

**SECOND AMENDED DECLARATION
OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR DAKOTA WEST, DAKOTA WEST PHASE 2
AND DAKOTA SIMPLE SUBDIVISIONS**

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS ("Declaration") is made and entered into this 22 day of JUNE, 2005, by G & R West, LLC ("G & R West" or "Declarant" as the context may require) and the Dakota West Homeowners Association, Inc. ("HOA").

RECITALS

- A. G&R West subdivided and developed the Dakota West Subdivision ("Dakota West"), the plat of which was recorded in Book 19 Pages 350-351 of the records of the Mesa County Clerk and Recorder ("County Clerk"). A document executed by Dakota West Homeowners Association, Inc. ("HOA"), by Robert Cantrell, President, termed "Residential Covenants, Conditions and Restrictions" was recorded on June 24, 2003 at Book 3395 pages 970-982 ("CCRs"). An "Amendment to Residential Covenants, Conditions and Restrictions" (Amended CCRs) was recorded in Book 3600 at page 857, on March 4, 2004, amending two sections of the CCRs not pertinent here.
- B. On the date that the CCRs were recorded, the lands affected by the CCRs were titled in the name of G & R West. At that time, G & R West was the only owner of all of the lands contained within Dakota West. According to section Seven (F) of the CCRs, the CCRs may be amended by written consent of two-thirds of all of the lot owners.
- C. The plat of Dakota West created 17 residential lots and Tract A. Tract A was to be dedicated to and owned by the HOA for detention purposes.
- D. G & R West now owns 14 of the 17 residential lots of Dakota West, or 82.3 %. If one counts Tract A as a lot but assumes that G & R West does not own Tract A, G & R West now owns 77.78% of all of the lots in Dakota West.
- E. It was and is G & R West's intention to be able to later subdivide other lands owned or acquired by G & R West in the near area in a way that all of such later phases and subdivisions would be annexed into the HOA, could benefit from Tract A, and be subject to one set of residential covenants, conditions and restrictions.
- F. The CCRs did not make explicit provision for adding, or annexing, later phases and subdivisions developed by G & R West into the HOA, nor was there explicit provision to subject the lots in such later phases and subdivisions to the CCRs.
- G. The Dakota West Subdivision Phase 2 was recorded on July 24, 2003 in Book 19 Page 375 ("Phase 2") into 27 lots. G & R West owns 17 or 63% of the lots within Phase 2. Robert Cantrell and Gina Cantrell own Lot 4 of Block 2 of Phase 2. Together the signatory owners own 19 of the 27 lots in Phase 2, or 70% of the total.

- H. At present, G & R West is the owner of, and in the final steps of platting, Dakota Simple Subdivision ("Simple") into 2 lots.
- I. Dakota West, Phase 2 and the western portion of Simple (which will become Lot 2 of Simple once the plat for Simple has been approved by the City of Grand Junction ("City") and recorded) have been planned and are being developed so that they can be integrated into one owner's association and so that all will be subject to one set of conditions, covenants and restrictions.
- J. G & R West always intended that Tract A of Dakota West was to provide the City's required detention for all phases of G & R's development (Dakota West, Phase 2 and the proposed Lot 2 of Simple, hereinafter collectively the "Development"), and it is has sufficient capacity to do so.
- K. Declarant, HOA and the owners identified in recital G desire to provide for the preservation of the values and amenities in said Development and for the maintenance of common areas and other common facilities. To this end, Declarant, HOA and the owners identified in recital G desire to: (1) amend the CCRs, as amended, as provided herein, to subject all of the lots in Dakota West, Phase 2 and the proposed Lot 2 of the Simple Subdivision to this amended set of covenants, conditions and restrictions ("CCRs2"); (2) make clear that Tract A is available, as are the easements previously dedicated in Dakota West and Phase 2 (for irrigation, runoff, storm drainage, aesthetic and recreational purposes) to serve all lots in Dakota West, Phase 2 and the proposed Lot 2 of the Simple Subdivision; including Lot 1 of the Simple Subdivision when it is created by the recording of the plat of the Simple Subdivision, the legal description of which (unsubdivided) is attached hereto as **Exhibit "Simple Subdivision Legal Description,"** (3) authorize G & R West to make such amendments, corrections and additions to the dedications set forth on the plats of Dakota West, Phase 2 and the future Simple Subdivision as is needed so that all lots of the Development will be owned subject to the CCRs2, and so that all lots in the Development will have the use and benefit of Tract A and all easements necessary to convey water to said Tract A.
- L. Declarant, HOA and the individual signatory owners have executed this document to be certain that the requisite authority has been exercised, and the requisite amendments of the CCRs, as amended, have been accomplished.

NOW, THEREFORE, Declarant and HOA, and the other signatory parties, hereby declare that Dakota West, Phase 2 and Simple (collectively "Property"), described above, shall be held, sold, and conveyed subject to the following covenants, conditions, restrictions, easements, rights-of-way, obligations, liabilities, charges and other provisions set forth herein, which are for the purpose of protecting the value and desirability of, and which shall run with the title to, the Property and lots therein, and be binding on all parties having any right, title, or interest in the Property or any part thereof, their heirs, personal representatives, successors, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I DEFINITIONS

Section 1.1 "Architectural Control Committee" or "ACCO" shall mean the building and design committee (as it was termed in the CCRs) appointed by G & R West until Declarant no longer has control as described in §5.4, and thereafter by the Board of Directors of the HOA, or such other name as the Board determines, for the control of architectural style and construction within the Property.

Section 1.2 "Association" or "HOA" shall mean and refer to the Dakota West Homeowners Association, Inc., a Colorado nonprofit corporation, its successors and assigns.

Section 1.3 "Association Expenses" shall mean the Owner's pro rata share of the expenses necessary to implement this Declaration, including, but not limited to, the costs to maintain and repair and/or reconstruct the Common Area (as defined herein), the other structures, appurtenances and improvements to the Property, ditches, management costs, reserves, capital improvements, assessments, and all other charges which the Association may levy upon the Owners in accordance with this Declaration. Common Expenses are part of the Association Expenses.

Section 1.4 "Association Water" or "Water" means run-off and storm drainage waters.

Section 1.5 "Board of Directors" or "Board" shall mean and refer to the Board of Directors of the Association, duly elected pursuant to the By-laws of the Association or appointed by Declarant as therein provided.

Section 1.6 "By-laws" shall mean the by-laws adopted by the Association as amended from time to time.

Section 1.7 "Common Area" means Tract A, as shown on the final plat of the Dakota West Subdivision, and includes all drainage easements created by the Dakota West Subdivision, Phase 2 of Dakota West, and the proposed Dakota Simple Subdivision.

Section 1.8 "Common Expenses" means: all expenses expressly declared to be common expenses by this Declaration, any supplemental declaration or by the Bylaws of the Association; all other expenses of administering, servicing, conserving, managing, maintaining, repairing or replacing the Common Area, and all expenses lawfully determined to be Common Expenses by the Board of the Association.

Section 1.9 "Dwelling Unit" shall mean and refer to any residential improvement constructed within the Property, including accessory buildings.

Section 1.10 "Declarant" shall mean and refer to G & R West, LLC, its successors and assigns. "Declarant" shall also refer to any successor or assign as may hereafter be designated by the Declarant by a written instrument duly recorded in the office of the Clerk and Recorder of Mesa County, Colorado ("County Clerk").

Section 1.11 "Declaration" shall mean and refer to this Amended Declaration of Covenants, Conditions, and Restrictions, as the same may be amended from time to time.

Section 1.12 "First Mortgage" shall mean and refer to any unpaid and outstanding mortgage, deed of trust or other security instrument encumbering a Lot recorded in the records of the County Clerk, Colorado, having priority of record over all other recorded liens except those governmental liens made superior by statute (such as general *ad valorem* tax liens and special assessments).

Section 1.13 "First Mortgagee" shall mean and refer to 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.

Section 1.14 "Lot" shall mean and refer to any separate numbered lot or tract shown upon any recorded subdivision or condominium map of the Property or any portion thereof, as the same may be amended from time to time, together with all appurtenances and improvements now or hereafter, with the exception of the Common Area as defined herein.

Section 1.15 "Member" shall mean and refer to each Owner of a Lot that is subject to this Declaration, and each guest, agent and invitee of such Owner. Membership in the Association shall be appurtenant to, and may not be separated from ownership of a Lot.

Section 1.16 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.17 "Property" or "Properties" shall mean and refer to that certain real property described in this Declaration, namely the lots created by the Dakota West Subdivision, Dakota West Phase 2 and Lot 2 of the proposed Dakota Simple Subdivision. In the event that G & R West acquires additional land for development, and subjects such additional lands to this Declaration, and includes such additional lands into membership in the HOA, such additional lands may be included within the term Property or Properties.

Section 1.18 "Subdivision" shall refer to Dakota West, Dakota West Phase 2 and proposed Dakota Simple Subdivisions.

Section 1.19 Terms not defined herein shall have the meaning defined in the City's Zoning and Development Code, or if not defined therein, as defined in the ordinances of the City of Grand Junction, as amended from time to time.

ARTICLE II PROPERTY RIGHTS

Section 2.1 Property Subject to Declaration. Declarant and the other signatories thereto, as the owners of at least two-thirds (2/3s) of all of the Lots in Dakota West, Dakota West Phase 2 and the proposed Dakota Simple Subdivision, does hereby subject all Lots and the Property to the provisions of this Declaration.

Section 2.2 Conveyances Subject to Declaration. All easements, restrictions, conditions, covenants, reservations, liens, charges, rights, benefits and privileges which are granted, created, reserved or declared by this Declaration shall be deemed to be covenants appurtenant to and running with the land, and shall at all times inure to the benefit of and be binding on any person having at any time any interest or estate in the Properties, and their respective heirs, successors, representatives or assigns. The recording of this Declaration shall be sufficient to create and reserve on the Property all of the easements, restrictions, conditions, covenants, reservations, liens, charges, rights, benefits and privileges which are granted, created, reserved or declared herein.

Section 2.3 Owners' Right of Enjoyment. Subject to the provisions of Section 2.4 of this Declaration, every Owner shall have a nonexclusive right to the use of the Common Area and such right shall be appurtenant to and shall pass with the title to every Lot.

