

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF  
STANTON CREEK, PHASE I, A PLANNED COMMUNITY IN  
THE COUNTY OF LARIMER, STATE OF COLORADO**

This Declaration is made on the date hereinafter set forth, by James Construction Company, Inc., a Colorado Corporation, hereinafter referred to as "Declarant".

**RECITALS:**

A. Declarant is the owner of certain Real Estate located in the County of Larimer, State of Colorado, which is more particularly described as set forth in Exhibit A, attached hereto and incorporated herein by reference; and

B. Declarant desires to create a Common Interest Community on the Real Estate described in Exhibit A, the name of which is Stanton Creek, Phase I, in which portions of the Real Estate described in Exhibit A will be designated for separate ownership and the remainder of which will be designated as Common Elements to be used by the Owners, but owned by the Association; and

C. Declarant has caused to be incorporated under the laws of the State of Colorado, Stanton Creek Residential Association, Inc., a non-profit corporation for the purpose of exercising the functions as hereinafter set forth.

**ARTICLE I  
SUBMISSION: DEFINED TERMS**

SECTION 1.01 Submission of Real Estate. Declarant hereby declares that all the real estate set forth and described in Exhibit A hereto shall be held or sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real estate and be binding on all parties having any right, title, or interest in the real estate or any part thereof, their heirs, legal representatives, successors, and assigns, and shall inure to the benefit of each Owner. Additionally, Declarant hereby submits the real estate to the provisions of the Colorado Common Interest Ownership Act, Sections 38-33.3-101 et seq., Colorado Revised Statutes, as it may be amended from time to time (the "Act") in the event the Act is repealed, the Act, on the effective date of this Declaration, shall remain applicable.

SECTION 1.02 Defined Terms. Each term, whether capitalized or not, which is not otherwise defined in this Declaration or in the Plat shall have the meaning specified or used in the Act.

**ARTICLE II  
NAMES: DESCRIPTION OF REAL ESTATE**

SECTION 2.01 Names

- (a) Planned Community: The name of the Planned Community is Stanton Creek, Phase I.
- (b) Association: The name of the Association is Stanton Creek Residential Association, Inc., a Colorado non-profit corporation.

SECTION 2.02 Real Estate. The Planned Community is located in the County of Larimer, State of Colorado. The real estate of the Planned Community is described in Exhibit A.

**ARTICLE III  
LOTS**

SECTION 3.01 Number of Lots. The Declarant reserves the right to create a maximum of 223 Lots in the Planned Community. Declarant shall not, however, be obligated to create more than

*CR 10/22*  
*Return to: James Construction Co.  
2919 Valmont Rd. #204  
Boulder, CO 80301*

tdorth  
12/11/2018, 4:57 PM  
PENDING ENTRY

kcochran  
12/12/2018, 8:22 AM  
WEB ENTERED

dmarzan  
12/18/2018, 4:36 PM  
HW ENTERED

xmai  
12/19/2018, 11:26 AM  
DW ENTERED

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the 57 Lots located on Lots 1 through 57, Block 1, Stanton Creek Subdivision, First Filing, County of Larimer, State of Colorado.

SECTION 3.02 Title to a Lot. Title to a Lot may be held or owned by any person or entity in any manner in which title to real estate may be held or owned in the State of Colorado.

SECTION 3.03 Transferability. Except as hereinafter expressly provided to the contrary, title to any Lot shall be freely transferable in accordance with applicable law; and sale thereof shall not be subject to any right of first refusal, first option to purchase, or other similar restriction in favor of any Owner, the Association or Declarant.

SECTION 3.04 Nonpartitionability. The Common Elements shall be owned by the Association and shall remain undivided. No Owner shall be entitled to bring any action for partition or division of the Common Elements.

SECTION 3.05 Use of Common Elements. Each Owner shall be entitled to exclusive ownership and possession of the Owner's Lot. Each Owner has the non-exclusive right to use the Common Elements in accordance with the purposes for which any such elements are intended without hindering or encroaching upon the lawful rights of the other Owners.

SECTION 3.06 Easements for Utilities. Easements for the installation, transmission, repair and replacement of water, sewer, gas, telephone, cable t.v. and electric utility lines to each individual Lot within the Planned Community are hereby reserved through, over and under the Common Elements, and on any Lot as set forth on the recorded Plat. Installation of any utilities within any such easement shall be under ground.

SECTION 3.07 Reservation of Development Easement. The Declarant, for itself, its successors and assigns, reserves unto itself an easement over, across and beneath the property described in Exhibit A, for access, ingress, and egress for the development, construction, repair, maintenance, and general use in connection with construction of the original 57 Lots, Additional Improvements or additional Lots within the Planned Community.

SECTION 3.08 Association's Right to Use of Common Elements. The Association shall have a non-exclusive right and easement 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.

SECTION 3.09 Maintenance Responsibility for Exterior of Lot and Residence.

(a) Each Owner of a Lot shall be responsible for the exterior maintenance of the landscaping on such Owner's Lot. Each Owner shall also be responsible for the upkeep, maintenance, repair and replacement of the exterior surfaces of the residence constructed on such Owner's Lot. In the event any Owner fails to adequately maintain the exterior landscaping of said Owner's Lot or the exterior surfaces of the residence thereon, the Association shall have the right to maintain the exterior of said Lot, and the cost of such exterior maintenance shall be paid by the Owner to the Association, and if not, the same shall become an individual assessment under Section 6.07 hereof and may further become a lien pursuant to Sections 6.01 and 6.07 hereof.

SECTION 3.10 Landscaping and Side Yard Fence.

(a) Within nine (9) months from the date of completion of construction of a residential dwelling upon a Lot in the Planned Community, the Owner of said Lot shall be required to complete landscaping surrounding the improvements upon said Lot, complete construction of a six (6) foot cedar fence on the side yards of the Lot, and install sod which shall be sprinklered by an automatic sprinkler system as set forth below on the parkway in the front of any Lot. All such landscaping and fencing shall be subject to review and approval by the Architectural Control Committee as provided in Article 7.00 hereof. The landscaping on the Lot itself shall consist of a minimum of 60 percent sod in the front yard of the Lot, shall include one (1) two inch diameter street tree in the front yard and four (4) five gallon shrubs as a minimum in the front yard. All Lots within the Planned Community which are not corner Lots shall also be required to plant one (1) two inch diameter street tree in the parkway in the front of each Lot.

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All corner Lots within the Planned Community shall be required to have two (2) two inch in diameter street trees on the side yard in addition to one (1) two inch diameter tree in the front yard and one (1) two inch diameter tree in the parking area on each side of the Lot. All sod shall be irrigated by an automatic sprinkler system with the appropriate sprinkler heads and bubblers which shall be regulated by an automatic timing clock. After the installation of the landscaping, each Lot Owner shall be responsible to maintain all such landscaping in a healthy and growing condition and replace any dead or diseased plants or trees and otherwise maintain all landscaping in a good condition. In the event any Owner of a Lot fails to comply with this provision, or with the requirement to install landscaping or fencing within the time periods herein set forth, subject to the exception period set forth below, the Association may enter into or upon such Lot and install or maintain landscaping or fencing for which the Lot Owner shall be obligated to pay, all of which shall be done in accordance with and subject to the provisions as set forth in Article VI, Section 6.07 hereof.

