Rtn VILLAS AT VALLEY COUNTRY CLUB HOMEOW
14496 E CALEY AVE
AURORA, CO 80016

09/06/2023 08:51 AM RF: $153.00 DF: $0.00
Arapahoe County Clerk, CO
Page: 1 of 29
Joan Lopez, Clerk & Recorder
E3061367

EIGHTH AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE VILLAS AT VALLEY COUNTRY CLUB HOMEOWNERS ASSOCIATION

This Eighth Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Villas at Valley Country Club Homeowners Association (the "Declaration") is made as of August 18, 2023, by the Villas at Valley Country Club Homeowners Association, a non-profit Colorado corporation ("Association") and replaces in its entirety the Declaration of Covenants, Conditions and Restrictions of the Villas at Valley Country Club dated July 5, 1994 and all amendments thereto including but not limited to the First, Second, Third, Fourth, Fifth, Sixth and Seventh Amendments thereto.

RECITALS

A. By this Eighth Amended and Restated Declaration of Covenants, Conditions and Restrictions of The Villas at Valley Country Club Homeowners Association, the Association desires to amend, restate and replace in its entirety the Existing Declaration.

B. The amendments to the Existing Declaration arising on account of the adoption of this Declaration do not amend any of the following: (I) voting rights, (ii) Assessments or Assessment Liens, or (iii) any provisions for the express benefit of First Mortgagees.

C. The Property subjected to this Declaration is generally located in the City of Aurora, County of Arapahoe, State of Colorado, and is generally depicted on that certain Subdivision Plat of the Villas at Valley Country Club Filing No. 1, recorded in the real property records of Arapahoe County, Colorado, on May 2, 1994, at Reception No. 94-66852 (the "Map").

DECLARATION

The Association hereby states and reaffirms that the Property is a planned community within the meaning of the Act located in the City of Aurora, County of Arapahoe, State of Colorado, and shall be owned, held, conveyed, encumbered, leased, improved, used, occupied and enjoyed subject to the following covenants, conditions, Restrictions and equitable servitudes in furtherance of, and the same shall constitute, a general plan for the subdivision, ownership, Improvement, sale, use and occupancy of the Property and to enhance the value, desirability and attractiveness of the Property. This Declaration shall (i) run with the land and all parts thereof at law and as an equitable servitude; (ii) bind all Persons having or acquiring any interest in the Property or any part thereof (iii) inure to the benefit of and be binding upon every part of the Property and every interest therein; and (iv) inure to the benefit of, be binding upon, and be enforceable by the Association, its successors in interest; and each Owner, their grantees, heirs and assigns and successors in interest.

ARTICLE I
DEFINITIONS

Definitions. Unless the context otherwise specifies or requires, the following words and phrases when used in this Declaration shall have the meanings specified below.

"Act" shall mean the Colorado Common Interest Ownership Act codified at Colorado Revised Statutes ("C.R.S.") §§38-33.3-101 et seq., as amended.

"Architectural Review Committee" (sometimes referred to as the "ARC") shall mean the committee described in Section 5.1 of this Declaration.

"Articles" shall mean the articles of incorporation of the Association which have been filed in the office of the Secretary of State of the State of Colorado, as the same may from time to time be amended.

"Assessments" shall mean the Regular Assessments and the Special Assessments.

"Association" shall mean Villas at Valley Country Club Homeowners Association, a Colorado nonprofit corporation described in Article 4 of this Declaration, and its successors.

"Association Property" shall mean all real and personal property now or hereafter owned by, or leased to, the Association as Common Elements.

"Beneficiary" shall mean a mortgagee under a mortgage or a beneficiary under a deed of trust, as the case may be.

"Board" shall mean the Board of Directors of the Association.

"Bylaws" shall mean the Bylaws of the Association which may be adopted by the Board as such Bylaws may be amended from time to time.

"Common Elements" shall mean any portion of the Property together with all Improvements thereon owned by the Association itself for the primary benefit of all Members and the Property as a whole including, without limitation, landscaped areas adjacent to public rights-of-ways, landscaped areas within island and/or median areas associated with public rights-of-ways, entrance areas, postal facilities, detention or retention facilities, private drives, driveways to Units, walk ways to Units and other personal and real Property now or hereafter owned or controlled by the Association. Common Elements are subject to the terms, limitations, Rules and regulations provided in this Declaration and those established by the Board from time to time.

"Declaration" shall mean this instrument as it may be amended from time to time.

"First Mortgage" shall mean any unpaid and outstanding mortgage, deed of trust or other security instrument encumbering the Property or a portion thereof recorded in the Records having priority of record over all other recorded liens except those liens made superior by statute (such as, for example, general ad valorem tax liens and Special Assessments, mechanic's liens and the Association's lien for Assessments).

"First Mortgagee" shall mean any Person named as a mortgagee or beneficiary under any First Mortgage, or any successor to the interest of any such Person under such First Mortgage.

"General Common Allocation" shall mean with respect to each Unit, the fractional number obtained by dividing one by the total number of Units existing from time to time.

"Improvement" shall mean buildings, outbuildings, fixtures, utilities, garages, mailboxes, roads, driveways, parking areas, walls originally constructed by the developer, landscaping, windbreaks, Common Element trees, plantings and shrubs, poles, signs, pumps, wells, tanks, reservoirs, pipes, lines, meters, towers and other facilities used in connection with water, sewer, gas, electricity, or other utilities.

“Improvement” does not include any trees, plants or shrubs inside the front wall of the Units or along the driveway of the Units, or any trees, plants or shrubs planted by a Unit Owner regardless of the tree, plant or shrub’s location.

"Member" means any Person(s) who is a member of the Association pursuant to Section 4.2.

"Owner" shall mean a Person(s) owning a recorded fee simple interest in a Unit.

"Person" shall mean a natural individual or any other entity with the legal right to hold title to real Property.

"Plans and Specifications" shall mean any and all documents designed to guide or control the construction of an Improvement including, but not limited to, those indicating size, shape, configuration or materials; all site plans; excavation and grading plans; foundation plans; drainage plans; landscaping and fencing plans; elevation drawings; floor plans; specifications on all building products and construction techniques; samples of exterior colors; plans for utility services and all other documentation or information relevant to the particular Improvement.

"Property" shall mean all of the real property described in paragraph C at page 1 of this Declaration including any and all Improvements now in place or hereafter constructed thereon. The Property may also include additional Property annexed pursuant to Section 2.2.

"Records" shall mean the official real property records of Arapahoe County, Colorado; "to Record" means to file for recording in the Records; and "of "Record" and "Recorded" means having been recorded in the Records.

"Recreation Elements" shall mean all Common Elements designated to be held for recreational purposes for the benefit of all Members and the benefit of the Property as a whole; provided, however, that access to any area or facility may be limited to dues-paying Member, subject to fees and other charges, or otherwise conditioned or restricted, and made available to non-members, all on such terms and conditions as the Board may determine.

"Regular Assessments" shall mean those Assessments levied by the Association pursuant to Section 4.8.

"Restrictions" shall mean (i) this Declaration as amended from time to time; (ii) the Rules from time to time in effect; and (iii) the Articles and Bylaws of the Association from time to time in effect.

"Rules" shall mean the rules adopted by the Board pursuant to Section 4.12.10, as they may be amended from time to time.

"Special Assessments" shall mean those Assessments levied by the Association pursuant to Section 4.9.

"Subdivision Plat" shall mean a map of a parcel of land which has been shown on a final and recorded subdivision plat approved pursuant to, and in accordance with, the laws of the City of Aurora, State

of Colorado, as the same may be amended from time to time.

"Unit" shall mean and refers to any plot of land shown upon any recorded subdivision map or plat of the Property, or any portion thereof, with the exception of the Common Elements and public streets but including all appurtenances and Improvements now or hereafter located thereon.