Section 2.4 Extent of Owners' Right. The right of use and enjoyment created hereby shall be subject to the following:

(a) The right of the Association to promulgate and publish rules and regulations with which each Member shall strictly comply;

(b) The right of the Association to suspend the voting rights of a Member during any period when any assessment against a Member's Lot remains unpaid for thirty days or longer, or for any infraction of its adopted rules and regulations; and

(c) The right of the Association to close or limit the use of the Common Area while maintaining, repairing or making replacements thereto, or in the event a Member has had voting rights suspended.

Section 2.5 Common Area. The Association shall have all rights of ownership and shall be responsible for the maintenance of the Common Area.

ARTICLE III ALLOWED USES

Section 3.1 General. All of said Lots shall be used only for residential purposes. No

structure other than one detached single family residence per Lot, along with one accessory structure per Lot, as permitted by the City, shall be constructed or permitted on a Lot. Every residence shall have a private garage for no less than two vehicles. Every driveway shall be at least twelve feet (12') wide and shall be constructed and maintained as a concrete paved surface. An Owner may keep one recreational vehicle on the Lot so long as it is located on a concrete pad and so long as it is screened from view from other Lots and the nearest public street and complies with §§3.2 and 3.8(b). Such screening may be a fence or other improvement, as approved by the ACCO.

Section 3.2 Temporary, Modular Structures. No structure of a temporary nature, such as a tent, trailer house or recreational vehicle, shall be used on any Lot at any time as a residence, either temporarily or permanently. No mobile, modular or manufactured structure shall be allowed on any Lot, except that pre-fabricated storage sheds of not more than one hundred ninety six (196) square feet are allowed if located on the rear half of a Lot and if screened from view from another Lot and the nearest street. All other structures on a Lot shall be of new construction built on-site,

Section 3.3 Living Area. The total finished living area of any residence, exclusive of one-story open porches and garages, shall be not less than 1500 square feet. The square footage shall be determined by using outside measurements for finished living area totally above ground, such that basements, garages, porches and patios, shall be excluded.

Section 3.4 Building Height. No structure shall exceed thirty-five feet in height measured from original grade to the highest part of the roof.

Section 3.5 Outbuildings-Setbacks. Structures other than the principle residence shall conform to the exterior design of the principle residence. Setbacks for structures shall be in accordance with the approved site plan and final plat for the Property, and in accordance with the City's requirements.

Section 3.6 Building Material. (a) The outside facade of each exterior surface of each structure constructed after the date of recordation hereof shall be constructed of and maintained with wood, brick, stucco, metal or vinyl, or combinations of those materials. Note: While residences in existence as of the recording of this Declaration have metal fascia and soffits, the HOA will be restricting the future use of metal based on its determination that stucco provides a more aesthetic value for such applications. No structure or any portion of element thereof, including storage sheds and accessory structures, shall be constructed or replaced without the prior written approval of the ACCO.

(b) As approved by the ACCO, the roofs on all structures shall be covered with either shingles or concrete tile.

(c) Exterior paints shall be colors known to be earth shades: Paint shall range from light sand color to dark brown, light green to dark green, or natural wood or stone. Any variations must be approved in writing by the ACCO. No bright or garish colors shall be permitted on the exterior of

any structure on any Lot or Common Area.

Section 3.7 Pets-Livestock. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot for commercial purposes. A reasonable number of household pets, such as dogs and cats, may be kept provided that they are not kept, bred or maintained for commercial purposes. A "reasonable number" of household pets shall ordinarily mean no more than two (2) household pets per Lot; however the HOA may grant exceptions in its discretion and subject to such conditions as the HOA may impose. All pets shall be controlled and contained so that they do not become a nuisance to the neighborhood and do not run at large or endanger or harass other animals or wildlife. Any uncontained pet shall be on a leash of ten (10') or less in length and under the direct control of a responsible individual. The owner of any dog shall prevent the dog from persistent barking, baying, or howling which can be heard by a person with ordinary hearing at any place not on the Lot, whether the dog is on or off the Owner's Lot. Each Lot Owner is responsible for each pet contained on such Owner's Lot, and shall control, clean-up and properly dispose of all pet waste.

Section 3.8 Fencing/Screening. (a) After the date this Declaration is recorded, no fence shall be permitted unless written permission is given therefor by the ACCO. In determining whether such permission should be given, the ACCO shall consider if the fence is compatible with the neighborhood. The HOA may adopt fence rules regarding the type, style and height of all fences, however, only wooden or stucco fences are allowed, except that chain link fences used to contain household pets may be allowed by the ACCO if screened from view from neighbors and from adjacent streets. Each Lot Owner shall maintain each fence on a Lot, or on the boundary of a Lot, in good order and repair.

(b) All clotheslines, implements, recreational vehicles, snowmobiles, ATVs, boats, equipment, wood piles, storage piles and areas shall be kept screened by adequate vegetation and/or fencing to conceal them from view from off the Lot, as much as possible. No boat, trailer, motor or recreational vehicle of any type, including snow mobiles and ATVs, shall be stored or permitted on a Lot unless completely contained in a garage, are fully-enclosed space or screened by a six foot (6') high privacy fence, except that temporary storage outside of such areas is allowed for not more than any twenty (20) consecutive days, or portions thereof, but in any event such temporary storage shall not occur for more than forty (40) days in any twelve month period.

Section 3.9 Home Occupations. No Lot or the improvements situated thereon may be used for commercial purposes of any type whatsoever, excepting for home occupations that are allowed by the City and this Declaration. For purposes of this Declaration, "home occupation" shall have the meaning set forth in the City's Zoning and Development Code as of the date hereof.

ARTICLE IV MAINTENANCE. OTHER RULES.

Section 4.1 Landscaping. Maintenance. (a) Except as otherwise provided herein, the maintenance and repair of each Lot and all structures thereon shall be the responsibility of the

Owner(s) thereof, including but not limited to, landscaping, the interior and exterior of the structures and other improvements constructed thereon, and any fence on the boundary line of a Lot (collectively "Improvements").

(b) Each Owner shall landscape, plant, and thereafter maintain, their Lot in accordance with landscaping plans therefore approved by the ACCO so that the Lot all Improvements hereon and landscaping is always neat, well-maintained and consistent with other Lots. In the event the Owner fails to keep and maintain the Lot, landscaping and/or Improvements in accordance herewith, the Association may, but shall not have the obligation to, cause such repairs or maintenance as may be needed to comply herewith, remove accumulations of trash or debris, cut weeds and/or maintain the landscaping and exterior of all structures; the costs of such Association work, maintenance and repairs shall be assessed to and against the Owner and the respective Lot.

(c) The HOA shall maintain and repair Tract A and the Common Area as a Common Expense of all of the Lots.

(d) Each Owner, other than Declarant, shall complete the installation and construction of the landscaping plan for the Lot within six (6) months after such Owner takes title to the Lot. Each Owner shall not begin installation of any landscaping until such Owner has obtained the approval of the ACCO as provided herein.

(e) No structures, fences, bushes or trees shall be installed or maintained on or within any easement notice of which is recorded with the County Clerk.

Section 4.2 Owner's Negligence. Notwithstanding anything to the contrary contained in this Article, in the event that the need for maintenance or repair of property or improvements owned or controlled by the Association is caused by the willful or negligent act or omission of any Owner, or by the willful or negligent act or omission of any member of such Owner's family or by a guest, agent or invitee of such Owner, the cost of such repair or maintenance shall be the personal obligation of such Owner, and any costs, expenses and fees incurred by the Association for such maintenance, repair or reconstruction shall be added to and become part of the assessment to which such Owner's Lot is subject and shall become a lien against such Owner's Lot as provided in this Declaration. A determination of the negligence or willful act or omission of any Owner or any member of an Owner's family or guest, agent or invitee of any Owner, and the amount of the Owner's liability therefor, shall be determined by the Association at an HOA hearing after notice to the Owner. Such determination which assigns liability to any Owner pursuant to the terms of this Section may be appealed by said Owner to a court of law.

Section 4.3 Nuisances. (a) No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done or placed on any Lot or Common Area which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others, or which may constitute a health hazard.

(b) No trash, garbage, ashes, junk, vehicle in disrepair, underbrush or unsightly growth or objects shall be maintained or permitted on any Lot. All outdoor trash, garbage or other waste must be kept in sanitary containers. All equipment for the storage or disposal of refuse shall be kept in a clean and sanitary condition and shall be stored indoor except the day of pickup, except containers used during construction, repair and/or replacement of the residence and other Improvements. There shall be no burning or other disposal of refuse or trash out-of-doors.

(c) No Owner or other person shall emit, or fail to stop from being emitted: any sound on any Lot or Common Area which is unreasonably loud or annoying; any odor which is noxious or offensive to others; any light which is unreasonably bright or causes unreasonable glare. All exterior lights (including street lights) constructed or installed after the date this Declaration is recorded with the County Clerk, other than ordinary low wattage lights, shall be subject to approval by the ACCO based on harmonious development and prevention of off-site light.

Section 4.4 Construction Completion. The construction, including painting of the exterior, of each residence and other Improvements on a Lot shall be completed within six (6) months of the date the construction began.

Section 4.5 Signs. With the exception of one "for sale" sign per Lot, which shall not be larger than twelve (12) square feet (and the only message thereon shall either be: the name, address and contact information of the listing real estate company; or if for sale by owner, limited to the words "For Sale By Owner" and the selling owner's telephone number or other contact information), and except for signs used by Declarant for subdivision advertisement of the Property and each Lot owned by Declarant, no signs, advertising devices or billboards shall be displayed within the Property unless written approval therefor is granted by the Declarant. In no event shall a sign be allowed during Declarant's control that identifies a builder, construction contractor or developer other than the Declarant.

Section 4.6 Antennas. Heating and Cooling Devices. No television, microwave or other antenna, dish or similar device shall be erected or maintained on any Lot or structure which has any dimension larger than twenty-four inches (24"). No tower, antenna or aerial shall be erected or maintained that is higher than fifteen feet (15') above the finished grade of the Lot. "Finished grade" means as defined by the City for determining the height restriction for construction of a new residence on the Lot. Air conditioning equipment, heating equipment, evaporative coolers and similar devices shall not be allowed on the roofs of any structure; such devices and appurtenances shall be placed at or below the finished grade of the Lot.

Section 4.7 Hazardous Activities. No activities shall be conducted, nor any Improvements constructed, on any Lot or elsewhere 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 shall be discharged upon any Lot or the Property; nor shall open fires be lighted or permitted on any Lot or the Property (including burning of trash or rubbish) except in a contained barbeque unit while attended and in use for cooking purposes or within a safe and well-designed fireplace.