(b) The Architectural Control Committee, or the Association, may, in its discretion, waive any provision of this section in the event there is a practical difficulty or undue hardship imposed on any Lot Owner due to weather or other similar circumstance, however, the requirements of this section may not be waived for a period in excess of six months under any set of circumstances.

SECTION 3.11 Owner's Duty of Compliance. Each Owner shall comply strictly with the provisions of this Declaration, the provisions of the Articles of Incorporation and By-laws of the Association, and the decisions and resolutions of the Association adopted pursuant thereto as the same may be lawfully amended from time to time. Failure to comply shall be grounds for an action to recover sums due and for damages or injunctive relief or both, maintainable by the managing agent, the Executive Board or the Association on behalf of the Owners or, in a proper case, by an aggrieved Owner. In the event that the Association must expend any sums for clean up, repair, attorneys' fees and costs for such Owner's failure to comply, the Owner shall be responsible to reimburse the Association for its expenses, which may be individual assessments under Section 7.07 below. Such items may become a lien as described in Sections 7.01 and 7.07 below.

SECTION 3.12 Easements Deemed Created. All conveyances of Lots hereafter made, whether by Declarant or otherwise, shall be construed to grant and reserve such reciprocal easements as shall give full effect to Sections 3.05, 3.06, 3.07 and 3.08 hereinabove, even though no specific reference to such easements or to those Sections appear in any such documents of conveyance.

**ARTICLE IV  
DESCRIPTION OF A LOT**

SECTION 4.01. After the Declaration and Plat shall have been filed for record in Larimer County, Colorado, every contract for the sale of a Lot may describe that Lot by the designation in the following fashion:

Lot \_\_\_\_\_, Block \_\_\_\_\_, Stanton Creek Subdivision, First Filing, County of Larimer, State of Colorado, and as further defined by the Declaration of Covenants, Conditions and Restrictions of Stanton Creek, Phase I, A Planned Community, recorded on the \_\_\_\_\_ day of \_\_\_\_\_, 199\_\_\_\_, as Reception No. \_\_\_\_\_.

Such description will be construed to describe the Lot, and to incorporate all the rights incident to ownership of a Lot and all the limitations on such ownership as described in this Declaration. In the event of amendment of the Declaration and/or Plat, such amendments shall be reflected by the additional recording information including date of recording and reception numbers.

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**ARTICLE V  
THE ASSOCIATION**

**SECTION 5.01 Authority.** The business affairs relating to the Common Elements of the Planned Community shall be managed by the Association, a Colorado non-profit corporation. The Association shall be governed by its by-laws as amended from time to time.

**SECTION 5.02 Membership.** Every Owner of a Lot shall be entitled and required to be a member of Stanton Creek Residential Association, Inc. An Owner shall be entitled to one membership for each Lot owned. Where ownership of a Lot is held by more than one person, the membership corresponding to that Lot shall be held by such persons in accordance with their respective ownership interests in the Lot. No person or entity other than an Owner may be a member of the Association, and memberships may not be transferred except in connection with the transfer of a Lot; provided, however, that the rights of membership may be assigned to the mortgagee of a Lot as security for a loan secured by a deed of trust on the Lot.

**SECTION 5.03 Voting Rights.** The Association shall have one class of membership. Each membership shall be entitled to one vote. If two individuals own a Lot, as joint tenants, tenants in common, or other legal manner of holding title, and cannot agree between themselves on one or more matters coming before the Association, then each shall be entitled to one-half vote. If three or more individuals or entities own a Lot as joint tenants, or tenants in common, or other legal manner of holding title, and cannot agree among themselves on one or more matters coming before the Association, then the Owners shall agree among themselves prior to recordation of the vote how the vote shall be cast; however, in no event shall less than one-half vote be cast. In no event shall more than one total vote be cast for each Lot. No cumulative voting shall be allowed.

**SECTION 5.04 Powers of Association: Management and Control of Common Elements.**

- (a) The Association shall, subject to the rights and duties of the Owners set forth in Article III hereof, have all the powers, authority and duties permitted pursuant to the Act necessary and proper to manage the business and affairs of the Planned Community and shall be responsible for the exclusive management and control of the Common Elements. Unless contained within the annual budget or provided for by Reserve Funds as set forth in Section 6.08 hereof, the Association must have the approval of a majority of the Lot Owners for any single maintenance and repair expense of over \$2,500.00. The cost of such management, operation, maintenance, and repair shall be borne as provided in Article VI hereunder.
- (b) In addition to the Easements for Utilities reserved under Section 3.06 hereof, the Association shall have the right to grant additional easements as necessary for utility purposes over, under, upon or through any portion of the Common Elements.
- (c) The Association shall not have the right to stop, hinder, delay, block or in any manner impair the right of ingress and egress of the Declarant, its successors and assigns, over and across the roadways and sidewalks, or other Common Elements.

**SECTION 5.05 Common Elements and Traffic Circles.** The Association shall be responsible for the maintenance, repair and replacement of all landscaping on the Common Elements and any traffic circles located within any public street in the Planned Community. Specifically the traffic circles located within Stanton Creek Drive and St. Thomas Drive shall be maintained by the Association. No trees, structures or concrete (other than curbing) shall be allowed in said traffic circles. Grass, flowers or low shrubs will be allowed and shall be maintained by the Association.

**SECTION 5.06 Adoption of Budget.** The Association shall adopt a budget on an annual basis. Within 30 days after adoption of any proposed budget for the Planned Community, the Executive Board shall mail, by ordinary first class mail, or otherwise deliver a summary of the budget to all the Lot Owners and shall set a date for a meeting of the Lot Owners to consider ratification of the budget not less than 14, nor more than 60, days after mailing or other delivery of the summary. Unless at that meeting 67% of all Lot Owners reject the budget, the budget shall be

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ratified whether or not a quorum is present at such meeting. In the event that the proposed budget is rejected, the periodic budget last ratified by the Lot Owners shall be continued until such time as the Lot Owners ratify subsequent budget proposed by the Executive Board.

SECTION 5.07 Management of Association.

- (a) The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation for the Planned Community whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Planned Community or the enforcement of this Declaration.
- (b) Any agreement for management of the Common Elements or for any other services to be performed by the Declarant shall provide for termination by either party without cause or payment of any termination fee on thirty (30) days or less written notice. No such agreements shall be entered into for a term exceeding one (1) year.

SECTION 5.08 Personal Property for Common Use. The Association may acquire and hold for the use and benefit of all of the Owners' tangible and intangible personal property and may dispose of the same by sale or otherwise.

