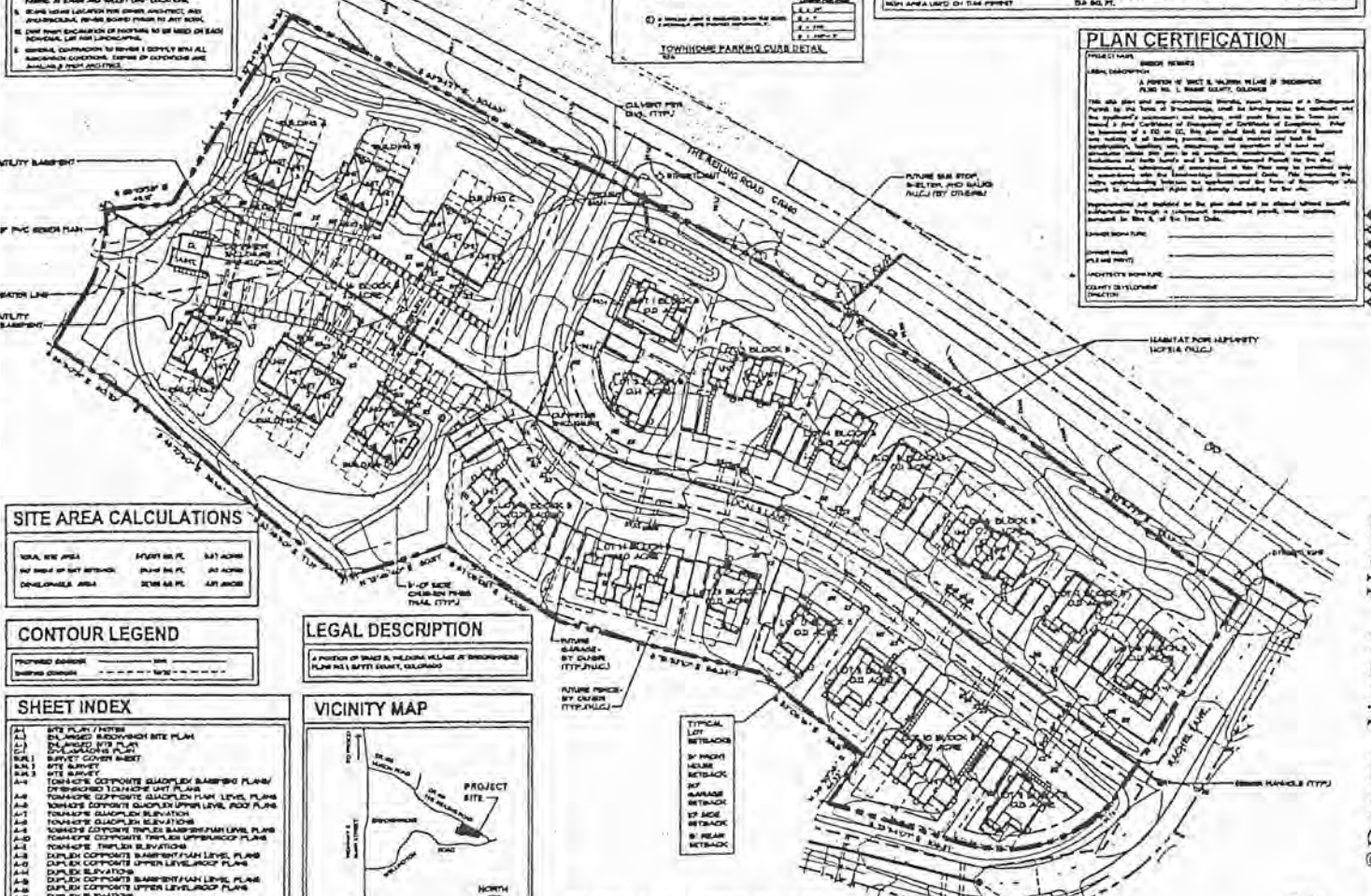
is approved by the Human Subjects Code.