RESERVED

"Unit Boundary" shall mean and refers to that portion of a Unit, including the garage, "from the studs-in". The phrase "from the studs-in" refers to all portions of the Unit, including the contents thereof, inside of the studs located in the exterior walls of the Unit and inside of the roof joists in each Unit. For clarification purposes, the phrase "from the studs-in" does not include the studs located in the exterior walls of the Unit and does not include the roof joists in each Unit. The Unit Boundary shall be subject to the provisions of Section 4.12.5.1. The Unit Boundary includes the following by way of example and not by limitation:

> window units and exterior doors (including the garage door, front door, storm doors and exterior sliding glass doors) except for (i) the caulking and painting of the exterior of the window units and the exterior doors (including the exterior sliding glass doors), and (ii) drywall; paint; trim; fixtures; sub-floor; flooring; carpets; rugs; floor joists; ceiling joists that are not roof joists including insulation therein; ceiling finish; interior walls; interior bearing walls, bearing columns; cabinets; ovens; stoves; tubs; showers; fireplaces; appliances; washer/dryers; refrigerators; furniture; equipment; computers; freezers; light fixtures; telephones; plumbing and plumbing fixtures located within the Unit Boundary; furnace; air conditioning systems even when located outside of the Unit Boundary; water heaters; electronic equipment; wall coverings; art work; money; clothing; jewelry; wiring, conduits, utilities and utility lines located within the Unit Boundary; alarm systems; flues; tools; sporting equipment; shelving; closets; ceiling fans; all contents of the garage including vehicles, boats, trailers and motorcycles; exterior fences and dog runs constructed by a Unit Owner; all decks and patios of each Unit; and all personal property of every kind and nature located in the Unit Boundary.

Notwithstanding the foregoing, the following shall not be included in the Unit Boundary and shall be subject to the provisions of Section 4.12.5.2 which requires the Association to Maintain and Repair:

> all components of the roof, including roof joists, shingles, felts, water barriers and roof decking;
>
> all components of the exterior walls of a Unit including framing, insulation, water barriers, felts, other substrates on the exterior side of the framing, stucco, weatherproofing, trim and siding;
>
> all components of the common wall between two Units;
>
> all utilities and utility lines, including but not limited to electrical lines, plumbing, sewer lines, serving the Unit including those contained within the framing of the exterior walls of a Unit or the common wall between two Units;
>
> window units and exterior doors (including exterior sliding glass doors) but only to the

extent of (i) the caulking and painting of the exterior of window units and exterior doors (including exterior sliding glass doors) and (ii) breakage of glass in the window units and the exterior sliding glass doors caused by errant golf balls;

exterior fences not constructed by the Unit Owner;

front exterior walkways, steps and porch;

Unit foundations, including the concrete walls of the basements;

all concrete slabs located on the Property or in the Unit Boundary, including but not limited to (i) garage slab floors and (ii) basements.

"UNIT OWNER" as used herein means the current Owner(s) of the Unit and all prior Owner(s) of the Unit.

ARTICLE II
DEVELOPMENT OF THE PROPERTY/ANNEXATION

2.1 RESERVED

2.2 Annexation. Additional Property may be annexed to the Property and subjected to the Declaration from time to time with the consent of seventy-five percent (75%) of the votes in the Association. Each such annexation shall be affected by Recording an amendment to this Declaration entitled "Declaration of Annexation" in the Records, which document shall provide for annexation to the Declaration of the Property described in such document. Any purchaser of a portion of the annexed Property is deemed to irrevocably consent to annexation under the purview of this Declaration and to permit development in accordance with the general plan established hereunder.

2.2.1 Upon the Recording of a Declaration of Annexation, the covenants, conditions, and Restrictions contained in this Declaration shall apply to the added land in the same manner as if it had been originally subject to this Declaration; and thereafter, the rights, privileges, duties and liabilities of the Persons subject to this Declaration shall be the same with respect to the added land as with respect to the lands originally covered by this Declaration. The Declaration of Annexation must comply with C.R.S. §§38-33.3-209 and 38-33.3-210 and must contain (i) a reference to this Declaration, which reference shall state the date of Recordation and the recording information related to this Declaration; (ii) a statement that the provisions of this Declaration shall apply to the added land as set forth herein; (iii) an adequate legal description of the added land; and (iv) an amendment to the Map or, if such an amendment is not necessary, a new certification of the Map in accordance with C.R.S. §38-33.3-209.

2.2.2 All provisions of this Declaration including, but not limited to, those provisions regarding obligations to pay Assessments to the Association and any right to cast votes as Members of the Association, shall apply to annexed Property (including, but not limited to, all Units contained therein) immediately upon Recording an annexation document with respect thereto in accordance with this Section 2.2. Improvements which are constructed on any Property annexed by Declarant shall be consistent, in terms of quality of construction, with Improvements constructed on the Property prior to such annexation. Portions of the annexed Property are not to be deemed Recreation Elements or Common

Elements unless specifically so designated in the course of development or in a later Declaration of Annexation.

ARTICLE III
GENERAL RESTRICTIONS/PERMITTED USES

3.1 General Restrictions. All of the Property shall be owned, held, conveyed, encumbered, leased, used, occupied and enjoyed subject to the following limitations and Restrictions:

3.1.1 Residential and Common Elements. All of the Property (excluding any Common Element) shall be improved and used for residential use for single family homes, except that any Common Elements may be improved and used for active and passive recreational purposes for the primary benefit of the Owners and occupants of Units. The Unit Owner shall not use the Property for any commercial venture other than short- or long-term rentals as defined in 3.1.3. Commercial venture does not mean working from your home as part of your employment or livelihood.

3.1.2 Improvements and Use. All Units shall be improved and used as a dwelling or structure designed to accommodate no more than a single family and its servants and occasional guests, plus a garage and such other Improvements as are necessary or customarily incident to a single-family residence and approved by the Architectural Review Committee, provided for herein.

3.1.3 Residential Use; Rentals. A Unit shall not be used for any purpose other than single family residential purposes. Prior to any short or long term rental of a Unit, the Unit Owner must have lived in the Unit for two (2) consecutive years. If the owner of a Unit is anyone other than a natural person, then the same corporate officer, the same managing member of an LLC, the same settlor of a trust or the same principal of any other type of entity must reside in the Unit for two (2) consecutive years prior to renting the Unit. To "live in the Unit" means that the Unit Owner shall physically occupy the Unit as the Unit Owner's primary residence.

Short term rental is hereby defined to mean a rental for a term of not less than six (6) months nor more than one (1) year and Long term rental is hereby defined to mean a rental for a term of more than one (1) year (the "rental period"). Rentals for any period of time less than six (6) months are expressly prohibited.

The following paragraphs A, B, C and D shall be agreed to and complied with in their entirety by every Unit Owner/Lessor.

A. CONDITIONS PRECEDENT TO RENTING A UNIT

Prior to renting a unit, the Unit Owner shall do the following:

1. Live in the Unit for two consecutive years prior to renting the Unit; and
2. Obtain a written background check on the prospective tenant, including information on any criminal and driving violations; and,
3. Obtain a credit report for the prospective tenant; and,

4. If the property has a mortgage, obtain written approval from the mortgage company for the rental of the property; and,
5. Prior to any rental of a Unit, the Unit Owner shall sign an acknowledgement that the Unit Owner has received, read and understands these Conditions Precedent to Renting a Unit; the below Provisions Related to the Rental; the Unit Owner's obligations regarding Reimbursement and Indemnification; and the Penalty for Violation of these Rental conditions and that the Unit Owner agrees to comply with and be bound by all of their terms and conditions.

Paragraph 1 above shall not apply to property passed to the heir(s) of a Unit Owner upon the death of the Unit Owner provided the deceased Unit Owner resided in the property for two or more years before the Unit Owner's death. If the Unit Owner resided in the property for less than two years prior to the Unit Owner's death, then the heir(s) cannot rent the Unit until the amount of time the deceased Unit Owner resided in the property plus the additional months necessary to make a total of two years has elapsed.