SECTION 5.09 Rules and Regulations. The Association may make reasonable Rules and Regulations governing the use of the Lots and of the Common Elements, which Rules and Regulations shall be consistent with the rights and duties established in this Declaration. The Association may suspend any Owner's voting rights in the Association during any period or periods during which such Owner fails to comply with such Rules and Regulations, or with any other obligations of such Owner under this Declaration. The Association may also take judicial action against any Owner to enforce compliance with such Rules and Regulations or other obligations or to obtain damages for non-compliance with any term, covenant or condition contained in this Declaration, all to the extent permitted by law.

SECTION 5.10 Parking Regulations. The Association shall have the right to establish rules and regulations regarding all parking within the Planned Community. The Association shall further have the right to tow or cause to be towed illegally or improperly parked vehicles within the Planned Community.

SECTION 5.11 Inspection of Books and Records. All Lot Owners shall have reasonable access to inspect the books, records, and financial statements of the Association. Any mortgagee or insurer of any mortgage affecting a Lot shall be entitled, upon request, to: (a) inspect the books and records of the Association during normal working hours; (b) require the preparation of and, if preparation is required, receive an annual audited financial statement of the Association, except that such a statement need not be furnished earlier than 90 days following the end of the Association's fiscal year; and, (c) written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

SECTION 5.12 Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or by the Act, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege. Notwithstanding the above, unless at least seventy-five percent (75%) of the first mortgagees of Lots (based on one vote for each first mortgage owned or held) have given their prior written approval, the Association shall not be empowered or entitled to:

- (a) by act or omission, seek to abandon or terminate the Planned Community;
- (b) partition or subdivide any Lot;
- (c) by act or omission, seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Elements;

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- (d) use hazard insurance proceeds for loss to the improvements for other than the repair, replacement, or reconstruction of such improvements.

SECTION 5.13. The Association may assign its future income, including its rights to receive Common Expense Assessments, only by the affirmative vote of the Owners of Lots to which at least 75% of the votes of the Association are allocated, at a meeting called for that purpose.

SECTION 5.14 Declarant Control. The Declarant shall have all the powers reserved in Section 38-33.3-303(5) of the Act to appoint and remove officers and members of the Executive Board of the Association during the Declarant Control Period.

## ARTICLE VI COVENANT FOR COMMON EXPENSE ASSESSMENTS

### SECTION 6.01 Creation of Association Lien and Personal Obligation to Pay Common Expense Assessments.

- (a) Declarant, only for each Lot upon which construction of a residential dwelling has been completed and a Certificate of Occupancy has been issued, shall be deemed to covenant and agree, and each Owner, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association the annual Common Expense Assessments, which assessments, including fees, charges, late charges, attorney's fees, fines and interest charged by the Association shall be the personal obligation of the Owner at the time when the assessment or other charges became or fell due. The personal obligation to pay any past due sums due to the Association shall not pass to a successor in title unless expressly assumed by them.
- (b) The Common Expense Assessment of the Association shall be a continuing lien upon the Lot against which each such assessment is made. A lien under this Section is prior to all other liens and encumbrances on a Lot except:
  - (1) liens and encumbrances recorded before the recordation of the Declaration;
  - (2) a first lien Security Interest on the Lot recorded before the date on which the Common Expense Assessment sought to be enforced became delinquent; and
  - (3) liens for real estate taxes and other governmental assessments or charges against the Lot.

This Section does not prohibit an action to recover sums for which this Section creates a lien or prohibit the Association from taking a deed in lieu of foreclosure. Sale or transfer of any Lot shall not affect the Association's lien except that a sale or transfer of any Lot pursuant to foreclosure of any first lien Security Interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture shall only extinguish the Association's lien as provided in the Act. No such sale, transfer, foreclosure, or any proceeding in lieu thereof, including deed in lieu of foreclosure, nor cancellation or forfeiture shall relieve any Lot from continuing liability for any Common Expense Assessments thereafter becoming due, nor from the lien thereof.

SECTION 6.02 Purpose of Assessments. The Assessments levied by the Association through its Executive Board shall be used for purposes including, but not being limited to promoting the health, safety, and welfare of the residents in the Planned Community and for the maintenance, repair and replacement of the Common Elements and any traffic circle within a public street in the Planned Community, and maintenance, landscaping, upkeep and equipment, if any, on the Neighborhood Park as depicted on the Plat for Stanton Creek Subdivision, First Filing, County of Larimer, State of Colorado.

SECTION 6.03 Annual Assessment/Commencement of Common Expense Assessments. The Common Expense Assessment shall be made on an annual basis against all Lots upon which construction of improvements have been completed and shall be based upon the Association's advance budget of the cost requirements needed by it to provide for the administration and performance of its duties during such assessment year. Common Expense Assessments may be

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collected in the manner as determined by the Executive Board. Common Expense Assessments shall begin on the first day of the month in which the conveyance of the first Lot to an Owner other than Declarant occurs.

SECTION 6.04 Notice of Annual Assessments and Time for Payment Thereof.

- (a) The Association shall give written notice to each Owner as to the amount of the annual assessment with respect to said Lot on or before December 1 each year for the fiscal year commencing on the following January 1st. Upon request, a first mortgagee of any Lot shall also be given such written notice. Such assessments shall be due and payable in equal monthly installments, due and payable by the first day of each month. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of any Lot for such assessment, but the date when payment shall become due in such a case shall be deferred to a date thirty (30) days after such notice shall have been given. The monthly installment shall be deemed to be in default if payment is not received by the Association by the 10th day of the month in which the installment became due. The unpaid installment shall bear interest at such rate as may be determined by the Executive Board, however, in no event shall interest exceed 18% per annum from the first day of the month in which it became due until paid in full. Any default upon an installment obligation may, at the election of the Association, be deemed to be a default on the entire remaining balance of the annual assessment of the respective Lot, and in such case, the Association may declare the remaining balance immediately due and payable and obtain satisfaction therefor as hereinafter provided or by any other legal means. Such assessment shall first commence on the date that the first Owner received the deed for the Owner's Lot. Such assessment shall be based on an annual budget prepared by the Declarant prior to such first closing. Such budget shall be submitted by Declarant to any mortgagee, insurer or guarantor requesting such budget prior to the first annual assessment. Such budget shall remain in effect until the first annual assessment shall be made by the Association. Both annual and special assessments shall be fixed at a uniform rate for all Lots.
- (b) In the event that Additional Improvements are constructed within the Planned Community, the assessments shall commence as to those new Lots to be annexed on the later of the date on which the annexation or amendment documents are recorded with the Clerk and Recorder of Larimer County or the date that the first Owner receives a deed to a Lot. The amount to be assessed shall be based upon the Association's latest annual assessment, divided by twelve and shall be payable by the Owner in equal monthly installments for the remainder of the year.

SECTION 6.05 Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment per Lot subject to assessment shall be Twenty five Dollars (\$ 25.00 ) per Lot per month (\$ 300.00 per year).