Section 4.8 Utilities. All utilities, including all lines and/or wires and/or pipes for telephone, electricity, cable, internet, gas, water and sewer, shall be buried and maintained underground from their primary source adjacent to the Lot line to the residence or structure, at the Owner's sole expense. Irrigation water, including irrigation waste water, conveying within irrigation easements shall be allowed only if in underground pipe; no open ditches are allowed.

Section 4.9 Drainage. (a) Except as approved by the ACCO, no modifications or alterations to the grade or soils on any Lot or Common Area shall be made in such manner that will obstruct, divert or otherwise alter the water drainage courses and patterns, nor shall landscaping or changes to the existing terrain be made which would obstruct, divert or otherwise alter such drainage.

(b) No person shall fill in, obstruct or otherwise alter the flow of storm water, run-off or existing and future drainage easements that are created by or shown on any recorded plat of any portion of the Property.

Section 4.10 Mining. No Lot or other portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring or exploring or removing water, oil, gas, or other hydrocarbons, minerals, rocks, stones, gravel or earth.

Section 4.11 Tanks. No elevated or underground tanks of any kind shall be allowed on the Property.

Section 4.12 Garage Sales. The HOA may designate two weekends each calendar year for the Lot Owners and residents to hold garage sales. Garage sales shall not be allowed except on the dates set by the HOA.

Section 4.13 Declarant's Exemption. Nothing contained in this Declaration shall be construed to prevent construction, installation or maintenance by Declarant, or its duly authorized agents or contractors, of improvements, structures and/or signs necessary or convenient to the development, sale, operation or other disposition of any Lot or Common Area owned by Declarant or its assigns.

Section 4.14 Weeds and Tamarisk. Noxious weeds/vegetation, as designated by the City of Grand Junction or other applicable governmental authority, that are located on a Lot or the Common Area shall be forthwith removed. The HOA has the authority to cause noxious weeds to be removed from a Lot if written notice is first given to the Owner of a Lot and if such owner fails remove same within said twenty (20) days of mailing or delivery of such notice. Such notice may be delivered by posting the notice on the front door of the residence. If the Owner fails to pay in full within thirty (30) days of the mailing or delivery of notice of the costs incurred by the HOA in dealing with such noxious weeds/vegetation not timely removed by a Lot owner, such costs shall be a special assessment against the particular Lot and a personal obligation of each Owner thereof. The HOA shall have the duty to remove noxious weeds from the Common Area.

Section 4.15 Water Near Foundation. Each Owner shall maintain the ground and grades of, and the landscaping on, a Lot so that water flows away from each residence and other structures and so that water near or under the foundation of all structures is perpetually avoided. Further, each Owner shall maintain the grade on and improvements to his/her Lot so that drainage/run-off water does not flow onto any other Lot or adjacent property unless the drainage/run-off water flows in a designated drainage easement.

ARTICLE V

ASSOCIATION. MEMBERSHIP AND VOTING RIGHTS. INDEMNITY

Section 5.1 Purposes and Powers. The Association shall be a corporation organized pursuant to the Colorado Nonprofit Corporation Act, § 7-20-101, *et seq.*, C.R.S., to be and constitute an entity for the exercise of the powers for the purposes set forth in this Declaration, including the appointment and removal of the Architectural Control Committee ("ACCO"), the management of run-off and storm water, Common Areas, the levy and collection of assessments, the enforcement of the covenants, conditions and restrictions set forth in this Declaration, such rules and regulations as may be adopted by the Board, and to otherwise exercise such other powers as are set forth in this Declaration, or reasonably necessary to fulfill its objectives and purposes.

Section 5.2 Membership. Every Owner of a Lot which is subject to assessment hereunder shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Each Lot shall be entitled to one vote and the Owner or Owners shall exercise the vote of each Lot as they determine, however, not more than one vote can be cast with respect to any Lot.

Section 5.3 Directors of the Association. The affairs of the Association shall be managed by the Declarant initially. When Declarant relinquishes control of the Board to the Owners pursuant to Section 5.4 below, the Board shall be managed by at least five directors. Directors shall meet the qualifications described in the Articles of Incorporation and Bylaws of the Association.

Section 5.4 Management of the Association. From date of formation of the Association until the termination of Declarant's control as provided below, Declarant shall have the right to appoint and remove all members of the Board and all officers of the Association. The period of Declarant's control of the Association shall terminate upon the first to occur of: sixty days after conveyance of all of the Lots to Owners other than Declarant; two years after the last conveyance of a Lot by Declarant in the ordinary course of business; or seven years after the first sale of a Lot to an Owner other than Declarant. Declarant may voluntarily surrender the right to appoint and remove officers of the Association and members of the Board before termination of the period of Declarant's control, but in that event Declarant may require, for the duration of the period of Declarant's control, that specified actions of the Association or Board, as described in a recorded instrument executed by Declarant, be approved by Declarant before they become effective. Not later than sixty days after conveyance of all of the Lots to Owners other than Declarant, at least one member and not less than two of the

members of the Board shall be elected by Owners other than Declarant. Not later than the termination of the period of Declarant's control as provided above, the Owners (including Declarant) shall elect a Board of at least five members, at least a majority of whom must be Owners other than Declarant or designated representatives of Owners other than Declarant and the Board shall elect the officers, with such Board members and officers to take office upon termination of the period of Declarant's control. Within sixty days after Owners other than Declarant elect a majority of the Board, Declarant shall deliver to the Association all property of the Owners and the Association held or controlled by Declarant, including without limitation those items specified in Section 303 (9) of CCIOA, as amended.

Section 5.5 Officers of the Association. The officers of this Association shall be as set forth in the Bylaws of the Association.

Section 5.6 Indemnification of Officers and Directors. Neither Declarant, the Association, any member of the Board, any officer of the Association nor any agent or employee of the Association, shall be liable to any Owner or other person or entity for any action or any failure to act with respect to any matter if the action taken or failure to act was in good faith and is not finally adjudicated to be willful or intentional misconduct. The Association shall indemnify and hold harmless Declarant and any member of the Board, and any officer of the Association or any agent or employee of the Association from any and all reasonable costs, damages, charges, liabilities, obligations, fines, penalties, claims, demands, or judgments and any and all expenses, including, without limitation, attorney's fees, incurred in the defense or settlement of any action arising out of or claimed on account of any act, omission, error or negligence of such person, or of the Association, the Board, or any committee of the Association, provided that such person has acted in good faith and is not finally adjudicated to be guilty of willful or intentional misconduct.

Section 5.7 Limitation of Liability. Neither Declarant nor the Association shall be liable for injury or damage caused by any latent condition of the Property or Lots, by the conduct of other Owners or persons, by casualties for which insurance pursuant to these Declarations is not required, or for which insurance is not provided by the Association.

ARTICLE VI ARCHITECTURAL CONTROL COMMITTEE

Section 6.1 Composition of Committee. (a) The Architectural Control Committee ("ACCO") shall consist of three or more persons appointed by the Board of Directors of the Association; provided, however, that until Declarant no longer has control, as described herein, Declarant shall act as the ACCO. A reasonable effort shall be made to have an architect as a member of the ACCO. A majority of the ACCO may, from time to time, designate a representative to act for it. The power of the Declarant to act for the ACCO, as provided herein, shall include without limitation the power to: initially constitute the membership of the ACCO; appoint member(s) to the ACCO upon the occurrence of any vacancy therein, for whatever reason; remove any member of the ACCO, with or without cause, at any time; appoint the successor thereof; and each such appointment may be made

for such term(s) of office, subject to the aforesaid power of removal, as may be set from time to time in the discretion of the Declarant. All improvements within the Property constructed by Declarant, including residences, during the period in which it appoints the ACCO shall be deemed approved by the ACCO without the issuance of any writing evidencing such approval.

(b) The ACCO shall have the right to adopt Architectural Control Guidelines from time to time to assist owners in applying for ACCO approval.

(c) The ACCO shall exercise its best judgment in interpreting and implementing this Declaration and the duties, powers and responsibilities of the ACCO.

(d) The ACCO shall endeavor to preserve view corridors on each lot when approving the locations of all structures, including view corridors of lots and parcels of the Development.

(e) When the members of the ACCO do not have the expertise to review a particular application or request before it, it may reject or disapprove the application unless the requesting Owner agrees to pay for engineering, architectural and/or other professional services rendered to the ACCO in conjunction with the request or application. If such an Owner fails to timely pay for such services, the ACCO shall refer the matter and bill(s) to the HOA which may impose a special assessment against the Owner's Lot which shall be a lien against the Lot and an obligation of each such Owner, in accordance with Section 7.1 of this Declaration.

(f) Review and approval by the ACCO does not relieve an Owner from his/her sole responsibility to abide by all of the rules of this Declaration, and any rules adopted by the HOA and/or the ACCO. Each Owner, by acceptance of a deed to a Lot, agrees that, notwithstanding any acts or failure to act of the ACCO, the HOA may enforce its rules, the rules of the ACCO, and the provisions of this Declaration, and that the doctrine of estoppel and similar equitable principles shall not limit or bar any such HOA actions.

Section 6.2 Prior Approval. No structures, buildings or other Improvements of any kind, including without limitation driveways leading to the various structures within the Property, shall be constructed, remodeled or altered in any fashion within the Property, nor may any vegetation be altered or destroyed nor any landscaping performed, unless two complete sets of proposed plans and specifications for such construction or alteration or landscaping are submitted to and approved by the ACCO prior to the commencement of such work.

Section 6.3 Approval Process.

(a) All applications shall be submitted to the ACCO in writing and in duplicate.

(b) The ACCO shall approve or disapprove in writing all plans and requests within forty-five (45) days after receipt by the ACCO of documentation as described in section 6.4. In the event the ACCO fails to take any action within forty-five (45) days after a request has been received,

approval will not be required and the provisions of this Article will be deemed to have been met, except as provided in Section 6.4.

(c) A majority vote of the ACCO is required for approval or disapproval of proposed improvements or other work.

(d) The ACCO shall permanently maintain written records of all applications submitted to it and all actions it may have taken.

(e) The ACCO may adopt rules and regulations for processing of such applications, including reasonable fees to process, renew and store such applications.

(f) If the ACCO deems it necessary, it may condition its review and/or approval of any application or Owner request on the Owner agreeing to pay for such professional services as the ACCO requires. Also see section 6.1(e) hereof.