A copy of the written background check, credit report, the signed acknowledgement set forth in paragraph 5 above and a copy of the proposed written rental agreement shall be provided to the HOA board for review and approval prior to the tenant occupying the property. The HOA Board shall either approve or disapprove of the rental within seven (7) days of receipt of these documents.

B. PROVISIONS RELATED TO THE RENTAL

A Unit Owner shall only rent the property to a single family or a single person. A single family is defined as a married couple or two individuals who are significant others and any children of the single family. A single person is defined as an adult who lives alone or with his/her minor children.

A Unit Owner shall not rent the Unit Owner's property to the following:

1. Multi-families. Meaning more than one family, even if the multiple families are related.
2. Multiple unrelated tenants.
3. Multiple tenants who may be related but do not constitute a single family as defined above.

Within five (5) days of the execution of a lease/rental agreement, the Unit Owner shall provide a complete copy of the executed lease/rental agreement via hand-delivery or email to the Villas HOA Board President. The executed rental/lease agreement shall incorporate by reference all of the terms and conditions of 3.1.3 as well as these 7th Amended Declarations and all Bylaws and Rules of the Association. The lease agreement shall state that by execution of the rental/lease agreement the Unit Owner/Landlord and the tenant agree to comply with and be bound by all of its terms and conditions as well as the terms and conditions of these Declarations and all By Laws and Rules of the Association.

All lease/rental agreements shall be in writing, executed by both the Unit Owner and the tenant(s), and shall set forth the commencement and end dates of the rental period. The written executed rental

agreement shall specifically state that the tenant cannot sublet the property or any part thereof. In the event a tenant, for any reason other than bankruptcy of tenant, eviction of tenant per Colorado Statue, death of tenant or other good cause as determined by the HOA board in its sole discretion, vacates the rental property during the rental period, the Unit Owner shall not re-rent the property until after the end date of the rental period set forth in the written lease/rental agreement with the vacating tenant(s). If the Unit Owner claims the tenant vacated the premises for "good cause," the Unit Owner shall provide to the HOA board, in writing, everything the Unit Owner claims constitutes "good cause."

Neither the Unit Owner/Landlord nor the tenant shall use the property for any commercial venture other than a short- or long-term rental as defined herein.

Notwithstanding the prohibition to re-rent the property during an existing rental period as set forth in the preceding paragraph, a Unit Owner shall be entitled to offer the property for rent, and rent same, during an existing rental period if the following conditions are met:

1. The Tenant vacates the property during the rental period; and,
2. The Unit Owner has collected rent owed for one or more of the months remaining for the rental period in which the Tenant does not occupy the unit; and,
3. Tenant has made a written demand or filed a claim or suit against the Unit Owner demanding return of the rent paid for the period running from the date Tenant vacated the property to the end of the lease/rental period; and,
4. In said demand, claim or suit, Tenant asserts that Unit Owner has failed to mitigate Unit Owner's damages by failing to make a good faith effort to rent the property to others.

Prior to offering the property for rent under the above conditions, the Unit Owner shall provide to the HOA Board proof of receipt of payment of rent collected for the month(s) tenant did not occupy the property during the rental period and a copy of any demand letter, claim or lawsuit.

C. REIMBURSEMENT AND INDEMNIFICATION AGREEMENT OF UNIT OWNER/LANDLORD

The Unit Owner/Landlord shall reimburse the Villas Homeowners Association for any damage to a Common Element or other Association property or any damage to any property of another Unit Owner caused by any act or omission of the Unit Owner/Landlord's tenant. Further, the Unit Owner/Landlord agrees to indemnify and hold harmless the Villas Homeowners Association or any other Unit Owner from and against any claims asserted against the Villas Homeowners Association or another Unit Owner by the tenant(s) or arising from or in any way related to any act or omission of the Unit Owner/Landlord's tenant(s), including, but not limited to, paying any damages or penalty which may be assessed against the Villas Homeowners Association or another Unit Owner and paying for all attorneys' fees and costs incurred by the Villas Homeowners Association or another Unit Owner in defending against such claims.

D. PENALTY FOR VIOLATION OF THESE RENTAL CONDITIONS AND PROVISIONS

Notwithstanding any other provisions of the Seventh Amended and Restated Declarations to the contrary, a Unit Owner who violates any of the terms of this 3.1.3 shall be assessed, and pay to the Villas HOA, a fine of $500.00 for each such violation. Prior to any efforts to collect or enforce any fine assessed hereunder, the Unit Owner shall be entitled to a hearing, if the Owner so desires, as set forth in the Associations Collection, Enforcement and Conduct of Meetings Policy dated August 19, 2022.

If a tenant violates any of the terms of 3.1.3 or any other provision of the Seventh Amended and Restated Declarations or the Bylaws or Rules of the Association, then the tenant(s) lease shall be deemed null and void in its entirety and, if the tenant has occupied the Unit, the tenant shall move out within 15 days of receiving notice of the tenant(s) violation from the Association. Notice may be given by 1st Class Mail, email or via hand-delivery to the Unit Owner or tenant. If the Association is required to seek a Court ordered eviction of the tenant, then the Unit Owner/Landlord agrees that the Unit Owner/Landlord will pay all of the Associations attorneys' fees and costs incurred in such action.

3.1.4 Unsightly Article. No unsightly article shall be permitted to remain on any Property containing a Unit or any other portion of the Property if it is visible from adjoining Property or public or private thoroughfares. Without limiting the generality of the foregoing, motorcycles, motor scooters, snowmobiles, snow removal equipment and garden and maintenance equipment shall be kept at all times (except when in actual use) in the Unit's garage. Further, no repair or maintenance work shall be done on any of the foregoing, or on any automobile, other than minor emergency repairs, except in an enclosed garage. Refuse, garbage and trash shall be kept at all times in a covered container and any such container shall be kept within the garage. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view. No lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap or refuse or trash shall be kept stored or allowed to accumulate on any portion of the Property except within an enclosed structure; provided, however, that normal household waste can be set out up to twenty-four (24) hours before a scheduled garbage pick-up.

No trailers, mobile homes, recreation vehicles, trucks (other than pickups), boats, tractors, campers, wagons or buses shall remain parked at a Unit or on public or private thoroughfares for longer than one (1) day. Exceptions may be made for visitors arriving in trailers, mobile homes or recreational vehicles upon request to the Board of Directors by a Unit Owner.

During periods of construction on a Unit, a dumpster is permitted to be either in the driveway of the Unit or on the frontage road or East Caley Avenue in front of the Unit. Dumpsters shall be removed as soon as possible after they are no longer needed.

3.1.5 Antennas/Satellite Dishes. No exterior radio or television antenna, satellite dish, or aerial or other reception/receiver device shall be erected or maintained on the Property without the prior written approval of the Architectural Review Committee.

3.1.6 Insurance Rates. Nothing shall be done or kept on or at the Property which will increase the rate of insurance on any Association Property without the approval of the Board, nor shall anything

be done or kept on or at the Property which would result in the cancellation of insurance on any Association Property, or which would be in violation of any law.

3.1.7 No Further Subdividing. No Unit or Common Elements shall be further divided or subdivided, nor may any easement or other interest therein less than the whole be conveyed by the Owner thereof (including the Association) without the prior written approval of the Architectural Review Committee. Further, nothing contained herein shall be deemed to require the approval of the Architectural Review Committee for the transfer or sale of any Unit, including Improvements thereon, to more than one Person to be held by them as tenants in common or joint tenants, or for the granting of any First Mortgage for the sale or transfer of any Unit pursuant to the terms of any First Mortgage or by way of a deed in lieu of foreclosure thereof. No Owner shall have the right to partition or seek partition of the Common Elements or any Unit.