- (a) From and after January 1 of the year immediately following the conveyance of the first Lots of the original group of 57 Lots constructed by Declarant to an Owner, the maximum annual assessment may be increased each year by not more than five percent (5%) above the maximum assessment for the previous year without a vote of the Members.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lots of the original group of 57 Lots constructed by Declarant to an Owner, the maximum annual assessment may be increased above five percent (5%) by a vote of sixty-seven percent (67%) of the Members at a meeting dually called for that purpose.
- (c) The limitation contained in this paragraph shall not apply to any change in the maximum and basis of assessments undertaken as an incident to construction of Additional Improvements, annexation, merger or consolidation in which the

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Association is authorized to participate under this Declaration or its Articles of Incorporation.

- (d) The Executive Board may fix the annual assessment at an amount less than the maximum amount provided for herein.

SECTION 6.06 Special Assessments for Capital Improvements. In addition to the annual assessments authorized by this Article, the Association, upon approval of sixty-seven percent (67%) of the Owners, may levy in any assessment year a special assessment, payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction, unexpected repair of any Common Element or any part thereof, or for any other expenses incurred or to be incurred as provided in this Declaration. Special assessments for capital improvements, so long as the Developer controls the Planned Community, in addition to the sixty-seven percent (67%) majority stated above, will also require the written consent of the Federal Housing Authority. This section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections hereof which shall make specific reference to this Article. Any amounts assessed pursuant hereto shall be assessed to Owners in proportion to the number of Lots owned by each. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than thirty (30) days after such notice shall have been given.

SECTION 6.07 Individual Assessments/Fines.

- (a) The Executive Board or the Association shall have the right to assess against any Owner individually the amount as provided for in this Declaration, to include, but not being limited to, charges assessed under Sections 3.09, 3.10, 3.11, 11.03, and 11.04 hereof.
- (b) If adopted by the Association at a regular or special meeting of the Owners, the Executive Board shall have the right to assess a fine upon due notice and an opportunity to be heard before the Executive Board at a regular or special meeting of the Executive Board, against an Owner in an amount not exceeding one hundred dollars (\$100.00) for each violation of this Declaration, the By-Laws, the Rules and Regulations, and the Articles of Incorporation of the Association. Such fines may be assessed additionally for each day the violation continues after written notice thereof is given the Owner.
- (c) Any individual assessment or fine shall become a lien pursuant to the procedures provided in Section 6.01 above.

SECTION 6.08 Reserve Funds. The Association shall, upon its inception, establish an adequate reserve fund for the periodic maintenance, repair, and replacement of the Common Elements over which it has care, custody, and control which fund shall continuously be maintained out of the annual assessment for Common Expenses.

SECTION 6.09 Working Fund. The Association or Declarant shall require the first Owner of each Lot upon which a residential dwelling has been constructed (i.e., an Owner other than Declarant or a builder who has purchased a Lot from Declarant) and each subsequent Owner to make a non-refundable payment to the Association in an amount equal to one-sixth of the annual Common Expense Assessment against that Lot in effect at the closing thereof, which sum shall be held, without interest, by the Association, as a Working Fund. Said Working Fund shall be collected and transferred to the Association at the time of closing of the sale by Declarant of each Lot as aforesaid and shall be maintained for the use and benefit of the Association. Such payment shall not relieve an Owner from making regular payments of assessments as the same become due. Upon the transfer of a Lot, an Owner shall be entitled to a credit from his transferee for the aforesaid Working Fund.

SECTION 6.10 Effect of Non-Payment of Assessments. Any assessment, charge or fee provided for in this Declaration, or any monthly or other installment thereof, which is not fully paid within 10 days after the due date thereof shall bear interest at the rate as determined by the



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Executive Board and the Association may assess a late charge thereon. Further, the Association may bring an action at law or in equity, or both, against any Owner personally obligated to pay such overdue assessment, charges, or fees, or monthly or other installments thereof, and may also proceed to foreclose its lien against such Owner's Lot. An action at law or in equity by the Association against an Owner to recover a money judgement for unpaid assessments, charges, or fees, or monthly or other installments thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving the Association's lien therefor.

## ARTICLE VII ARCHITECTURAL CONTROL

SECTION 7.01. Until Declarant has conveyed the last Lot subject to this Declaration, including Additional Improvements, Declarant shall have the right, and the right is hereby specifically reserved unto Declarant, to appoint the members of such Architectural Control Committee and to fill any vacancies therein created. Thereafter, the Architectural Control Committee shall be appointed by the Executive Board. The Architectural Control Committee shall consist of three (3) members. In the event of the death, disability or resignation of any member of the Architectural Control Committee, the Executive Board shall have authority to designate a successor or successors.

SECTION 7.02. No building, fence, wall or other structure or improvement shall be commenced, erected or maintained upon any Lot within the Planned Community, nor shall any exterior addition to, change or alteration therein be made, nor shall the color of any improvements constructed on a Lot be made, until the plans and specifications showing the nature, kind, shape, height, materials, location and color scheme of the same shall have been submitted to and approved in writing as to harmony of external design, location and color scheme in relation to surrounding structures and topography by the Architectural Control Committee. In the event the Architectural Control Committee fails to approve or disapprove such design, location and color scheme within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. The Architectural Control Committee shall be bound in its determinations by the Design Review Guidelines and Fence Design Guidelines as established by the Declarant and as may be amended from time to time by a 67 percent vote of the members of the Association.

SECTION 7.03. The Architectural Control Committee shall have the right to disapprove any such plans or specifications, grading or landscape plans which are not suitable or desirable in the sole opinion of the Architectural Control Committee for aesthetic or other reasons, and in passing upon such plans, specifications, grading or landscaping plans, the Committee shall take into account the Design Criteria for Stanton Creek, Phase I, and shall also take into consideration the suitability of the proposed building or other structure and the materials of which it is to be built, the color scheme, the site upon which it is proposed to be erected, the harmony thereof with the surrounding topography of the land and the effect of the building or other structure or landscaping as planned in the outlook from the adjacent or neighboring properties. The Committee may disapprove of the plans and specifications submitted if they are incomplete, or in the event the Committee deems the plans, specifications or details, or any part thereof to be contrary to the spirit or intent of this Declaration or the Design Criteria for Stanton Creek, Phase I.

SECTION 7.04. Neither Declarant, its successors or assigns, the Executive Board nor the Architectural Control Committee shall be liable in damages to anyone submitting plans to them for approval, or to any Owner effected by this Declaration, by reason of mistaken judgment, negligence or non-feasance arising out of or in connection with the approval or disapproval or failure to approve any such plans and specifications. Every person who submits plans for approval agrees, by submission of said plans and specifications, and every Owner of any Lot within the Planned Community, by acquiring title thereto or an interest therein, that the Owner will not bring any action or suit against Declarant, its successors or assigns, the Executive Board or the Architectural Control Committee to recover any such damages.