FOR THE SUMMIT HOUSING AUTHORITY

- [illegible]

[illegible]

PLAN CERTIFICATION

[illegible]

SITE AREA CALCULATIONS

NORAL, NEW AREA	15/01/81 000 PL	10/11/80 0000
NO SHIP UP THT AFTERNOON	10/01/81 000 PL	10/11/80 0000
DEVELOPABLE AREA	10/01/81 000 PL	10/11/80 0000

CONTOUR LEGEND

FORMED BELOW _____ mm _____
 QUARTZ GRAIN _____ large _____

SHEET INDEX

1	DATE PLANTING BEGINS
2	DATE PLANTING BEGINS DATE PLANT
3	HOW MANY PLANTS
4	SUPPLY COST COMPONENT
5	TOTAL PLANT COST
6	DATE PLANTING BEGINS
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96	DATE PLANTING BEGINS
97	DATE PLANTING BEGINS DATE PLANT
98	HOW MANY PLANTS
99	SUPPLY COST COMPONENT
100	TOTAL PLANT COST

LEGAL DESCRIPTION

A PORTION OF TRACT B, WILSON VILLAGE AT BROOMFIELD
PLUM NO. 1, BUTTE COUNTY, CALIFORNIA

VICINITY MAP

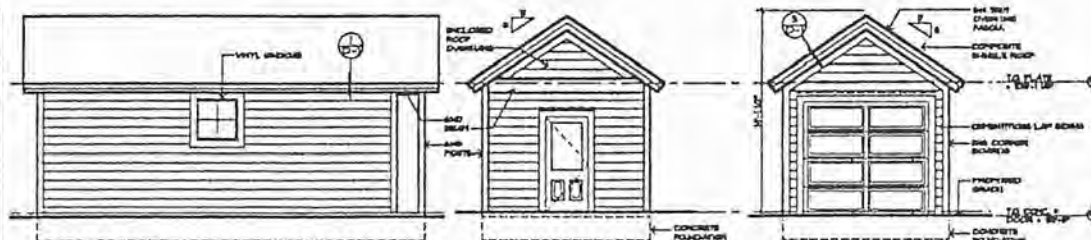
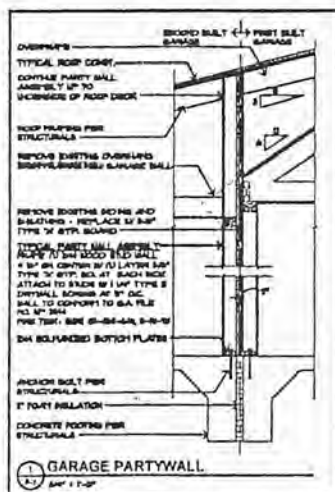


OVERALL SITE PLAN

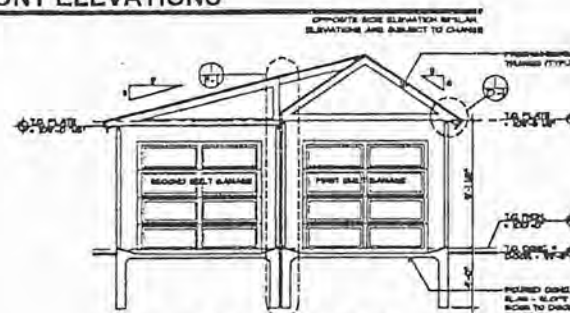
CNA - P. 47 10/10/10

OWNER:	ARCHITECT:	GEN. CONTR.:	MOD. CONTR.:	PAV. ENGINEER:	SURVEYOR:	CIVIL ENGINEER:
KAYE COUNTY HOUSING AUTHORITY 1000 N. 10TH ST. P.O. BOX 100 SHELTON, ND 58440 (701) 464-4444 FAX (701) 464-4444	BLUMER & HENRY, INCORP. 100 S. 2ND ST. P.O. BOX 10 SHELTON, ND 58440 (701) 464-4444 FAX (701) 464-4444	KTYO DEVELOPMENT P.O. BOX 100 BL. VICTORIAN, CO. 58440 (701) 464-4444 FAX (701) 464-4444	LEMAY ENGINEERING 1000 N. 10TH ST. P.O. BOX 100 SHELTON, ND 58440 (701) 464-4444 FAX (701) 464-4444	VALERIE ENGINEERING 1000 N. 10TH ST. P.O. BOX 100 SHELTON, ND 58440 (701) 464-4444 FAX (701) 464-4444	RANNEY SURVEY P.O. BOX 100 SHELTON, ND 58440 (701) 464-4444 FAX (701) 464-4444	TERRY TRACY INC. 1000 N. 10TH ST. P.O. BOX 100 SHELTON, ND 58440 (701) 464-4444 FAX (701) 464-4444