3.1.8 Flags and Signs.

A. FLAGS

1. No townhome shall display more than two flags at any one time;
2. Flags can only be displayed by attachment to the garage, attachment to the back deck or on a front yard flagpole which shall be no higher than 20 feet and which shall not have any sound or lights;
3. Flags shall be no larger than 28" by 48" except for oversized American flags which can be displayed by draping the flag over the railing of a homeowner's back deck during the annual July 4th Holiday or Flag Day.
4. Political flags or banners shall be displayed only during the time and manner set forth in paragraph B. **SIGNS** below.

B. SIGNS

1. Except for political election signs, for sale and for rent signs described below, no townhome shall display more than one exterior sign at any given time. No townhome shall display more than two (2) signs inside the home's windows;
2. During any political election season, a townhome may display a sign, flag or banner for every politician or issue for which the homeowner is qualified to vote. All such signs, flags or banners are permitted to be displayed in the period commencing four weeks prior to the election date and must be removed one day after the election date
3. When a townhome is "For Sale" or "For Rent" the townhome may display a For Sale or For Rent sign in both the front and back areas as set forth in 5 below;
4. Signs shall be no larger than 24" x 36";
5. All signs, flags or banners must be displayed in an area where the sign will not interfere with the maintenance of the communities' common areas. Permitted signs, flags or banners shall only be placed in the rock or mulch in front of the front wall of a townhome or on the rear decks or patios of the townhomes. For those townhomes without front walls, signs can only be placed in the rock or mulch adjacent to front of the townhome or on rear decks or patios of the townhomes. Signs can also be placed within the windows of the townhomes.

C. **COMMERCIAL FLAGS AND SIGNS**

No flags or signs which advertise or promote any products, services or commercial ventures of any kind shall be displayed in the windows, yards or on the decks of any home.

3.1.9 Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any part of the Property and no odors shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, offensive, or detrimental to any other Property or to its occupants. No noise or other nuisance shall be permitted to exist or operate upon any such Property so as to be offensive or detrimental to any other Property or to its occupants. Without limiting the generality of the foregoing, no exterior speakers, horns, whistles, bells or other sound devices (other than security and emergency devices used exclusively for security and emergency purposes) shall be located, used or placed on any such Property without the prior written approval of the Board.

From 10p to 7a, the sound emanating from any Unit shall not exceed 50 db(A).

3.1.10 Repair of Buildings. No Improvement constructed upon any land within the Property shall be permitted to fall into disrepair, and each such Improvement shall be kept at all times in good condition and repair and adequately painted or otherwise finished. The Association shall provide in its Rules for the exterior painting and roofing of Units.

3.1.11 Improvements and Alterations. There shall be no construction (other than repairs pursuant to Section 3.1.10 above), excavation, alteration which in any way alters the exterior appearance of any Improvement, or removal of any Improvement without the prior approval of the Architectural Review Committee.

3.1.12 Violation of Restrictions. If any Owner or their respective family, guests, licensees, lessees, invitees, agents or employees, violates these Restrictions, the Board may invoke any one or more of the following remedies: (i) impose a fine upon such Owner for each violation; (ii) cause the violation to be cured and charge the cost thereof to the Owner; and (iii) obtain injunctive relief against the continuance of such violation. Before invoking any such remedy, the Board shall comply with its Collection, Enforcement and Conduct of Meetings Policies dated August 19, 2022.

3.1.13 Drainage. There shall be no interference with the established drainage patterns over any Property within the Property, unless adequate provision is made for proper drainage and approved by the Architectural Review Committee. In the event of any such interference where there has been no adequate aprovision made for proper drainage which has been approved by the Architectural Review Committee or the Owner interfering with the established drainage patterns shall be liable for any damage resulting from such interference.

3.1.14 No Hazardous Activities. No activities shall be conducted on the Property and no Improvements shall be constructed on the Property which are, or might be, unsafe or hazardous to any Person or Property. Without limiting the generality of the foregoing, no firearms or firecrackers shall be discharged upon the Property and no open fires shall be lighted or permitted on the Property except in an exterior contained fire pit or a barbecue unit while attended and in use for cooking purposes.

3.1.15 No Temporary Structures. No tent or shack or other temporary building, Improvement or

structure shall be placed upon the Property.

3.1.16 No Mining and Drilling. No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring or exploring for or removing water, oil, gas or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate or earth; provided however, that the Association may, by appropriate written permit, grant, license, or easement agreement, allow the drilling of wells and the installation of infiltration galleries for the extraction of water.

3.1.17 Vehicles. In addition to the provisions of Section 3.1.4 the use and storage of all vehicles including, but not limited to, gliders, trucks, automobiles, graders, boats, tractors, pickups, mobile homes, trailers, buses, campers, recreational vehicles, bicycles, motorcycles, motor scooters, wagons, sleighs and snowmobiles, shall be subject to the Rules which may prohibit or limit the use thereof within specified parts of the Property, and which may also provide parking and storage regulations and adopt other Rules regulating the same.

3.1.18 RESERVED

3.1.19 Fencing. The Association may construct certain entryways, fences, fence pillars or walls on or within the Property. No Owner shall modify, repair, replace, paint or otherwise obstruct any such entryways, fence, fence pillars or walls without the prior written approval of the Architectural Review Committee. Any Unit Owner who wishes to construct a fence must get prior approval from the ARC. The design and location of all fences shall be subject to the approval of the Architectural Review Committee. Without limiting the generality of the foregoing, fencing materials shall be restricted to stucco, aluminum railings or wrought iron railings unless otherwise approved by the Architectural Review Committee and in no event shall chain-link, cedar or other wooden slat fences, be permitted on the Property. Fencing for dog runs for individual Units shall be considered on a case-by-case basis by the Architectural Review Committee and shall not otherwise unreasonably interfere with the Property's Common Element.

3.1.20 Animals. No animals, livestock, poultry or bees of any kind shall be raised, bred, kept or boarded in or on the Property; provided, however, that the Owner of each Unit may keep a reasonable number of dogs, cats, fish or other domestic animals which are bona fide household pets so long as such pet(s) is/are (i) not kept for any commercial purpose; (ii) kept under control at all times; and (iii) not kept in such number or in such manner as to constitute a nuisance.

ARTICLE IV
ASSOCIATION

4.1 Organization. The Association is a non-profit Colorado corporation created for the purposes, charged with the duties, and invested with the powers prescribed by law, the Act, and/or set forth in its Articles and Bylaws or in this Declaration. Neither the Articles, Bylaws nor any Rules promulgated by the Board shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. In case of conflict

between the Declaration and the Articles, Bylaws and/or Rules, this Declaration shall control.

4.2 Membership and Voting.

4.2.1 General1y. Every Owner shall be a Member of the Association and shall remain a Member for so long as that Person continues to be an Owner. The Association shall have only one class of Members and each Member shall be entitled to one (1) vote for each Unit owned by such Member. Each Owner's Membership in the Association shall be appurtenant to and may not be separated from ownership of the Unit, to which the Membership is attributable. Except as expressly provided in this Article 4, no other voting rights are created by this Declaration.

4.2.2 Multiple Owners. When an Owner consists of more than one Person, while each such Person shall be a Member of the Association, only one of such co-Owners shall be entitled to exercise the single vote to which the Unit is entitled. Fractional votes shall not be allowed. If only one of the Co-Owners of a Unit is present at a meeting of the Association, that Co-Owner shall be entitled to cast the single vote allocated to that Unit. If more than one of the co-Owners of a Unit are present, the single vote allocated to that Unit may be cast only in accordance with the agreement of a majority of the co-Owners of such Unit. If any one of the co-Owners of a Unit casts a vote allocated to that Unit without the protests being made promptly (i.e., before the end of the meeting of the Association at which such vote was cast) by any of the Co-Owners of the Unit to the director presiding over such meeting, then it shall be conclusively presumed that the vote was cast in accordance with the agreement of a majority of the co-Owners of such Unit. No change in the membership of a Member shall be effective for voting purposes until the Board receives written notice of the change together with satisfactory evidence of the change.