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**ARTICLE VIII  
ALLOCATED INTEREST**

**SECTION 8.01 Allocated Interests.** The Common Expense liability and votes in the Association allocated to each Lot shall be calculated as follows:

- (a) The percentage of liability for Common Expenses shall be determined by a fraction the numerator of which shall be one (1) and the denominator of which shall initially be fifty-seven (57), representing the Lots in the Planned Community as shall be originally constructed by Declarant.
- (b) In the event Declarant exercises its development rights and adds Additional Improvements as herein set forth, the denominator shall be increased according to the total number of Lots actually constructed by the recording of an amendment to the Declaration, up to a maximum of 223.
- (c) The number of votes in the Association shall be determined on the basis of one vote per Lot.

**ARTICLE IX  
RESERVATION OF EXPANSION AND DEVELOPMENT RIGHTS**

**SECTION 9.01 Development Rights.** Declarant expressly reserves the right to construct Additional Improvements on Lots and to complete construction of the Common Elements within the Planned Community as necessary ("Additional Improvements"). Construction of additional Lots and Tracts may be done in any order as determined in the sole discretion of the Declarant; however, if the Declarant exercises its right to construct Additional Improvements, it may construct improvements on any part or all of the real property as set forth and described on Exhibit "C" hereof.

**SECTION 9.02 Amendment of the Declaration.** If Declarant elects to construct Additional Improvements, and submits additional Lots to this Declaration, at such time as construction of the Additional Improvements are substantially complete, Declarant hereby reserves the right, without the consent of the Owners but with the approval of the Federal Housing Authority and/or Veterans Administration, whichever may be applicable, that the amendment and addition of Lots is in accord with the general plan heretofore approved by it, to and shall record an Amendment to the Declaration reallocating the Allocated Interests so that the Allocated Interests appurtenant to each Lot will be apportioned according to the total number of Lots submitted to the Declaration. The Allocated Interest appurtenant to each Lot, as expanded, shall be determined by a fraction, the numerator of which shall be one (1) and the denominator of which shall be the total number of Lots then completed in Planned Community.

**SECTION 9.03 Amendment of the Plat.** Declarant hereby reserves the right, if necessary or required as a result of the construction of Additional Improvements or if required by any governmental agency, to file an Amendment to the Plat. The Amendment to the Plat shall substantially conform to the requirements contained in this Declaration.

**SECTION 9.04 Interpretation.** Recording of an Amendment to the Declaration and Plat, if necessary, in the office of the Clerk and Recorder of the County of Larimer, State of Colorado shall automatically: (i) vest in each existing Lot Owner the reallocated Allocated Interest appurtenant to his Lot; and (ii) vest in each existing Mortgagee a perfected security interest in the reallocated Allocated Interest appurtenant to the numbered Lot. Upon the recording of an Amendment to the Declaration, the definitions used in the Declaration shall automatically be extended to encompass and to refer to all Lots within the Planned Community. The Additional Improvements shall be added to and become a part of the Planned Community for all purposes. Reference to the Declaration and Plat in any instrument shall be deemed to include all Amendments to the Declaration and Plat without specific reference thereto.

**SECTION 9.05 Maximum Number of Lots.** The maximum number of Lots in the Planned Community shall not exceed 223 Lots.

**SECTION 9.06 Construction.** The buildings, structures and types of improvements to be placed on the Planned Community or any part thereof shall be of a quality equal to or better than the improvements previously constructed, but need not be the same size, style or configuration.

SECTION 9.07 Construction Easement. Declarant expressly reserves the right to perform warranty work, repairs and construction work and to store materials in secure areas, in Lots and in or on the Common Elements, and the future right to control such work and repairs, and the right of access thereto, until construction of all 223 Lots is complete. All work may be performed by Declarant without the consent or approval of any Lot Owner or Mortgagee. Declarant has such an easement through the Common Elements as may be reasonably necessary for the purpose of discharging Declarant's obligations and exercising Declarant's reserved rights in this Declaration. Such easement includes the right to construct underground utility lines, pipes, wires, ducts, conduits, and other facilities across the Common Elements or designated Lots for the purpose of furnishing utility and other services to buildings and improvements to be constructed on Lots within the Planned Community. Declarant's reserved construction easement includes the right to grant easements to public utility companies and to convey improvements within those easements anywhere in the Common Elements not otherwise occupied. Any such easements shall be granted by Declarant in a separate document.

SECTION 9.08 Termination of Expansion and Development Rights. The development rights reserved to Declarant, for itself, its successors and assigns, shall expire ten years from the date of recording this Declaration, unless the expansion and development rights are (1) extended as allowed by law or (ii) reinstated or extended by the Association, subject to whatever terms, conditions, and limitation the Executive Board may impose on the subsequent exercise of the expansion and development rights by Declarant.

SECTION 9.09 Transfer of Expansion and Development Rights. Any Expansion or Development Right created or reserved under this Article for the benefit of Declarant may be transferred to any person or entity by an instrument describing the rights transferred and recorded in the County of Larimer, State of Colorado. Such instrument shall be executed by the transferor Declarant and the transferee.

## **ARTICLE X SPECIAL DECLARANT RIGHTS AND ADDITIONAL RESERVED RIGHTS**

SECTION 10.01 Special Declarant Rights. Declarant hereby reserves the right, from time to time until the expiration of the Declarant Control Period, to perform the acts and exercise the rights hereinafter specified (the "Special Declarant Rights"). Declarant's Special Declarant Rights include the following:

- (a) Completion of Improvements. The right to complete improvements indicated on the Plat filed with the Declaration.
- (b) Exercise of Development Rights. The right to exercise any Development Right reserved in Article IX of this Declaration.
- (c) Sales Management and Marketing. The right to maintain sales offices, management offices and signs advertising the Lots and models anywhere within or upon any Lot or on any Common Element.
- (d) Construction Easements. The right to use easements through the Common Elements and/or any Lot for the purpose of making improvements within or upon any Lot.
- (e) Merger. The right to merge or consolidate this Planned Community with another Planned Community of the same form of ownership.
- (f) Control of Association and Executive Board. The right to appoint or remove any Officer of the Association or any Executive Board member.
- (g) Amendment of Declaration. The right to amend the Declaration in connection with the exercise of any Development Rights, Special Declarant Rights and Additional Reserved Rights.
- (h) Amendment of Plat. The right to amend the Plat in connection with the exercise of any Development Rights, Special Declarant Rights or Additional Reserved Rights.
- (i) Construction Office. The right to maintain a construction office anywhere within or upon any Lot or on any Common Element.

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SECTION 10.02 Additional Reserved Rights. In addition to the Special Declarant Rights set forth in Section 10.01 above, Declarant also reserves the following additional rights (the "Additional Reserved Rights"):

- (a) Dedications. The right to establish, from time to time, by dedication or otherwise, or to have vacated, utility and other easements for purposes including but not limited to streets, paths, walkways, drainage, recreation areas, parking areas, conduit installation areas, and to create other reservations, exceptions and exclusions for the benefit of and to serve the Lot Owners within the Planned Community.
- (b) Use Agreements. The right to enter into, establish, execute, amend, and otherwise deal with contracts and agreements for the use, lease, repair, maintenance or regulation of parking and/or recreation facilities, which may or may not be a part of the Planned Community for the benefit of Lot Owners and/or the Association.
- (c) Other Rights. The right to exercise any Additional Reserved Right created by any other provision of this Declaration.