Section 6.4 Plans. Plans and specifications submitted to the ACCO shall show the nature, kind, shape, height, materials, floor plans, location, exterior color scheme, alterations, grading, drainage, erosion control and all other matters necessary for the ACCO to properly consider and made a determination thereon. Submittals shall include a minimum of:

(a) Site plan showing property boundaries, setbacks, building envelop, principal and accessory buildings, driveway location and width, surface drainage and fencing;

(b) Building elevations (all sides) and floor plans;

(c) For each residence, engineered foundation plans by a Colorado licensed professional engineer;

(d) Samples of roof and external materials along with field, trim and accent colors for principal and accessory buildings and all other structures;

(e) Landscape plans shall include plant quantity and types, fencing, drainage, irrigation and other site improvements; and

(f) Professional services deemed necessary by the ACCO, as provided in §§ 6.1 and 6.3 hereof.

The ACCO shall disapprove any plans and specifications submitted to it which are not sufficient for it to exercise the judgment required of it by this Declaration. If the ACCO requires extra time to review any submitted plans, it may so inform the applicant and it shall state in such notice the date by which a decision shall be made, within thirty (30) days of the notice.

Section 6.5 Variance. Where circumstances such as topography, location of trees, brush, rock, outcroppings, area aesthetic considerations, or other matters require or allow, the ACCO may allow reasonable variances as to any of these covenants, including required sizes of structures, setback of side yard requirements, on such terms and conditions as it shall require. Opinions of adjoining property owners shall be considered before any such decision is made. All such decisions shall be in writing and shall be kept as a permanent record.

Section 6.6 Best Judgment. The ACCO shall exercise its best judgment to see that all improvements, structures, landscaping and all alterations on the Lots and Common Areas conform and harmonize with the natural surroundings and with existing structures as to external design, materials, color, siding, height, topography, grade, drainage, erosion control and finished ground elevations.

Section 6.7 Other Considerations. Careful attention shall be given to aesthetic consideration of any design submitted, in order to enhance the entire Property. The ACCO will consider the following:

- (a) The overall nature and character of the Property and appearance of the structure, including orientation with regard to sun, wind, view, slopes, privacy and the consistent quality use of exterior materials;
- (b) The minimal grading of building sites to preserve natural terrain and foliage;
- (c) The use of earthen colors and discouragement or prohibition of bright colors;
- (d) The installation of patio structures designed such that they will blend with and compliment the appurtenant structure; and
- (e) The use of landscaping and plantings complementary to the residential character of the neighborhood and sensitive to environmental considerations, including but not necessarily limited to water conservation.

Section 6.8 Time. After approval of any plans by the ACCO, the work described shall be completed with due diligence in conformity with conditions of approval, if any, but in any event within six months. Failure to adhere to any term of approval shall operate automatically to revoke the approval, and the ACCO may require the property to be restored as nearly as possible to its previous state. The time for completion of any such work may be extended by the ACCO.

Section 6.9 Liability. The ACCO, the Declarant, or any Owner shall not be liable in damages to any person, corporation, or association submitting any plans and specifications by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove any such plans and specifications. Any Owner submitting or causing to be submitted any plans and specifications to the ACCO hereby agrees and covenants that he will not bring any action or suit to recover damages

against the ACCO, the Declarant or any Owner collectively, its members individually or its advisors, employees or agents, and that such Owner releases ACCO, the Declarant or any other Owner from any such claims or actions.

Section 6.10 Vote and Appeal. A majority vote of the ACCO is required to approve a request pursuant to this Article. Within thirty (30) days of a decision, any Owner may appeal the decision of the ACCO to the Board of Directors if the Board is composed of different members than the ACCO, and, in such event, the decision of the Board shall be final.

Section 6.11 Violation. Upon violation of any of the conditions contained in this Declaration by any Owner, or by any renter, invitee, guest or family member of any Owner, the Board shall have the following power: The Board shall notify the Owner in writing of the specific violation and shall set a time in the notice when the Owner may appear before the Board to review the facts of the violation. Within twenty (20) days after such hearing, the Board shall enter its decision and shall notify the Owner in writing. Included in the decision will be a statement by the Board on what action must be taken by the Owner to correct the violation and a time period for completion of the remedial action. If the Owner does not complete the remedial action as set forth in the decision, then the Board may commence legal proceedings in the Mesa County District Court seeking damages and/or specific performance of the covenants in this Declaration. The prevailing party may recover all costs and attorney fees incurred in any such proceeding.

ARTICLE VII ASSESSMENTS

Section 7.1 Creation of the Lien and Personal Obligation of Assessments. (a) Each Owner of any Lot, including Declarant, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges for Association Expenses, and (2) special assessments for Association Expenses and, as be required from time to time, for Common Area maintenance and improvements, to be established and collected as hereinafter provided. The annual and/or special assessments, together with interest, late charges, costs, and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such assessment is made until paid in full. The obligation for such payments by each Owner to the Association is an independent covenant, with all amounts due from time to time payable in full without notice (except as otherwise expressly provided in this Declaration) on demand, and without setoff or deduction.

(b) The lien may be enforced by foreclosure of the defaulting Owner's Lot by the Association in like manner as a mortgage on real property. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees. The Board of Directors or managing agent of the Association may prepare a written notice setting forth the amount of such unpaid indebtedness, the name of the Owner of the Lot and a description of the Lot. Such a notice shall be signed by one of the Board of Directors or by the managing agent of the Association and may be recorded with the County Clerk. The lien for each unpaid assessment

attaches to each Lot at the beginning of each assessment period and shall continue to be a lien against such Lot until paid. The costs and expenses for filing any notice of lien shall be added to the assessment for the Lot against which it is filed and collected as a part thereof.

(c) Each assessment, together with interest, late charges, costs, and reasonable attorney's fees, shall also be the personal, joint and several, obligation of each person(s) who was the Owner of such Lot at the time when the assessment became due.

(d) The Association's lien on a Lot for assessment shall be superior to any homestead exemption now or hereafter provided by the laws of the State of Colorado or any exemption now or hereafter provided by the laws of the United States. The acceptance of a deed to land subject to this Declaration shall constitute a waiver of the homestead and any other exemption as against said assessment lien.

Section 7.2 Purpose of Assessment. The assessments levied by the Association shall be used exclusively to promote the health, safety, and welfare of the residents of the Property and, to the extent not performed by any applicable government entity, for the maintenance of the Common Areas.

Section 7.3 Rate of Assessment. Annual assessments shall be fixed at a uniform rate for all Lots and shall be allocated to each Lot on the basis of a fractional share per Lot, the numerator of which fraction shall be one and the denominator of which shall be the number of Lots subject to the provisions of this Declaration, and shall be in the amount sufficient to meet the expected needs of the Association and to pay the Association Expenses.

Section 7.4 Date of Commencement of Annual Assessments. The initial annual assessment shall commence on the first day of August, 2005, and the second and each subsequent annual assessment period shall correspond with the fiscal year of the Association beginning January 1, 2006. The annual assessments shall be made due and payable with such frequency and on such dates as determined by the Board, but no more frequently than monthly, provided that the first annual assessment shall be adjusted according to the number of months in the first Association fiscal year. Any Owner purchasing a Lot between installment due dates shall pay a *pro rata* share of the last installment due.

Section 7.5 Reserve Accounts. As a part of the Association Expenses, the Association shall have the right to maintain adequate reserve fund accounts out of the annual assessments for the repair and replacement of those elements of Association property that must be repaired or replaced on a periodic basis.

Section 7.6 Special Assessments. If at any time during any fiscal year the regular assessment proves inadequate for any reason, including non-payment of any Owner's share thereof, the Board may levy a further assessment in the amount of such actual or estimated inadequacy but only after the Board has given thirty (30) days written notice to the Members. Such written notice shall include a

detailed rationale for the proposed special assessment, and shall include an analysis of how the adopted budget was insufficient. If the Board receives written notice of objection from, or a request that the special assessment be voted upon by, at least twenty percent (20%) of the Owners, the Board shall not impose the special assessment until a majority of the Owners voting at the meeting held for such purpose have voted in favor of the special assessment. Such special assessment shall be assessed to the Owners by dividing the total number of Lots subject to the provisions of this Declaration, unless the special assessment should be assessed to fewer than all of the Lots, and assessing the resulting amount to the Owner(s) of such Lot(s), such assessment to be paid in installments or a lump sum as the Board shall determine.

Section 7.7 Effect of Nonpayment of Assessments: Remedies of the Association. In the event any assessment is not paid when due, the Association may enforce payment of such obligation by any or all of the following remedies:

(a) Any assessment not paid within thirty days after the due date thereof shall bear interest from the due date at the rate of eighteen percent (18%) per annum, or at such lesser rate as may be set from time to time by the Association, and the Association may also assess a monthly late charge thereon.

(b) The Association may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against such Owner's Lot, and in the event a judgment is obtained, such judgment shall include interest on the assessment, reasonable experts and/or attorney's fees to be fixed by the court, together with the costs of the action.

(c) The Association may refuse to provide services or benefits to any Owner's Lot whose assessment is delinquent.

(d) The Association may suspend the voting rights of any Owner for the period during which any assessment against the Owner's Lot remains unpaid.

(e) The Association may prevent the use of any Common Area by any Owner whose assessment is delinquent.

(f) No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use or abandonment of his or her Lot or by non-use or abandonment of the Common Area.

Section 7.8 Lien for Assessments. (a) Under the CCIOA, the Association has a statutory lien on a Lot for any assessments levied against that Lot and for fines imposed against its Owner, from the time each assessment or fine becomes due. In addition, fees, charges, late charges, attorney's fees, fines and interest charged pursuant to this Declaration or the CCIOA, are enforceable as assessments. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.

(b) The statutory lien for assessments is prior to all other liens and encumbrances on the Lot except: (i) liens and encumbrances recorded before the recordation of this Declaration; (ii) a lien of a First Mortgage which was recorded before the date on which the assessment sought to be enforced became delinquent; and (iii) liens for real estate taxes and other governmental assessments or charges against the Lot. Notwithstanding the foregoing, the statutory lien for assessments is also prior to the lien of a First Mortgage to the extent of an amount equal to the assessments based on a periodic budget adopted by the Association which would have become due, in the absence of any acceleration, during the six months immediately preceding institution of an action to enforce the statutory lien.

(c) The recording of this Declaration with the County Clerk constitutes record notice and perfection of the statutory lien. No further recordation of any claim of lien or assessment is required, however, a claim may be recorded at the Association's option, in which event costs and attorneys fees incurred in connection with the preparation and filing of such claim shall be assessed against the Owner's Lot.