4.2.3 Proxies. Votes allocated to a Unit may be cast pursuant to a proxy duly executed by an Owner. If a Unit is owned by more than one Person, each such co-Owner of the Unit may vote or register protest to the casting of votes by the other co-Owners of the Unit through a duly executed proxy. An Owner may not revoke a proxy given pursuant to this Section except by actual notice of revocation to the Person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven (11) months after its date, unless it provides otherwise.

4.2.4 Association Owned Units. No votes allocated to a Unit owned by the Association may be cast.

4.3 Board of Directors. The affairs of the Association shall be governed by a "Board of Directors" (sometimes referred to as the "Board") which may, by resolution, delegate any portion of its authority to an executive committee or an officer, executive manager or director for the Association. The qualifications and number of directors, the term of office of directors, the manner in which directors shall be elected and the manner in which directors shall be replaced upon removal or resignation shall be as set forth in the Bylaws; provided, however, that the Bylaws shall contain the following provisions:

4.3.1 RESERVED

4.3.2 RESERVED

4.3.3 The Owners shall elect a Board of at least three Members who must be Owners. The

Board shall elect the officers.

4.3.4 Notwithstanding any provision of the Declaration or Bylaws to the contrary, the Owners, by a two-thirds vote of all Persons present and entitled to vote at any meeting of the Owners at which a quorum is present, may remove any Member of the Board with or without cause.

4.3.5 RESERVED

4.4 Officers. The Board will select the officers of the Association, which officers may also serve as Members of the Board.

4.5 Articles and Bylaws. The purposes and powers of the Association and the rights and obligations with respect to Memberships may and shall be amplified by provisions of the Articles and Bylaws of the Association. Such Articles and Bylaws may include any reasonable provisions with respect to corporate matters including provisions with respect to notices, record dates and quorums for meetings of directors and Members, but no such provision may be inconsistent with any provision of this Declaration.

4.6 Assessments, Fines and Compliance Expenditures. Each Owner of a Unit shall be obligated to pay and shall pay to the Association, at least annually or when otherwise due and payable, (i) Assessments; (ii) reasonable and uniformly applied fines imposed by the Association for violation of the Restrictions and Rules adopted by the Association; and (iii) any "Compliance Expenditures" (as defined below). Each Assessment shall be a separate, distinct and personal debt and obligation of the Owner against whose Unit the same is assessed. All Assessments shall be payable in full without offset for any reason whatsoever. The obligation of each Owner to pay Assessments shall be entirely independent of any obligation of the Association to such Owner or any other Owner to such Owner. No Owner shall be exempt from liability for payment of any Assessment by waiver of the use or enjoyment of any of the Common Elements including any Recreation Elements or by abandonment of the Unit against which the Assessments are made. Any assessment that is not paid within thirty (30) days after the same becomes due shall be deemed delinquent. If an Assessment is delinquent, the Association may recover all of the following (collectively, the "Compliance Expenditures"):

4.6.1 Reasonable costs incurred including without limitation, reasonable attorneys' fees and court costs; and

4.6.2 A late charge in an amount to be determined from time to time by the Board, but not more than 10% of the delinquent assessment or $50.00, whichever is greater; and,

4.6.3 Interest on (i) the delinquent Assessment, (ii) the late charges described in Section 4.6.2, and (iii)the cost of collection described in Section 4.6.1, at an annual percentage rate equal to 15% per annum, commencing thirty (30) days after the Assessment became due.

4.7 Determination of Budgets. The total amount required to be raised by Assessments shall be determined by the Board of Directors of the Association at least once a year and shall be based upon an annual budget to be approved by the Board of Directors and adopted by the Association annually showing, in reasonable detail, the various matters proposed to be covered by the budget, the estimated costs and expenses of the Association, an amount deemed necessary or desirable as a contingency reserve and the total amount required to be raised by Assessments to cover such estimated costs and expenses and contingency reserve. The budget shall cover all costs and expenses expected to be incurred by the

Association in performing its functions, or in providing services required or permitted under this Declaration, including but not limited to all expenses required to adequately operate and maintain the Common Elements, insurance and taxes. The budget may be revised as necessary from time to time. Assessments may be raised or lowered by the Board of Directors as required to meet such revised budget. Without limiting the generality of the foregoing, it is expressly understood that the budget (and, accordingly, the Assessments) shall be subject to modification due to the annexation of Property to the Property in accordance with the Declaration. Within thirty (30) days after adoption of any proposed budget for the Association, the Board shall mail, by ordinary first-class mail, or otherwise deliver a summary of the budget to all the Owners and shall set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen (14) nor more than sixty (60) days after mailing or other delivery of the summary. Unless at that meeting a majority (i.e., more than 50%) of all Owners reject the budget, the budget is ratified, whether or not a quorum is present. In the event that the proposed budget is rejected, the periodic budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the Board.

4.8 Amount of Regular Assessments. A regular Assessment is defined for purposes of this Section as that sum which must be levied in the manner and against each individual Unit in order to raise the total amount for which the levy in question is being made. Each individual regular assessment shall be equal to each other individual regular Assessment and, accordingly, each Unit shall be assessed its General Common Allocation with respect to the amount for which the levy in question is being made. The Association shall levy a regular Assessment against each Unit effective upon recordation in the Records of the Subdivision Plat initially creating the applicable Unit. Assessments shall be made no less frequently than annually and shall be based on a budget adopted no less frequently than annually by the Association. Where the obligation to pay an Assessment first arises after the commencement of the year or other period for which the Assessment was levied, the Assessment shall be prorated, as of the date when said obligation first arose, in proportion to the amount of the Assessment year or other period remaining after said date.

4.9 Special Assessment. In addition to the annual regular Assessment authorized by this Article, the Board of the Association may levy, from time to time, one or more Special Assessments for the purpose of defraying in whole or in part the cost of any construction, restoration, unexpected repair or replacement of a capital Improvement or for carrying out the other responsibilities of the Association in accordance with this Declaration. Any such Special Assessments shall be set against each Unit in accordance with the General Common Allocation. Each Owner shall pay all Special Assessments assessed against such Owners Unit. The due date for any Special Assessment shall be fixed by the Board.

4.10 Other Matters Relating to Assessments. Subject to the foregoing provisions, the Board of Directors shall have the power and authority to determine all matters in connection with Assessments including the power and authority to determine where, when and how Assessments shall be paid to the Association and each Owner shall be required to comply with all such determinations.

4.11 Lien for Assessments, Fines, and Compliance Expenditures. The Association shall file liens, seek foreclosure of a Unit or assess fines or other penalties against a Unit Owner in accordance with the Associations Collection, Enforcement and Conduct of Meetings Policies dated August 19, 2022.

4.12 Duties and Powers of the Association. Subject to and in accordance with this Declaration, the Association shall have all of the rights and powers conferred upon it by law, the

Act, this Declaration, the Articles and the Bylaws. Without limiting the generality of the foregoing, the Association shall have the following powers and shall perform each of the following duties for the benefit of the Members of the Association:

4.12.1 Assessments. To determine, levy and collect Assessments.

4.12.2 Association Property. Subject to the provisions of C.R.S. §38-33.3-312, the Association agrees to accept, own, convey, lease, encumber, operate and maintain all Association Property (real and personal) together with all Improvements as defined Article I, Definitions.

4.12.3 Title to Property Upon Dissolution. In the event of dissolution of the Association, the Common Elements shall, to the extent permitted by law and where reasonably possible, be conveyed or transferred to an appropriate governmental or quasi-governmental agency or agencies, or to a non-profit corporation, association, trust or other organization, to be used for the common benefit of the Owners for similar purposes for which the Common Elements were held by the Association. To the extent the foregoing is not possible, the Common Elements shall be sold or disposed or and the proceeds from the sale or disposition shall be distributed first for the payment of debts and obligations incurred by the Association and then to the Owners in an equitable manner determined by the Board (which determination will be conclusive) based upon each Owner's pro rata portion of the Property. In the event of dissolution of the Association, maintenance of Common Elements shall become the responsibility of those agencies or individuals in title to the specific Property.