SECTION 10.03 Rights Transferable. Any Development Right, Special Declarant Right or Additional Reserved Right created or reserved under this Article for the benefit of Declarant may be transferred to any person or entity by an instrument describing the rights transferred and recorded in the County of Larimer, State of Colorado. Such instrument shall be executed by the Declarant and the transferee.

## ARTICLE XI RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY

SECTION 11.01 Use and Occupancy Restriction. Subject to the Development Rights and Special Declarant Rights reserved by the Declarant, the following use restrictions shall apply to all Lots and to the Common Elements:

- (a) Each Lot shall be used for single family residential purposes only, and no trade or business of any kind may be carried on thereon except that a professional or home occupation, if permitted by applicable zoning restrictions and if not outwardly visible, shall be allowed. Lease or rental of a Lot for residential purposes shall not be considered to be a violation of this covenant.
- (b) Owners shall be prohibited from leasing their Lots for a term of less than one (1) month or leasing less than all of a Lot; provided, however, that these prohibitions shall not apply to leases of Lots by a mortgagee in possession of a Lot following a default in a first mortgage, a foreclosure proceeding, or any deed to a mortgagee in lieu of foreclosure. All leases shall be in writing and all leases shall incorporate by reference and be subject to the provisions of this Declaration, the By-Laws and the Rules and Regulations of the Association.

SECTION 11.02 Use of Common Elements. There shall be no obstruction of the Common Elements, nor shall anything be stored on any part of the Common Elements without the prior written consent of the Executive Board of the Association, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from the Common Elements except on the prior written consent of the Executive Board of the Association. No damage to or waste of the Common Elements or any part thereof which would be in violation of any statute, rule, ordinance, regulation, permit, or other validly imposed requirement of any governmental body shall be committed by any Owner, or any invitee of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him and his invitees; provided, however, that any invitee of the Declarant shall not, under any circumstances, be deemed to be an invitee of any other Owner. No noxious, destructive, or offensive activities shall be carried on in any Lot or in the Common Elements or any part thereof, nor shall anything be done therein which may be or may become an annoyance or nuisance to any Owner or any person at any time lawfully residing in any Lot.

SECTION 11.03 Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept within the Planned Community except that a reasonable number of dogs, cats or other household pets may be kept on a Lot but not upon the Common Elements, subject to the Rules

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and Regulations as may be adopted and amended from time to time by the Association. The Association may, under its power to promulgate Rules and Regulations, require any Owner of a dog or cat or other allowable pet to pay an extra amount per month as part of that Owner's assessment pursuant to Section 6.07 hereof to defray any possible costs of damage or litter to the Common Elements caused by any such animal.

- (a) In the event any dog, cat or other household pet shall constitute a nuisance or inconvenience to an Owner or resident of any Lot, then the Executive Board shall have the right to direct that the animal or animals be permanently removed from the Planned Community after the Owner has been provided notice and a hearing on said issue before the Executive Board.
- (b) Dogs, cats and other household animals shall not litter any portion of the Common Elements. It shall be the duty of the Association to keep the Common Elements free from litter caused by pets. The Owner of pets known to be at large shall be properly assessed by the Executive Board for clean up expenses incurred, together with the cost of collection and enforcement thereof, including reasonable attorney's fees, and the same shall be assessed as an individual assessment against the Owner of any such pet causing such litter in accordance with Section 6.07 hereof.
- (c) Dogs, cats or other household pets shall not be allowed to run at large within the Planned Community or any part thereof, but shall at all times be restrained on a leash while such animal is outside an Owner's Lot. It shall be the duty of the Association, or its representatives, to notify the City Dog Warden of pets found at large within the Planned Community in violation of any applicable City Ordinances.

SECTION 11.04 Rules and Regulations. No Owner shall violate the Rules and Regulations for the use of the Lots and of the Common Elements as may be adopted from time to time by the Association.

SECTION 11.05 Unsightliness. Each Lot Owner shall be responsible for his or her own trash removal and for payment thereof, and each Lot shall at all times be kept in a clean, sightly and healthy condition. No trash, litter, junk, boxes, containers, bottles, cans, implements, machinery, lumber or other building materials shall be permitted to remain exposed upon any Lot so as to be visible from any neighboring Lot or from any street, except as may be reasonably necessary during the period of construction. The Executive Board shall have the right and duty, through its agents and employees, upon 30 days written notice to the Owner thereof, and after hearing before the Executive Board, to enter upon any Lot and remove such unsightly objects and materials. The cost of removal shall be chargeable to such Owner by an individual assessment in accordance with Section 6.07 hereof.

SECTION 11.06 Nuisances. No noxious or offensive activity shall be carried on upon any Lot or any part of the Planned Community, nor shall anything be done or maintained thereon which shall become an annoyance or nuisance to any other Lot Owner or residence or detract from the value of the Planned Community as an attractive residential community. Habitually barking, howling or yelping dogs and cats and unremoved excrement therefrom shall be deemed to be a nuisance. No activity shall be conducted on any part of the Planned Community which is or might be unsafe, unsightly, unhealthy or hazardous to any person.

SECTION 11.07 Restriction on Parking and Garages.

- (a) No outside part of a Lot shall be used as a parking, storage, display or accommodation area for any type of house trailer, camping trailer, boat trailer, hauling trailer, boat or other recreational vehicle or accessories thereto. All of such vehicles shall be stored, parked or maintained wholly within the garage or a Lot or outside of the Planned Community. All parking shall be subject to regulation and restriction by the Association, and the Association is hereby granted the full power and authority to tow or cause to be towed any vehicle from the Planned Community which is in violation of any of the rules and regulations adopted by the Association.

- 14.
- (b) The garage for each Lot shall be used primarily for the storage of vehicles. Vehicles shall not be allowed to remain parked in a driveway overnight, but shall be stored inside the garage on each Lot. Garages may not be converted to living space or other use which would prohibit the temporary or permanent storage of an Owner's vehicle or vehicles therein.

SECTION 11.08 Signs. No sign or advertising of any character except for those of the Declarant and its sales agents shall be erected, placed, permitted or maintained on any Lot, except that "For Sale" or "For Rent" signs not exceeding the size permitted in a residential area by the City of Ft. Collins, Colorado, shall be allowed.

SECTION 11.09 No Masts, Antennas or Dishes. All exterior aerial masts and radio antennas shall be prohibited. Direct broadcast service (DBS), and multi-channel - multipoint distribution service (MMDS), satellite dishes, less than one meter in diameter, as well as traditional television antennas, subject to the restrictions set forth below, shall be allowed after appropriate review and approval of the location and screening of such devices by the Architectural Control Committee as set forth in Article VII hereof. In the event an Owner of a Lot requests the installation of a television antenna outside of the Lot, rather than within the attic of a Lot, the Owner must first demonstrate to the satisfaction of the Architectural Control Committee that adequate television reception from an interior television antenna cannot be obtained.