Section 7.9 Budget Adoption and Expenditures. Once the Declarant no longer has control of the Association, the following shall apply:

(a) An annual budget shall be prepared by the HOA and delivered by U.S. mail or by posting on a Lot to each Owner. The HOA shall schedule a meeting before the end of January in each calendar year for action on the budget by the Owners in attendance. Unless a majority of the Owners in attendance vote to approve the budget, the budget for the HOA shall be the amount of the prior year's budget, plus an inflation factor equal to any increase in the most recently available Denver-Boulder Consumer Price Index-Urban Users.

(b) The Board of the HOA may similarly propose a reserve or future capital expenditures account which, if not approved as provided in § 7.9(a), may be increased as provided in the preceding subsection.

(c) The Board shall include in its proposed budget how the funds for any reserves shall be raised: by special assessments or annual assessments.

(d) The Board shall, if two-thirds (2/3s) of the Owners in attendance so vote, instead of adopting a budget increase pursuant to §7.9(a), continue to propose a budget, and assessment process, until a majority of the Owner's in attendance vote to approve such budget and assessment process.

(e) The Board shall, either through the efforts of its Members or by engaging professional services, keep current and accurate records of all income and expenditures, and shall at least once every six months mail or deliver to each Owner a report showing all such income and expenditures and a summary analysis indicating whether or not the HOA spending is within the approved budget.

The Board is prohibited from spending more than is authorized by the approved budget.

(f) A Member or Owner shall have the right to inspect, and copy at such Member or Owner's expense, all or any of the records of the HOA upon five (5) days notice of such request, except as otherwise provided by law.

Section 7.10 Spending of the Assessments. The Board shall:

(a) Maintain Tract A, the existing irrigation system thereon (including the pump system and the pipe crossing D.5 Road), the existing sign located thereon, and the existing fencing, gravel, rock and vegetation on Tract A, in a neat, clean and high quality state, so as to promote an aesthetic and pleasing appearance. Such maintenance includes the City's requirement that Tract A shall have no standing water, except following storm events.

(b) Maintain the landscaping, drainage systems, and control all weeds on all Common Areas that may be transferred to the HOA by Declarant, or otherwise acquired by the HOA, in the future.

(c) Pay costs of electricity and water associated with Tract A and other Common Areas.

(d) Pay for liability insurance regarding all Common Areas, and other insurance, such as errors and omissions insurance for the HOA and its officers and board members, as the Board deems appropriate from time to time.

(e) Obtain at least three (3) bids for the landscaping services to be obtained, and for such other services provided for in the budget, unless obtaining such bids is unreasonable given the circumstances.

**ARTICLE VIII
INSURANCE**

Section 8.1 Insurance. The Association may maintain such forms and amounts of insurance as an Association Expense covering such risks as the HOA deems necessary.

**ARTICLE IX
GENERAL PROVISIONS**

Section 9.1 Enforcement. Enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in this Declaration, the Articles of Incorporation, Bylaws or rules and regulations of the Association, as amended, shall be by any proceeding at law or in equity against any person or persons, including without limitation the

Association, violating or attempting to violate any such provision. The Association and any aggrieved Owner shall have the right to institute, maintain, and/or prosecute any such proceedings, and the Association shall further have the right to levy and collect fines for the violation of any provision of the aforesaid documents in any action instituted or maintained under this section. The prevailing party shall be entitled to recover its costs and reasonable attorneys fees incurred pursuant thereto, as well as any and all other sums awarded by the court. Failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 9.2 Severability. Invalidation of any of the covenants, restrictions or other provisions contained in this Declaration by judgment or court order shall in no way affect or limit any other provisions which shall remain in full force and effect.

Section 9.3 Easements. Easements are reserved as shown on the recorded plat of the Property, or any portion thereof, or other duly recorded instrument(s). Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or the use of the easements, or which may change the direction of flow of drainage channels in the easements. Declarant and the HOA hereby reserve the right to enter upon the Property and each Lot to correct any flow of water and to establish and re-establish drainage channels.

Section 9.4 Conflict of Provisions. In case of any conflict between this Declaration, the Articles of Incorporation or Bylaws of the Association, this Declaration shall control. In case of any conflict between the Articles of Incorporation and the Bylaws of the Association, the Articles of Incorporation shall control.

Section 9.5 Street Lighting. Unless street lighting and the cost thereof is provided by the City, all Lots shall be subject to and bound by any tariffs which are now and may in the future be filed with the Public Utilities Commission of the State of Colorado relating to street lighting, together with rates, rules and regulations therein provided and subject to all future amendments and changes on file with the Public Utilities Commission of the State of Colorado.

Section 9.6 Duration, Revocation, and Amendment. (a) Each and every provision of this Declaration shall run with and bind the Property for a term of fifteen (15) years from the date of recording of this Declaration, after which time this Declaration shall be automatically extended for successive periods of fifteen (15) years each. Except as provided elsewhere, this Declaration may be amended during the first fifteen (15) year period, and during subsequent extensions thereof, by any instrument approved in writing by at least two-thirds (2/3s) of the Members, except that until Declarant has transferred control to the HOA as provided herein, by Declarant acting alone. Such amendment shall be effective when duly recorded with the County Clerk.

(b) In addition, if Declarant shall determine that any amendments to this Declaration or any amendments to the Articles of Incorporation or Bylaws of the Association shall be necessary in order

for existing or future mortgages, deeds of trust or other security instruments to be acceptable to any agency, Declarant shall have and is hereby specifically granted the right and power to make and execute any such amendments without obtaining the approval of any Owners or First Mortgagees. Each such amendment of this Declaration or of the Articles of Incorporation or Bylaws shall be made, if at all, by Declarant prior to termination of the Declarant's control of the Association.

(c) Further, Declarant hereby reserves and is granted the right and power to record technical amendments to this Declaration, Articles of Incorporation or Bylaws of the Association at any time prior to the termination of Declarant's control of the Association, for the purposes of correcting spelling, grammar, dates, typographical errors, or as may otherwise be necessary to clarify the meaning of any provisions of any such document.

Section 9.7 Rights of Declarant Incident to Construction. An easement is hereby retained by and granted to Declarant, its successors and assigns for access, ingress and egress over, in, upon, under, and across any Lot and/or Common Area, including but not limited to the right to store material thereon and to make such other use thereof as may be reasonably necessary or incidental to Declarant's or its designee's' construction on or development of the Property and any Lot; provided however, that no such rights or easements shall be exercised by Declarant in such a manner as to unreasonably interfere with the occupancy, use, enjoyment or access by any Owner, his family members, guests, or invitees, to or of that Owner's Lot. Declarant, for itself and its successors and assigns hereby retains a right to store construction materials on Lots owned by Declarant and to make such other use thereof as may be reasonably necessary or incidental for the purpose of the completion or improvement of the Property, the performance of Declarant's obligations hereunder, and the sale of any Lot. Any special Declarant rights created or reserved under this Article or elsewhere in this Declaration for the benefit of Declarant may be transferred to any person by an instrument describing the rights transferred and recorded with the County Clerk.

Section 9.8 Easement for Encroachments. If any portion of a structure existing as of the date hereof encroaches upon any Common Area or upon any adjoining Lot, or if any portion of any Common Area encroaches upon any Lot, including any future encroachments arising or resulting from the repair or reconstruction of a structure subsequent to its damage, destruction or condemnation, a valid easement on the surface and for subsurface support below such surface and for the maintenance of same, so long as its stands, shall and does exist.

Section 9.9 Registration by Owner of Mailing Address. Each Owner shall register his mailing address with the Association. All notices or demands intended to be served upon an Owner shall be sent by U.S. mail, postage prepaid, addressed in the name of the Owner at such registered mailing address, or by posting such notice on the front door of the residence located on a Lot. However, if any Owner fails to so notify the Association of a registered address, then any notice or demand may be sent to such Owner at the address of such Owner's Lot. All notices, demands, or other notices intended to be served upon the Board of Directors of the Association or the Association shall be sent by certified mail, postage prepaid to: c/o G & R West, 474 Bismarck Street, Grand Junction, CO 81504, until such address is changed by the Association.

Section 9.10 Liens Not Impaired. No violation or breach of this Declaration, or any enforcement action shall impair the lien of any mortgage, deed of trust or other lien created in good faith and for value prior to recording of a *lis pendens* or other document by a plaintiff alleging violation or breach.

Section 9.11 Good Faith. Neither the Declarant, the HOA, the ACCO, nor any member, agent or employee thereof shall be liable to any party for any action or for any failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice.

Section 9.12 Severability. Invalidity or unenforceability of any provision of this Declaration in whole or in part shall not affect the validity or enforceability of any other provisions or any valid and enforceable part of a provision of this Declaration.

Section 9.13 Captions. The captions and headings in this Declaration are for convenience only and shall not be considered in construing any provision of this Declaration.

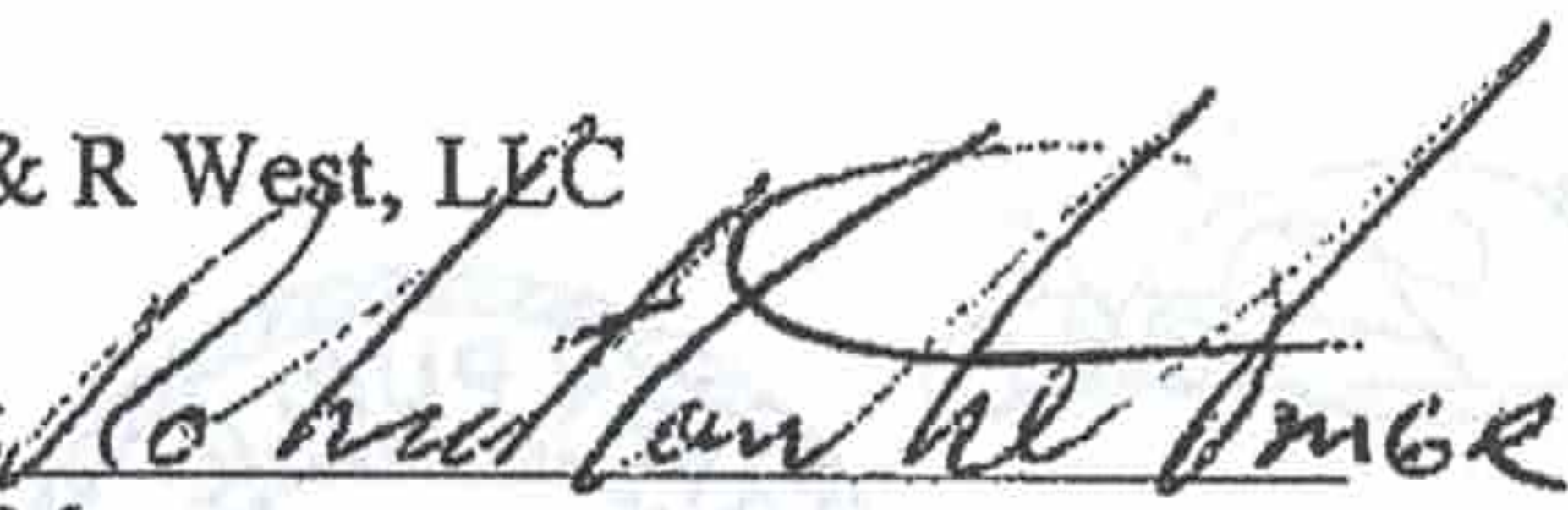
Section 9.14 No Waiver. Failure to enforce any provision, of this Declaration shall not operate as a waiver of any such provision or of any other provision of this Declaration.