4.12.4 Repair and Maintenance of Association Property. To maintain in good repair and condition all lands, Improvements, and other Association Property owned, controlled or maintained by the Association.

4.12.5 Maintenance, Repair and Insurance

4.12.5.1 Unit Owner Maintenance and Repair Obligations. Each Unit Owner shall be responsible for the maintenance and repair of the Unit Boundary and the maintenance and repair of any modifications or additions made by a Unit Owner to the Property.

4.12.5.2 Association Maintenance and Repair Obligations. Consistent with the Associations maintenance and repair obligations set forth in Article I. Definitions, "Unit Boundary" and 4.12.5.4 and subject to Section 4.12.5.5 below, the Association shall be responsible for the maintenance and repair of the Property and Improvements and Common Elements.

4.12.5.3 Unit Owner Insurance. The Unit Owner shall obtain such casualty and liability insurance as the Unit Owner deems appropriate.

4.12.5.4 Association Insurance. The Association shall obtain property, casualty and liability insurance in compliance with C.R.S. 38.33.3-313 in amounts and coverages determined from time to time by the Board. The property insurance shall be replacement cost coverage and shall be in an amount sufficient to rebuild, in whole or in part, a Unit from the "studs out." From the "studs out" means the studs between the interior and exterior walls, framing, all utilities, including but not limited to plumbing, electrical and sewer lines, all roof components, all exterior wall components, all components of the common wall between Units, the garage concrete floor, basement concrete floors

and the foundation.

4.12.5.5 Damage Caused by Uninsurable Peril. The Association shall be responsible for the maintenance and/or repair of its portion of a Unit as excluded from the definition of the "Unit Boundary" and as set forth in 4.12.5.2 for damage caused by a peril which is uninsurable and therefore not covered by the property, casualty and liability insurance obtained by the Association pursuant to Section 4.12.5.4. The Unit Owner shall be responsible for maintenance and repair of the Unit Boundary to the extent that the Property is damaged by a peril which is uninsurable.

4.12.6 RESERVED

4.12.7 Snow Removal. To plow, shovel and otherwise remove snow from the private drives and driveways adjacent to Units in a reasonable manner and within a reasonable time period after an accumulated snowfall.

4.12.8 Payment of Taxes. To pay all real and personal property taxes and other taxes and Assessments levied upon or with respect to any Property owned by the Association, to the extent that such taxes and Assessments are not levied directly upon the Members. The Association shall have all rights granted by law to contest the legality and the amount of such taxes and Assessments.

4.12.9 Insurance. To obtain and maintain in effect policies of insurance adequate, in the opinion of the Board, in kind and amount, to comply with C.R.S. §38-33.3-313.

4.12.10 Rules. To make, establish and promulgate, and in its discretion to amend or repeal and re-enact, such Rules, not in contradiction of this Declaration, as it deems proper covering any and all aspects of its functions, including the use and occupancy of Association Property. Without limiting the generality of the foregoing, such Rules may set dues and fees and establish the regulations governing the operation of Association Property and/or Common Elements. Each Member shall be entitled to examine such Rules at any time during normal working hours at the principal office of the Association.

4.12.11 Architectural Review Committee. To appoint and remove Members of the Architectural Review Committee as provided in Section 5.2 hereof, and to insure that at all reasonable times there is available a duly constituted and appointed Architectural Review Committee.

4.12.12 Enforcement. To enforce on its own behalf and on behalf of all Owners, all of the covenants, conditions and Restrictions set forth in this Declaration, under an irrevocable power of attorney (hereby granted) coupled with an interest as beneficiary of said covenants, conditions and Restrictions, and to perform all other acts, whether or not anywhere expressly authorized, as may be reasonably necessary to enforce any of the provisions of the Restrictions.

4.12.13 Management Company. To retain the services of a professional management company to manage some or all of the affairs of the Association provided that (i) such company shall be licensed to do business in the State of Colorado, to the extent required by law; and (ii) the term of any contract for such services shall not exceed one (1) year and shall be terminable on thirty (30) days written notice, with or without cause and without the payment of a termination fee.

4.12.14 Borrowing. Subject to the provisions of C.R.S. § 38-33.3-312, to borrow money and to incur indebtedness for the purposes of the Association, and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, mortgages, pledges, hypothecations or

other evidence of debt and securities therefor encumbering the Common Elements, or portions thereof and/or other Association Property.

4.12.15 Easements. To accept and to perform all continuing obligations of existing easements and to grant easements, leases, licenses and concessions over the Common Elements to serve the Property.

4.12.16 Assignment. To assign its right to future income, including the right to receive Assessments.

4.12.17 Other. To carry out all duties of the Association set forth in the Restrictions.

4.13 Non-Liability of Officials. To the fullest extent permitted by law, neither Declarant, the Board of Directors, the Architectural Review Committee, or any other committees of the Association or any Member thereof, nor any officers or directors of the Association, shall be liable to, any Owner or to the Association or any other Person for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of a course of action, act, inaction, omission, error, negligence, or the like made in good faith and which the Board, or such committees or officers or directors reasonably believed to be within the scope of their respective duties.

4.14 Indemnification. To the fullest extent permitted by law, every director, officer, committee Member, partner and shareholder of the Association and the Architectural Review Committee shall be and is hereby indemnified by the Association. Every other Person serving as an employee or direct agent of the Association, or otherwise acting on behalf of, or at the request of, the Association may, in the discretion of the Board, be indemnified by the Association. Any such indemnification shall be limited to all expenses and liabilities (including, without limitation, all attorneys' fees and court costs) reasonably incurred by or imposed upon such Person in connection with any proceeding to which he may be a party or in which he may become involved, by reason of his being or having served in such capacity on behalf of the Association, or incurred in any settlement thereof, whether or not he/she is a director, officer or Member of a committee or serving in such other specified capacity at the time such expenses are incurred.

4.15 Non-Liability for Certain Changes and Amendments. Neither the Association, nor their successors or assigns shall be liable to, or subject to injunction by, any Member or Owner or to one another in the event that any change in zoning of the Property is sought or obtained, or in the event that any subdivision map amendment or change in density shall be sought and obtained including, but not limited to, any change in the Map or in area density among the various Units shown on the Map.

4.16 Audit. The Association shall provide a financial statement (which may or may not be audited) for the immediately preceding fiscal year, free of charge to any Owner, to any First Mortgagee of a Unit, or any insurer of a Unit or guarantor of such a First Mortgage, within a reasonable time after written request therefor by any such party.

4.17 Association Books and Records. The Association shall make available to Owners, First Mortgagees, and insurers or guarantors of any such First Mortgage, current copies of this Declaration, the Articles of Incorporation, Bylaws, Rules, books, Records, and financial statements of the Association. "Available" shall mean available for inspection, upon request, during normal

weekday business hours or under other reasonable circumstances.

4.18 RESERVED

4.19 Surplus Funds. Any surplus funds of the Association remaining after payment of, or provision for, expenses, cases, obligations and any prepayment of or provision for reserves shall not be credited to the Owners but shall, instead, be added to any reserve accounts maintained by the Association.

4.20 RESERVED

ARTICLE V
ARCHITECTURAL REVIEW COMMITTEE/EASEMENTS

5.1 Members of Committee. The Architectural Review Committee shall consist always of either three Members or five Members, which Members must be Members of the Association. The Board may reduce the number of Members of the Committee to three and increase it to five as often as it wishes. Each Member of the Committee shall hold office until such time as he/she has resigned and his/her successor has been appointed or has been removed, as provided herein. Members of the Committee may be removed at any time without cause.

5.2 Appointment and Removal. The Board shall have the right to appoint and remove all Members of the Committee.

5.3 Design Guidelines. The Architectural Review Committee shall have the power to and may make, establish and promulgate, and in its discretion amend, repeal and re-enact Rules and/or guidelines regarding anything relevant to its functions including, but not limited to, minimum design standards, minimum landscaping standards, procedure for the submission of Plans and Specifications for approval and fines or other reasonable penalties for violation of any provision of this Article 5.