## **ARTICLE XII EASEMENTS AND LICENSE**

SECTION 12.01 Recording Data. All easements and licenses to which the Planned Community is presently subject are recited in Exhibit B. In addition, the Planned Community may be subject to other easements and licenses granted pursuant to Article III, Sections 3.06 and 3.07, Article V, Section 5.04(b) and Article IX, Section 9.07 of this Declaration.

## **ARTICLE XIII INSURANCE**

SECTION 13.01 Insurance Requirements Generally.

(a) The Association shall obtain and maintain in full force and effect at all times the following insurance coverages provided by companies licensed to do business within the State of Colorado covering the risks set forth below. The provisions of this Article shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverages in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Association may deem appropriate from time to time.

(b) The Association shall not obtain any policies where (1) under the terms of the insurance company's charter, bylaws or policy, contributions or assessments may be made against the Association, Lot Owner, first mortgagee or such first mortgagee's successors and assigns; (2) by the terms of the carrier's charter, bylaws or policies, loss payments are contingent upon action by the carrier's board of directors, policy holders or members; or (3) the policy includes any limiting clauses (other than insurance conditions) which could prevent Lot Owners or first mortgagees, their successors and assigns, from collecting insurance proceeds.

(c) The policies of insurance shall include the following provisions:

- (1) Provide for a waiver of subrogation by the insurer as to claims against the Association, its directors, officers, employees, agents, members and all Lot Owners.
- (2) Provide that the insurance cannot be cancelled, invalidated or suspended on account of the conduct of the Association, its officers, directors, employees, agents or members.

- 15.
- (3) Provide that the policy of insurance shall not be terminated, cancelled or substantially modified by either the insured or the insurance company without at least 30 days' prior written notice being given to the Association.

(d) Any insurance policy may contain such deductible provisions as the Association shall determine to be consistent with good business practices and which shall be consistent with the requirements of any first mortgagee. Any loss falling within the deductible portion of the policy shall be borne by the party suffering the loss.

(e) Insurance purchased in accordance with this Article shall be Inflation Coverage Insurance and shall contain an "Agreed Amount Endorsement", if such insurance is available, which insurance shall at all times represent 100 percent of the replacement value based on the most recent appraisal of all insurable improvements, if any, in the Common Elements.

(f) The insurance provided herein shall be provided in blanket policy form with the Association as attorney-in-fact for all members as the named insured. The policy or policies shall identify the interest of each member and shall contain the standard non-contributory clause in favor of each first mortgagee, and the provision that it may not be cancelled or materially altered by either the insured or the insurance company until 30 days' prior written notice thereof is given to each member and each first mortgagee. The Association shall furnish a copy of such blanket policy, together with a certificate identifying the interest of the member, to any party in interest upon request.

SECTION 13.02 Casualty Insurance. The Association shall obtain and maintain at all times insurance coverage providing all risk coverage or the nearest equivalent available for the full replacement cost of the improvements, if any, on the Common Elements and personal property of the Association. If the Association has no insurable improvements or personal property, the Association need not obtain such insurance.

SECTION 13.03 Public Liability and Property Damage Insurance. The Association shall obtain and maintain comprehensive general liability insurance and personal injury liability coverage covering liabilities of the Association, its officers, directors, employees, agents and members arising in connection with the ownership, operation, maintenance, occupancy or use of the Common Elements and any other area the Association is required to restore, repair or maintain pursuant to this Declaration in amounts not less than \$300,000.00 per injury, per person, per occurrence and umbrella liability limits of \$1,000,000.00 per occurrence, covering all claims for bodily injury and/or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association and activities in connection with the ownership, operation, maintenance and other use of the Common Elements. Each policy shall include a "severability of interest" endorsement.

SECTION 13.04 Worker's Compensation Insurance and Employer's Liability Insurance. The Association shall obtain and maintain Worker's Compensation and Employer's Liability Insurance if necessary in order to comply with applicable Colorado laws.

SECTION 13.05 Fidelity Insurance. The Association shall obtain and maintain, to the extent reasonably available, Fidelity Insurance. Said insurance coverage shall not be less in aggregate than two months' current assessments, plus reserves, as calculated from the current budget of the Association. Any person or company employed by the Association to manage the Planned Community must obtain and maintain Fidelity Insurance in an amount not less than the amount specified above, unless the Association names the managing agent in a contract of Fidelity Insurance obtained by the Association as set forth herein. The Association may carry Fidelity Insurance in amounts greater than that required herein and may require a managing agent to carry more Fidelity Insurance than required herein. The premium for such Fidelity Insurance shall be a Common Expense.

SECTION 13.06 Directors' and Officers' Liability Insurance. To the extent it is available at a reasonable cost, the Association shall obtain and maintain adequate liability coverage to protect against any negligent act upon the part of the Executive Board or officers of the Association.

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**SECTION 13.07 Owner's Insurance.** Each Lot Owner shall be responsible to obtain and maintain adequate Homeowner's Insurance and such other insurance as each Owner deems appropriate to insure the residence constructed on each Owner's Lot and each Owner's personal property.

**SECTION 13.08 Annual Review of Policies.** All insurance policies shall be reviewed at least annually by the Executive Board in order to ascertain whether the coverage contained in the policies is sufficient to meet the issuance needs as determined by the Executive Board and to make any necessary repairs or replacement of the property which may have been damaged or destroyed.

**ARTICLE XIV  
DESTRUCTION, DAMAGE, OBSOLESCENCE, CONDEMNATION,  
APPOINTMENT OF ASSOCIATION AS ATTORNEY-IN-FACT**

**SECTION 14.01 Condemnation of Common Elements.** In the event of a proceeding in condemnation or partial condemnation of the Common Elements by any governmental authority authorized to do so, the proceeds from such condemnation attributable to the Common Elements shall be distributed to the Association for repair of the Common Elements, if applicable, and any proceeds remaining shall be distributed to all members in the same proportion as the annual assessments for common expenses are assessed in accordance with Article VIII hereof, subject to the provisions of Section 14.02 below.

**SECTION 14.02 Lienholder.** When a condemnation occurs to the Common Elements within the Planned Community and an Owner's Lot is subject to an encumbrance, the proceeds due the Lot Owner by reason of such condemnation shall be paid to the Lot Owner and their first mortgagee as their interest may appear, and no Lot Owner or other party shall be entitled to priority over a first mortgagee with respect to any such distribution.

**ARTICLE XV  
DURATION, AMENDMENT TO OR REVOCATION OF DECLARATION**

**SECTION 15.01 Duration.** The covenants, restrictions and obligations of this Declaration shall run with and bind the real property subject hereto for a term of 20 years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of 10 years each.