Section 9.15 Annexation into the HOA. Declarant reserves the right in its sole discretion to annex additional property into the HOA, and thereafter subject such annexed property to the provisions of this Declaration, upon such terms and conditions as Declarant deems appropriate.

DECLARANT

Dakota West Homeowners Association

G & R West, LLC

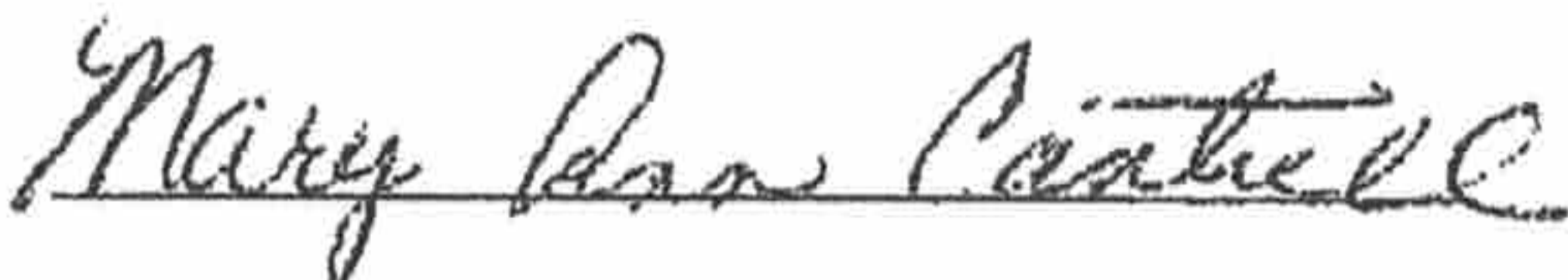
By: 
Manager

By: 
President

Robert Cantrell

Gina Cantrell

Mary Ann Cantrell



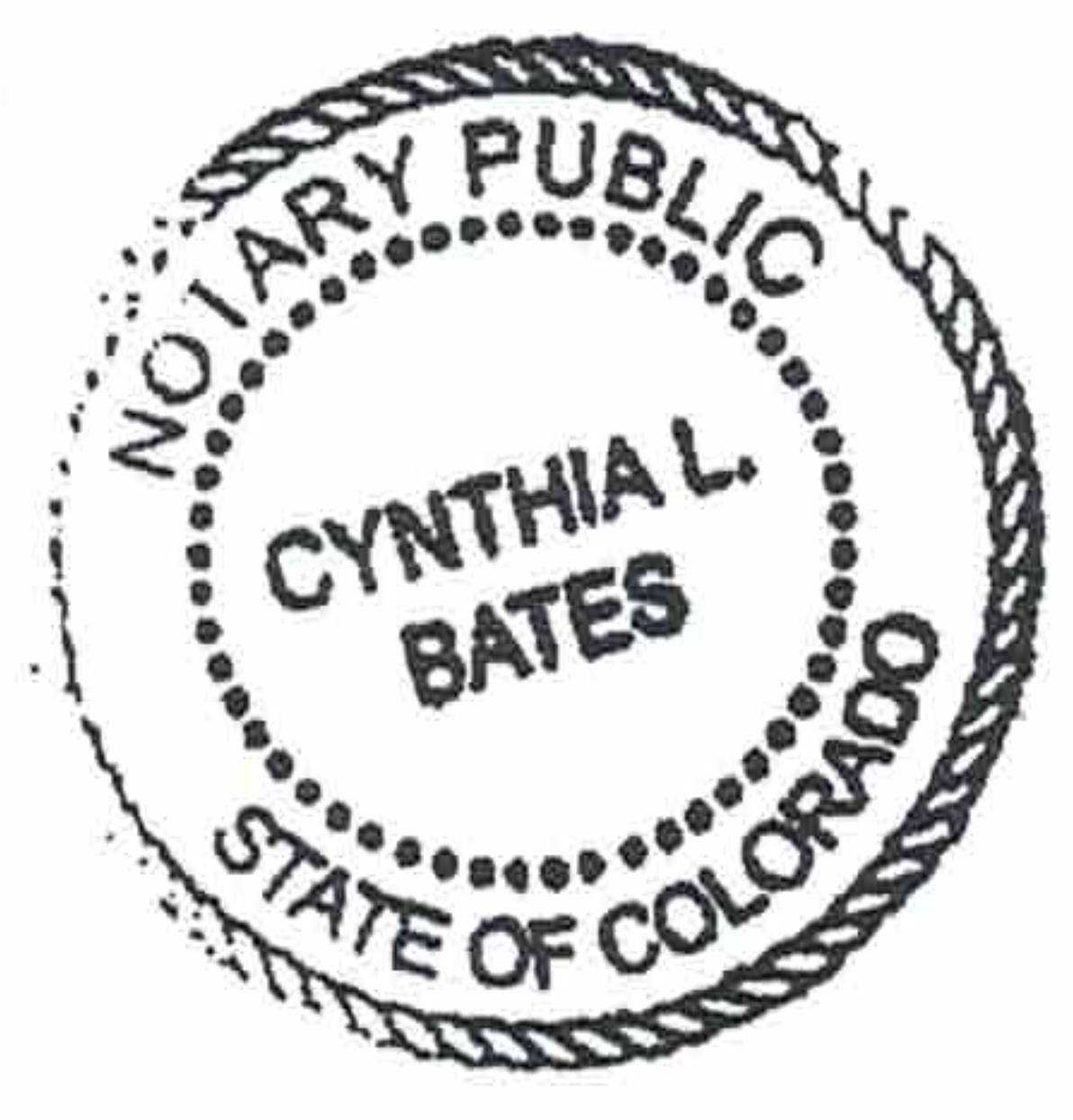
STATE OF COLORADO)
) ss.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 22 day of June, 2005, by Robert Cantrell, Manager of G&R West, LLC.

WITNESS my hand and official seal.

My Commission expires: 7-12-2008


Notary Public



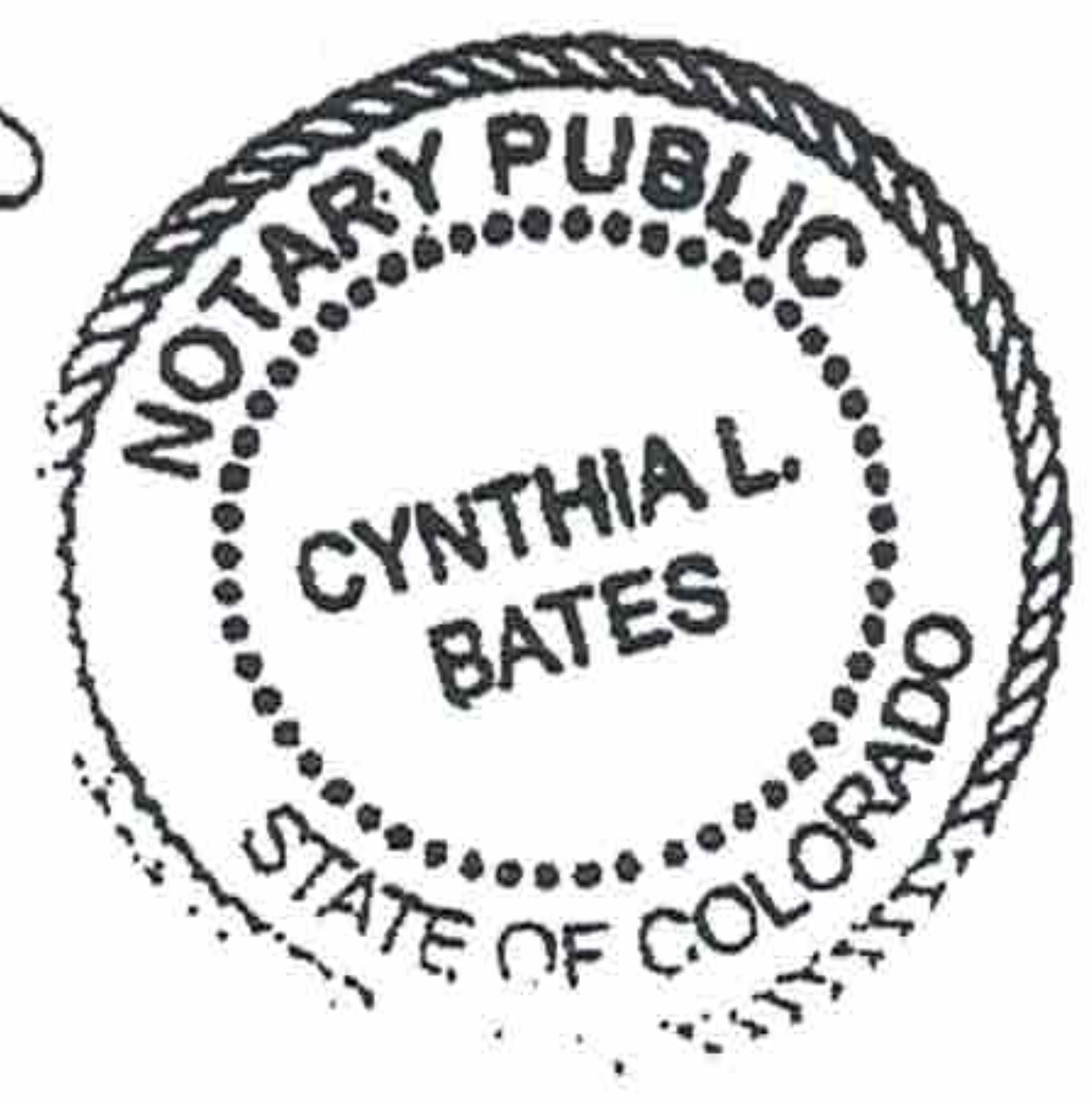
STATE OF COLORADO)
) ss.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 22 day of June, 2005, by Robert Cantrell, President of the Dakota West Homeowner's Association.