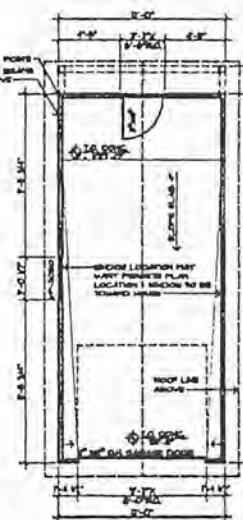
BAKER • FOGAN • HOUS
 ARCHITECTURE & PLANNING
 1700 NEW YORK AVENUE, SUITE 1000
 WASHINGTON, D.C. 20004
 (202) 638-1000
 FAX (202) 638-1001
 GIBSON HEIGHTS
 TRACT, IN VAUGHAN HILL LOT SUBDIVISION, ALBANY COUNTY, NEW YORK
 SHEET NUMBER:
 A-1
 OVERALL SITE PLAN
 OF 76



FIRST-BUILT GARAGE SIDE/REAR/FRONT ELEVATIONS



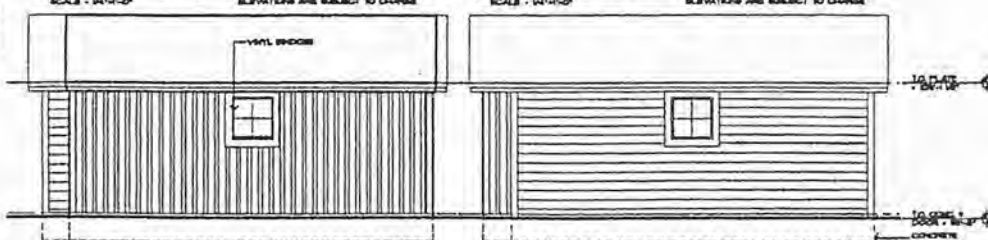
BUILDING SECTION



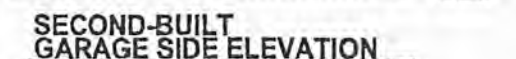
FIRST-BUILT GARAGE FLOOR PLAN



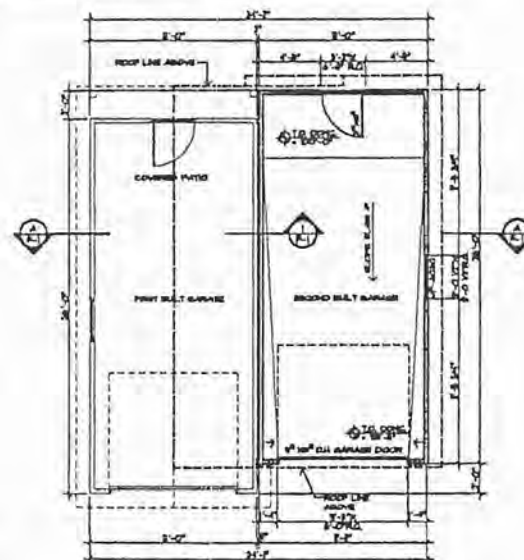
SECOND-BUILT GARAGE REAR ELEVATION



SECOND-BUILT GARAGE SIDE ELEVATION



SECOND-BUILT GARAGE SIDE ELEVATION



SECOND-BUILT GARAGE FLOOR PLAN

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ARCHITECTURE & PLANNING/AIA/PC

GIBSON HEIGHTS

TRACT 17, VALDORA VILLAGE SUBDIVISION, SUMMIT COUNTY, COLORADO

ONSET AFTERMATH

F-

STUDY DESIGN: SURVEILLANCE
SAMPLE SIZE: 1000
ELEVATIONS

4

DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
GIBSON HEIGHTS

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