5.4 Review of Proposed Construction. Whenever in this Declaration the approval of the Architectural Review Committee is required, it shall have the right to consider all of the Plans and Specifications for the Improvement or proposal in question and all other facts which in its sole discretion are relevant. Prior to commencement of any construction of any Improvement on the Property, the Plans and Specifications therefor shall be submitted to the Architectural Review Committee, and construction thereof may not commence unless and until the Committee has approved such Plans and Specifications in writing. The Committee shall consider and act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration, and perform such other duties assigned to it by this Declaration or as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with Plans and Specifications approved by the Committee. The Committee shall approve Plans and Specifications submitted for its approval only if it deems that the construction, alterations, or additions contemplated thereby in the locations indicated will not be detrimental to a respective residential area and/or the Property as a whole, and that the appearance of any structure affected thereby will be in aesthetic harmony with the surrounding structures. The Committee may condition its approval of Plans and Specifications on such changes therein as it deems appropriate and may require submission of additional Plans and Specifications or other information prior to approving or disapproving the material submitted. The Committee may require such detail in Plans and Specifications submitted for its review and such other information as it deems proper. Until receipt

by the Committee of all required Plans and Specifications and other information, the Committee may postpone review of anything submitted for approval. Upon certified receipt and acceptance by the Committee of all required Plans and Specifications and other information, the Committee shall have thirty (30) days in which to approve or disapprove such Plan and Specifications in writing. If the Committee fails to approve or disapprove properly submitted Plans and Specifications within such thirty-day period, the submitted Plans and Specifications shall be deemed to have been disapproved. Persons affected by the decision of the Architectural Review Committee may appeal its decision to the Board of Directors within ten (10) days of notification of the Architectural Review Committee's decision. Said appeal must be in writing and set forth the reason(s) for the appeal. Thereafter, the Board shall review the matter with or without additional input from the appealing party and the Architectural Review Committee at the next regularly scheduled meeting. The Board shall render its decision within a reasonable time thereafter.

5.5 Meetings of the Committee. The Committee shall meet from time to time as necessary to perform its duties hereunder. The Committee may from time to time by resolution unanimously adopted in writing designate one of its Members to take any action or perform any duties for and on behalf of the Committee, except the granting of variances pursuant to Section 5.10. In the absence of such designation, the vote of the majority of all of the Members of the Committee, or the written consent of a majority of all of the Members of the Committee taken without a meeting, shall constitute an act of the Committee.

5.6 No Waiver of Future Approvals. The approval or consent of the Committee to any Plans or Specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any Plans or Specifications or other matter whatever subsequently or additionally submitted for approval or consent by the same or a different Person.

5.7 Compensation of Members. The Members of the Committee may be entitled to compensation from the Association for services rendered, together with reimbursement for expenses incurred by them in performance of their duties hereunder. The amount of such compensation shall be determined by the Board.

5.8 Inspection of Work. Inspection of completed work and work in progress, as well as correction of defects in such work, shall be performed in accordance with Rules established, from time to time, by the Architectural Review Committee concerning such matters.

5.9 Non-Liability of Committee Members. Neither the Committee nor any Member thereof nor the Board nor any Member thereof shall be liable to the Association or to any Owner or to any other Person for any loss, damage or injury arising out of or in any way connected with the performance of the Committee's or the Board's respective duties under this Declaration unless due to the willful misconduct or bad faith of the Committee or its Member or the Board or its Member, as the case may be. The Committee shall review and approve or disapprove all Plans and Specifications submitted to it for any proposed Improvement, including the construction, alteration or addition thereof or thereto, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the surrounding residential area and the Property generally. The Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any Plans or Specifications be deemed approval thereof from the standpoint of structural

safety, engineering soundness, or conformance with building, zoning or other codes.

5.10 Variances. Subject to Federal, State and local laws, ordinances, Rules and regulations, the Committee may authorize variances from compliance with any of the architectural provisions of this Declaration or any design guidelines established by the Committee including Restrictions upon height, bulk, size, shape, floor area, land area, placement of structures, set-backs, building envelopes, colors, materials, or similar Restrictions, when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental consideration may, in its sole and absolute discretion, warrant. Such variances must be evidenced in writing and must be signed by at least a majority of all of the Members of the Committee. If such a variance is granted, no violation of the covenants, conditions or Restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of this variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the Property and particular provision and in the particular instance covered by the variance. It is expressly understood that any variance of the type described in this Section 5.10 relates only to the architectural provisions of this Declaration and/or the design guidelines, as applicable, and does not relate to any Federal, State and/or local laws, ordinances, Rules and/or regulations concerning any of the matters described above.

5.11 Easement for Encroachments. If any portion of the Improvements located on a Unit or the Common Elements encroaches upon a Unit or the Common Elements, as applicable, including any encroachments arising or resulting from the repair or reconstruction of such an Improvement, a valid easement on the surface and for subsurface support below such surface and for the maintenance of same, so long as it stands, shall and does exist for such encroachment. The easement does not relieve an Owner of liability in case of willful misconduct nor relieve any other Person of liability for failure to adhere to the Map.

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

5.13 Utilities. There is hereby created a blanket easement upon, across, over, and under the Common Elements for utilities and the installation, replacement, repair, and maintenance of utilities including, but not limited to, water, sewer, gas, telephones, electricity and cable television systems, if any. By virtue of this blanket easement, it shall be expressly permissible to erect and maintain the necessary -facilities, equipment, appurtenances on the Property and to affix, repair, and maintain water and sewer pipes, gas, electric, telephone, and television wires, circuits, conduits and meters. In the event any utility or quasi-utility company furnishing a service covered by the general easement created herein requests a specific easement by separate recordable document, the Association is hereby given the right and authority to grant such easement upon, across, over, or under any part or all of the Common Elements. The easement provided for in this Section 5.13 shall in no way affect, avoid, extinguish, or modify any other recorded easement(s) on the Property.

5.14 RESERVED

5.15 Easements Deemed Created. All conveyances of portions of the Property (including Units) hereafter made, shall be construed to grant and reserve the easements contained in this Article 5, even

though no specific reference to such easements or to this Article 5 appears in the instrument of such conveyance.

ARTICLE VI
AMENDMENTS

6.1 Amendment. Subject to the provisions of Section 6.2, any amendment to this Declaration that would terminate the Declaration shall require the affirmative vote or written consent of sixty-seven percent (67%) of the Members to whom the votes in the association are allocated. Further, any termination of this Declaration and the planned community created hereby, must be in accordance with C.R.S. § 38-33.3-218. Except as provided in the foregoing, and subject to Section 6.2, this Declaration may be amended by the affirmative vote or written consent of the Members to whom at least sixty-seven percent (67%) of the votes in the Association are allocated.

6.1.1 An amendment to this Declaration shall be effective only upon the occurrence of all of the following events:

6.1.1.1 The amendment shall have been reduced to a writing, which writing shall have been approved (by an affirmative vote or written consent) by the applicable required percentage of Members and, if applicable, the First Mortgagees.

6.1.1.2 A written certificate executed and acknowledged by the president or any vice president of the Association, shall be attached to the written amendment which shall state that such amendment was approved by the applicable required percentage of Members and where applicable by all First Mortgagees, if any, who are required to approve such amendment pursuant to Section 6.2; and

6.1.1.3 The approved written amendment described in Section 6.1.1.1, and including the certificate described in Section 6.1.1.2 shall be Recorded in the Records.

6.1.2 It will be a presumption subsequent to the Recording of an Amendment to this Declaration pursuant to Section 6.1.1.2 that all votes and consents required to pass the same pursuant to this Declaration were duly obtained (at a duly called meeting of the Association, in the case of votes). Such presumption may be rebutted by an action commenced within one year from the date the amendment is Recorded; in the absence of any such action, such presumption shall thereafter become conclusive.