WITNESS my hand and official seal.

My Commission expires: 7-12-2008


Notary Public

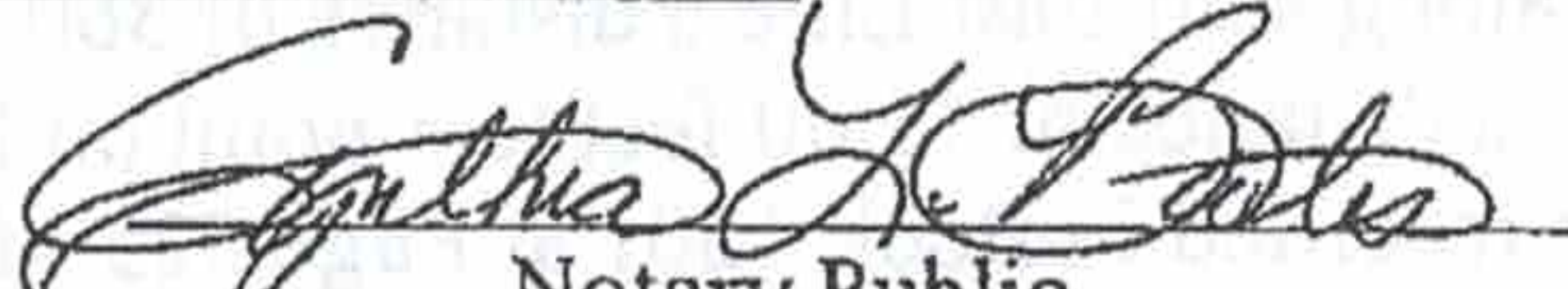


STATE OF COLORADO)
) ss.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 22 day of June, 2005, by Robert Cantrell.

WITNESS my hand and official seal.

My Commission expires: 7-12-2008


Notary Public

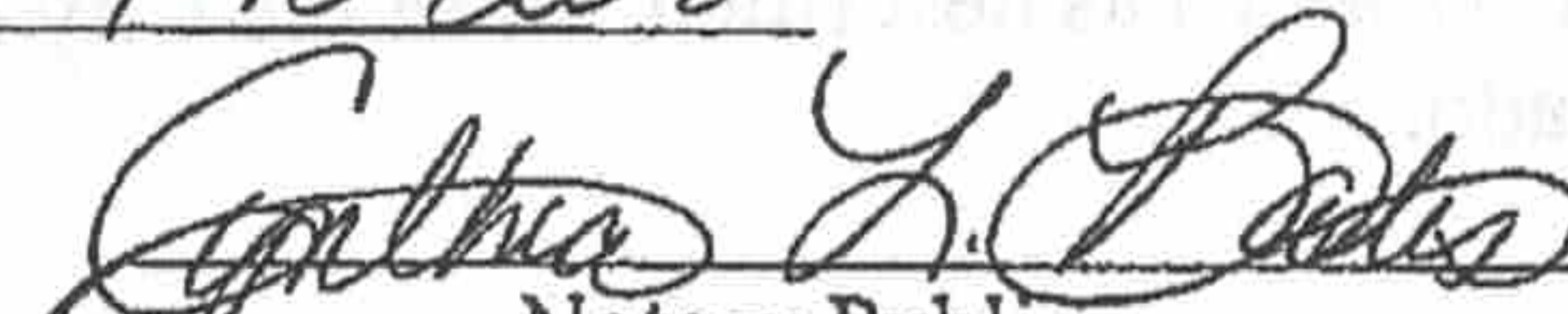


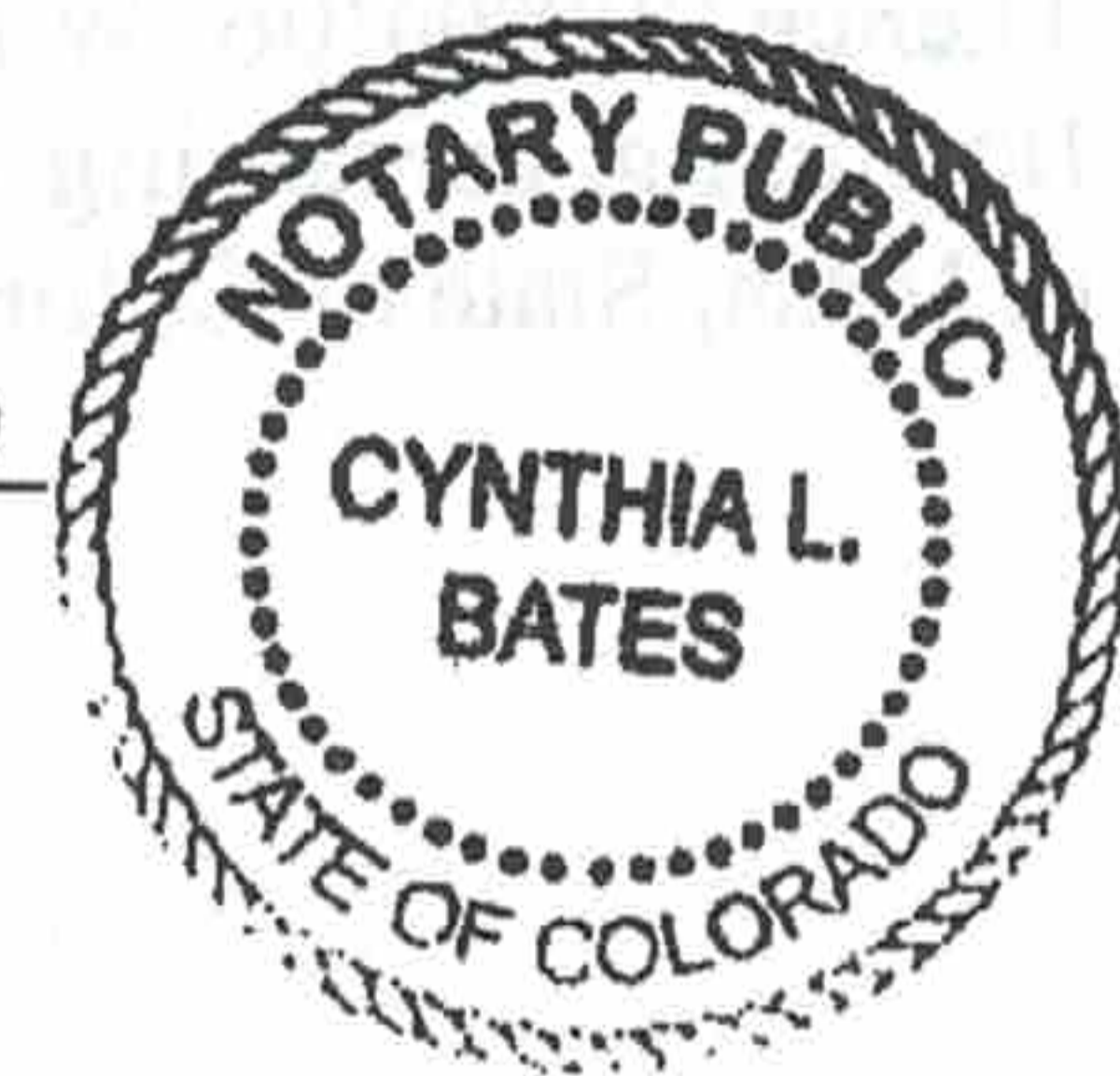
STATE OF COLORADO)
) ss.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 22 day of June, 2005, by Gina Cantrell.

WITNESS my hand and official seal.

My Commission expires: 7-12-2008


Notary Public



STATE OF COLORADO)
) ss.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 22 day of June, 2005, by Mary Ann Cantrell.

WITNESS my hand and official seal.