6.1.3 Except to the extent expressly permitted or required by the Act, no amendment made to this Declaration may increase the number of Units or change the boundaries of any Unit or the allocated interests of a Unit, or the uses to which any Unit is restricted, in the absence of unanimous consent of the Owners.

6.2 First Mortgage Approval. Except to the extent otherwise provided herein, the prior written consent of at least a majority of the votes of the First Mortgagees (based upon one vote for each Unit encumbered by a First Mortgage) must be obtained to add or amend any provisions of this Declaration, the Articles, or Bylaws of the Association, which establish, provide for, govern, or regulate any of the following: (i) any provisions which are for the express benefit of First Mortgagees; or (ii) any action to terminate this Declaration. Nothing contained in this Section 6.2 may operate to (a) deny or delegate control over the general administrative affairs of the Association by the Owners or the Board; or (b)

prevent the Association or the Board commencing, intervening in, or settling any solicitation or proceeding; or (c) prevent the Association from receiving and distributing any insurance proceeds pursuant to C.R.S. § 38-33.3-313.

6.3 Expenses. All expenses associated with preparing and recording an amendment to this Declaration shall be the sole responsibility of the Association.

ARTICLE VII
MISCELLANEOUS

7.1 Term. This Declaration, including all of the covenants, conditions and Restrictions contained herein, shall run with and bind the Property up to and including the 25th anniversary of the date of Recording of this Declaration, unless amended as herein provided. After such 25th anniversary, this Declaration, including all covenants, conditions and Restrictions contained herein shall be automatically extended for successive periods of ten years each, unless amended and extinguished by a written instrument approved by the Members to whom at least ninety percent (90%) of the votes in the Association are allocated and recorded in the Records.

7.2 Notices. Any notice, except for notices under the August 19, 2022 Collection, Enforcement and Conduct of Meetings Policies, permitted or required to be given by the Declaration shall be in writing and may be delivered personally or by email or by mail. If delivery is made by mail, it shall be deemed to have been delivered on the third day (other than a Sunday or a legal holiday) after a copy of such notice has been deposited in the U.S. mail, postage prepaid, addressed to the Person at the address given by such Person to the Association for the purposes of service of notices, or to the residence of such Person if no address has been given to the Association. Such address may be changed from time to time by notice given by such Person to the Association. Notices under the August 19, 2022 Collection, Enforcement and Conduct of Meetings Policies shall be given as set forth in those Policies.

7.3 Severability. In the event that any portion of this Declaration shall become illegal, null or void or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining portions of this Declaration shall not be affected thereby and shall remain in force and effect to the fullest extent permissible by law.

7.4 Condemnation.

7.4.1 In the event proceedings are initiated by any government or agency thereof, seeking to take by eminent domain the Common Elements, any part thereof or any interest therein, with a value (including loss of value to the balance of the Common Elements and Improvements thereof), as reasonably determined by the Association in excess of Ten Thousand Dollars ($10,000.00), the Association shall give prompt notice thereof, including a description of the part of or interest in the Common Elements or Improvement thereon sought to be so condemned, to all First Mortgagees, and all Members. The Association shall have full power and authority to defend in said proceedings, and to represent the Owners in any negotiations, settlements, and agreements with a condemning authority for acquisition of the Common Elements or part thereof, but the Association shall not enter into any

such proceedings, settlement, or agreements, pursuant to which the Common Elements or any part thereof or any interest therein, or any Improvement thereon or any part thereof or interest therein, is relinquished, without giving all First Mortgagees and all Members at least fifteen (15) days prior written notice thereof.

7.4.2 In the event, following such proceedings, there is such a taking in condemnation or by eminent domain of a part or all of the Common Elements, the award made for such taking, if such award is sufficient to repair and restore the Common Elements, shall be applied by the Association to such repair and restoration. If such award is sufficient to repair and restore the Common Elements, or if the full amount of such award is not expended to repair or restore the Common Elements, the Association shall disburse the net proceeds of such award to the Owners, the Owner of each Unit receiving one (1) equal share, provided that the Association shall first pay out of the share of each Owner the amount of any unpaid liens or encumbrances on his Unit in the order of the priority of such liens or encumbrances. No provision of this Declaration or of any other document relating to the Property shall be deemed to give an Owner or any other party priority over the rights of a First Mortgagee pursuant to a First Mortgage in the case of a distribution to an Owner of insurance proceeds or condemnation award for losses to or taking of Units, Common Elements, or any combination thereof.

7.4.3 If a Unit is acquired by eminent domain or part of a Unit is acquired by eminent domain leaving the Unit Owner with a remnant which may not practically or lawfully be used for any purpose permitted by the Declaration, the award must include compensation to the Owner for that Unit and its allocated interests whether or not any Common Elements are acquired. Upon acquisition, unless the decree otherwise provides, that Unit's allocated interest is automatically reallocated to the remaining Units in proportion to the respective allocated interests of those Units before the taking. Any remnant of a Unit remaining after part of a Unit is taken under this Section 7.4.3 is thereafter a Common Element.

7.4.4 Except as provided in Section 7.4.3, if part of a Unit is acquired by eminent domain, the award must compensate the Owner for the reduction in value of the Unit whether or not any Common Elements are acquired. Upon acquisition, unless the decree otherwise provides that Unit's allocated interests shall not be modified.

7.4.5 If part of the Common Elements is acquired by eminent domain, that portion of any award attributable to the Common Elements taken must be paid to the Association. For the purposes of acquisition of a part of the Common Elements, service of process on the Association shall constitute sufficient notice to all Owners, and service of process on each individual Owner shall not be necessary.

7.4.6 The court decree shall be recorded in every county in which any portion of the Property is located.

7.4.7 The re-allocations of allocated interests pursuant to this Section shall be confirmed by an amendment to the Declaration prepared, executed, and recorded by the Association.

7.5 Governing Law. This Declaration shall be governed by, and construed under, the laws of the State of Colorado in existence as of the date of Recording of this Declaration in the Records.

7.6 Exhibits. All exhibits and riders attached shall be deemed incorporated herein by this reference.

7.7 RESERVED

[THIS PAGE INTENTIONALLY LEFT BLANK]

THESE EIGHTH AMENDED DECLARATIONS OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE VILLAS AT VALLEY COUNTRY CLUB HOMEOWNERS ASSOCIATION have been ADOPTED AND APPROVED by the Association Homeowners effective the date first set forth above.

Compu-Link
14130 East Caley Avenue

Kathryn Ake/Howard Kramer Trust
14140 East Caley Avenue

Malhotra
14150 East Caley Avenue

Lynn J. Hinkle
14160 East Caley Avenue

Kathy Hill
14170 East Caley Avenue

Keller/Tiefel
14180 East Caley Avenue

Dick
14190 East Caley Avenue

Caycedo
14232 East Caley Avenue

Rabinowitz
14242 East Caley Avenue

Nesland
14252 East Caley Avenue

Cycyota
14262 East Caley Avenue

Darling
14272 East Caley Avenue

Severance
14282 East Caley Avenue

Dartois
14292 East Caley Avenue

Strauss
14344 East Caley Avenue

Darwin and Debbie Campbell
Revocable Trust
14354 East Caley Avenue

Escobedo Family Trust
14364 East Caley Avenue

Brenda Clement
14374 East Caley Avenue

Kaufman
14384 East Caley Avenue

Danel J. Greenholz Living Trust
14394 East Caley Avenue

Sandman
14446 East Caley Avenue

Pred
14456 East Caley Avenue

Pevarnik Living Trust
14466 East Caley Avenue

DiNardo
14476 East Caley Avenue

Stein Family Trusty
14486 East Caley Avenue

Alfrey
14496 East Caley Avenue

Anderson
14548 East Caley Avenue

Kehoe Swartwout
14558 East Caley Avenue

Graves
14568 East Caley Avenue

Lettes
14578 East Caley Avenue

Young/Falagrady
14588 East Caley Avenue

Roberts
14598 East Caley Avenue