My Commission expires: 7-12-2008


Notary Public

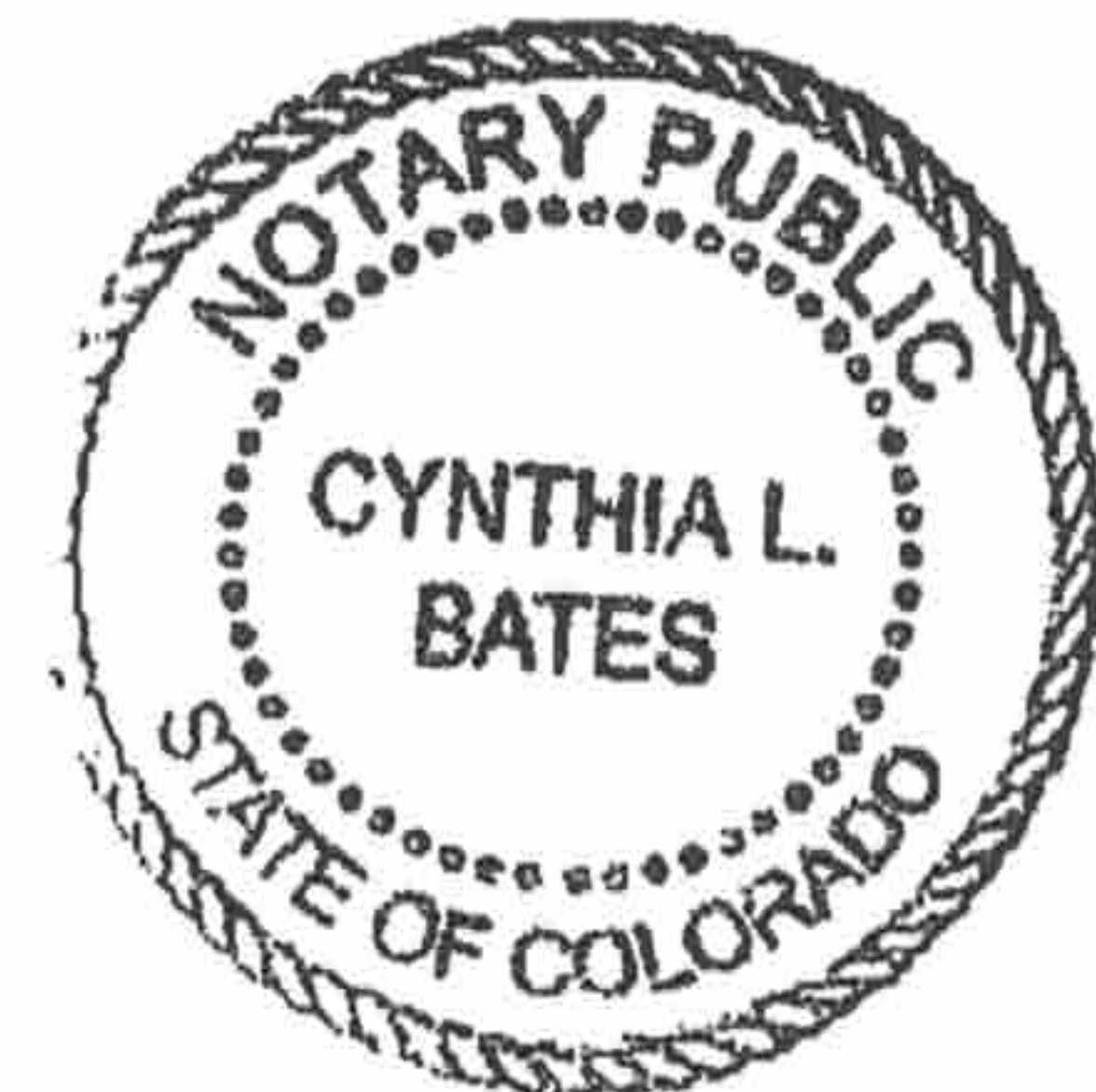


Exhibit
Simple Subdivision Legal Description

The legal description for the Dakota Simple Subdivision is:

Situated in the SE 1/4 of the NE 1/4 of Section 16, Township 1 South, Range 1 East of the Ute Meridian, Mesa County, Colorado, more particularly described as follows:

Commencing at the E ¼ corner of section 16, T1S, R1E of the Ute Meridian, and considering the East Line of the SE1/4 of the NE1/4 of said Section 16 to bear S00°04'06"W and all bearings contained herein to be relative thereto;
Thence N00°04'06"E along said East Line a distance of 360.00 feet;
Thence S 89°56'31"W a distance of 33.00 feet to a point on the West Line of a 33' Road Right of Way which is recorded in Book 1501 at Page 525 of the Mesa County Clerk and Recorder's Office, which is the Point of Beginning (P.O.B.);
Thence S89°56'31"W along the North Lines of Tucee Subdivision and Voegely Minor Subdivision a distance of 464.67 feet to a point on an East Line of Dakota West Subdivision;
Thence N00°03'14"E along said East Line a distance of 141.16 feet to a point on the Southernmost Line of Dakota West Subdivision Phase 2;
Thence S89°56'46"E along said South Line a distance of 312.81 feet;
Thence S00°04'06"W a distance of 36.55 feet;
Thence N89°56'31"E a distance of 184.90 feet to a point on the West Line of said 33' Road Right of Way;
Thence S00°04'06"W along said West Line a distance of 104.00 feet to the Point of Beginning, containing 1.37 acres as described, all in the City of Grand Junction, County of Mesa, State of Colorado.

DAKOTA WEST SUBDIVISION LANDSCAPING MINIMUMS

Here at Dakota West Subdivision it is the homeowner's responsibility to landscape the property from the front corners of the home to the back of the city sidewalk. The landscaping will be designed to be consistent with all these minimums and the Codes, Covenants and Restrictions for the Dakota West Subdivision. The homeowners input may be incorporated into the design wherever possible. An inspection will be required through the HOA board to confirm that planting and ground covers are consistent with the approved plan.

AMENDED COVENANTS
BK 3926 PG 382-407

STANDARD MINIMUM REQUIREMENTS

1. Automatic underground irrigation system.
2. Weed barrier under all ground cover.
3. One tree in the front yard. If on a corner lot one tree in front, one on the side (street side.) (Size of tree needs to be 6 to 8 ft. tall.)
4. Tree guards on trees planted in grass area.
5. Extruded concrete edging or another approved edging from the HOA
6. Ground cover and weed barrier in non grass areas.
7. 25% grass in the front yard area. (Exception, unless approved to do xeriscape)
8. Front yard shrubbery. If you have 25% lawn in front, homeowners will need less shrubs than xeriscape.
9. All fences built will either be cedar, vinyl, concrete, or stucco.

10. No artificial turf or plants will be allowed.

LANSCAPING PLAN REQUIREMENTS

1. Two copies of proposed landscaping plan must be submitted for approval.
2. Plans must include homeowners name and address and telephone number.
3. Plans must be to scale.
4. Plans must include a legend showing the plants/trees to be planted, and the location of these plants, need to be indicated on the plan, as well as the location of the automatic controller clock.
5. All landscape materials and colors must be identified on the plan.
6. Once plans are submitted, the board will respond within 2 weeks of submitted plans.

THE FOLLOWING NOTES MUST APPEAR ON THE LANDSCAPING PLAN:

1. All edging will be concrete curbing or approve edging. (This must be shown where it is going on plan.)
 2. 3.5 oz. Filter/Barrier Fabric will be installed under ground cover.
 3. The homeowner understands and agrees they are responsible to ensure all landscaping is installed in accordance on what grows in Western Colorado and the soil that is in this area.
 4. An underground pressurized irrigation system will be installed to all plants and grass areas.
 5. The irrigation system will be mapped out on the landscaping plan and shown where the timer and valves are located.
-

AMENDED CODE AND
BY 3/22/10

NORTH DAKOTA
BOARD REPORT

2010

Removal of unapproved landscaping will be at owners expense.
The HOA will take action to all homeowners that are not
compliant.

Any landscaping that is not approved by the HOA shall be removed at the owner's expense. The HOA will take action to all homeowners that are not compliant. The HOA will take action to all homeowners that are not compliant.

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North West HOA Board

DAKOTA WEST HOA
BOARD RESOLUTION NOTICE

AMENDED COVE. ANTS
BK 3926 PG 3 2-40

Date: 11/30/2006

Street Parking Restriction: To take effect on January 15th 2007

- All homeowners, family members and guests, are required to park their vehicles and equipment only in their garages, on their driveways, on their lots, and on their lots behind HOA approved fencing or screening. Parking and storage, including overnight parking, of vehicles and/or equipment on the streets is prohibited.
- Vehicles which are leaking engine fluids must be parked in the garage or behind an HOA approved fence and not on the driveway so as to prevent unsightly stains on the driveways.
- Sidewalks must not be obstructed by vehicles parked in homeowner driveways.

Exceptions to this resolution are as follows:

- Temporary (less than eight(8) hours per day) guest parking. Guests may park in the street if the number of guests present can not be accommodated in the garage, on the driveway, or behind approved fencing or the guest vehicle is leaking engine fluids.
- Emergency vehicles such as ambulances, fire trucks and police cruisers may be parked on the streets, if required by the homeowner's employer as a condition of employment.
- Special exceptions, granted in writing by the board at board discretion, for special circumstances such as, but not limited to, health or handicap issues.

Sections 3.1, 3.8 and 4.3 of the covenants explain the spirit and intent for the HOA to maintain the overall appearance of the subdivision in a neat and orderly manner. Section 3.8.b does allow for the temporary storage of equipment outside of the specified storage areas however this is intended to allow the homeowner to service an RV in preparation for travel. All other vehicles and equipment, such as but not limited to trailers, must only be parked or stored in their appropriate HOA approved areas when not in use. Care must be taken not to allow vehicle fluids to leak on the driveway creating unsightly stains.

Any homeowner, found to be in violation after January 15th 2007 will receive a written notice from the HOA, not to exceed one notice for any twelve(12) month period, informing the homeowner that they are in violation of the HOA street parking ban, and will be allowed one week to correct the original violation. If the homeowner fails to correct the situation within one week a fine of \$50.00 will be levied against the offending homeowner's lot. Further violations by the same homeowner, their family or guests within twelve(12) months of a prior notification, will subject the homeowner and their lot to a fine of \$500.00 for each occurrence, and/or the HOA may enjoin the homeowner by obtaining a court order, the costs of obtaining the same, including attorneys fees, shall also constitute a lien against the offending homeowner's lot.

Dakota West HOA Board

RECEPTION # 2384193, BK 4440 PG 823 06:06:2007 at
12:04:35 PM, 1 OF 1 R \$5.00 S \$1.00 Doc Code:
AMEND COVENANTS
Janice P. Rich, Mesa County, CO CLERK AND RECORDER

AMENDED COVENANTS

RECEPTION # 2412250 BK 4554 PG 288 11/14/2007 11
04:07:37 PM * OF 3. R \$15.00 S \$1.00 Doc Code
ANNEX
Janice Rich Mesa County, CO CLERK AND RECORDER

NOTICE OF ANNEXATION OF DAKOTA WEST SUBDIVISION FILING THREE into the DAKOTA WEST HOMEOWNER'S ASSOCIATION, INC.

Declarant G & R West L.L.C., pursuant to Section 9.15 of the Second Amended Declaration of Covenants, Conditions, and Restrictions for Dakota West, Dakota West Phase 2 and Dakota Simple Subdivisions, and as contemplated by Recital paragraphs F, G, H and I of said Declaration, recorded in Book 3926, beginning at page 407 (Reception# 2260699),

HEREBY expands the property subject to said Declaration and annexes the property described below (referred to in the Declaration as "Lot 2 of the Dakota West Simple Subdivision, but finally platted under the name Dakota West Subdivision Filing Three) into the existing Dakota West Subdivision HOA,

SUBJECTING said Lot 2 of the Dakota West Simple Subdivision, now termed Dakota West Subdivision Filing Three, to all of the easements, restrictions, conditions, covenants, reservations, liens, charges, rights, benefits, and privileges which are granted, created, reserved or declared therein.

Legal Description: Lot 2 of the Dakota West Simple Subdivision as re-platted into five (5) lots pursuant to the plat recorded on October 31st 2007 (Reception# 2410201, Book ~~4545~~ Page ~~799~~), and renamed Dakota West Subdivision Filing Three. A map of the property being annexed is attached.

Annexed this 14 day of NOVEMBER, 2007.

Declarant G & R West LLC
By: Robert Cantrell
Robert Cantrell, Manager.

STATE OF COLORADO)
)ss.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 14th day of November, 2007 by Robert Cantrell as manager for G & R West, LLC.

Witness my hand and official seal.

My Commission expires: 10/29/2009



Gayleen Henderson
Notary Public