**SECTION 15.02 Amendment.** Except as provided in Article IX and Article X for amendments necessary to construct Additional Improvements or Lots within the Planned Community as reserved by the Declarant, and except as provided in Section 15.03 below, this Declaration may be amended only upon the written consent of Owners representing an aggregate ownership interest of 75% or more of the Lots and 75% or more of the First Mortgagees of Lots within the Planned Community. The certificate of the Association that such consent has been given shall be duly recorded together with the Amendment. Provided, however, the unanimous consent of all Owners and all First Mortgagees of record shall be required for any amendment hereof effecting a change in:

- (a) The boundaries of any Lot;
- (b) The liability for common expenses appertaining to any Lot;
- (c) The number of membership interests or votes in the Association appertaining to any Lot; or
- (d) The fundamental purposes to which any Lot or the Common Elements are restricted.

**SECTION 15.03 Amendments to Conform to FHA, VA, FNMA, FHLMC or The Act.** Notwithstanding any provision in this Declaration to the contrary, during the Declarant Control Period, Declarant shall have the right to unilaterally amend this Declaration in order to comply with the requirements of the Federal Housing Administration, Veterans Administration, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation or the Act. Such amendment shall not require the vote or consent of the Owners in the Planned Community.



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SECTION 15.04 Revocation. This Declaration may be revoked and the Planned Community hereby established terminated only upon the written consent of Owners representing an aggregate ownership interest of 75% or more of the Lots and all of the First Mortgagees of record. The certificate of the Association that such consent has been given shall be duly recorded.

**ARTICLE XVI  
NOTIFICATION OF INSURERS OF FIRST MORTGAGES**

SECTION 16.01. Upon prior written request, any insurer of any first mortgage affecting any Lot shall be entitled to timely written notice from the Association of any proposed amendment to or revocation of or other termination of the Planned Community; any condemnation or eminent domain proceeding affecting the Planned Community of any thereof; any significant damage or destruction to the Common Elements; and any default under this Declaration or the By-Laws of the Association which gives rise to a cause of action against the Owner of a Lot to a mortgage insured by said insurer if not cured within sixty days.

**ARTICLE XVII  
MISCELLANEOUS**

SECTION 17.01 Compliance with Provisions of Declaration and By-Laws of the Association. Each Owner shall comply with the provisions of this Declaration, the Certificate of Incorporation and the By-Laws of the Association, and the decisions and resolutions of the Association adopted pursuant thereto as the same may be lawfully enacted or amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, maintainable by the Association on behalf of the Owners, or, in a proper case, by an aggrieved Owner.

SECTION 17.02 Registration of Mailing Address. Each Owner shall register the Owner's mailing address with the Association, and all notice or demands intended to be served upon any Owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notice or demands intended to be served upon the Association shall be given by registered or certified mail, postage prepaid, to the address of the Association as designated in the By-Laws of the Association. All notices or demands to be served on mortgagees pursuant hereto shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the mortgagee at such address as the mortgagee, insurer, or guarantor may have furnished to the Association in writing. Unless the mortgagee furnishes the Association such address, the mortgagee shall not be entitled to receive any of the notices provided for in this Declaration. Any notice referred to in this Section shall be deemed given when deposited in the United States mail in the form provided for in this Section.

SECTION 17.03 Owner's Obligations Continue. All obligations of the Owner under and by virtue of the provisions contained in this Declaration shall continue, notwithstanding that the Owner may have leased or rented said interest as provided herein, but the Owner of a Lot shall have no obligation for expenses or other obligations accruing after the Owner conveys such Lot.

SECTION 17.04 Number and Gender. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include both genders.

SECTION 17.05 Severability. If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase, or word or the application thereof in any circumstance shall be invalidated, such invalidity shall not affect the validity of the remainder of the Declaration, and the application of any such provision, paragraph, sentence, clause, phrase, or word in any other circumstance shall not be affected thereby.

This Declaration is executed this 25<sup>th</sup> day of March, 1998.

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Declarant:

James Construction Company, Inc.

Attest:

Carolyn B. Bradley  
Carolyn B. Bradley, Secretary

James G. Postle  
James G. Postle, President

State of Colorado )ss.  
County of Boulder)

Subscribed, sworn to and acknowledged before me this 25 day of March,  
1998, by James G. Postle as President and Carolyn B. Bradley, as Secretary of James  
Construction Company, Inc., a Colorado Corporation.

Witness my hand and official seal.

My Commission Expires: 9/22/01

Marilyn B. Bishop  
Notary Public



1a

EXHIBIT A

Legal Description

Lots 1 through 57, Block 1, Stanton Creek Subdivision, First Filing, County of Larimer, State of Colorado.

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EXHIBIT B

Easements

Those easements created in this Declaration, including, but not being limited to, those set forth in Article III, Sections 3.05, 3.06, 3.07 and 3.08; Article V, Section 5.04(b) and in Article IX, Section 9.07.

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EXHIBIT C

Additional Real Property Which May be Annexed to the Planned Community

A TRACT OF LAND LOCATED IN THE NORTHWEST ONE-QUARTER OF SECTION 18, TOWNSHIP 6 NORTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF FORT COLLINS, COUNTY OF LARIMER, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE NORTH LINE OF THE NORTHWEST ONE-QUARTER OF SECTION 18, TOWNSHIP 6 NORTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, BEING MONUMENTED AT THE NORTHWEST CORNER BY A 3-1/4" ALUMINUM CAP STAMPED "LS 12374" IN A RANGE BOX AND AT THE NORTH ONE-QUARTER CORNER BY A 2" ALUMINUM CAP STAMPED "LS 25372" ON A #6 REBAR IN A RANGE BOX WITH A LINE BETWEEN ASSUMED TO BEAR N89°52'20"E.

COMMENCING AT THE NORTHWEST CORNER OF THE SAID SECTION 18; THENCE ALONG THE NORTH LINE OF THE SAID NORTHWEST ONE-QUARTER OF SECTION 18, N89°52'20"E A DISTANCE OF 568.01 FEET; THENCE LEAVING THE SAID NORTH LINE, S00°07'40"E A DISTANCE OF 50.00 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF TRILBY ROAD, AS DESCRIBED IN A DEED OF EASEMENT DATED JUNE 5, 1986, AND RECORDED AT RECEPTION NO. 86028301, RECORDS OF THE SAID CLERK AND RECORDER, AND TO THE TRUE POINT OF BEGINNING; THENCE N89°52'20"E ALONG THE SAID SOUTH RIGHT-OF-WAY LINE AND ITS EASTERLY PROLONGATION, THE SAID PROLONGATED LINE BEING 50.00 FEET (MEASURED AT RIGHT ANGLES) SOUTH OF AND PARALLEL WITH THE SAID NORTH LINE OF THE NORTHWEST ONE-QUARTER, DISTANCE OF 1090.09 FEET; THENCE LEAVING THE SAID PROLONGATED LINE, S08°19'17"E A DISTANCE OF 397.35 FEET; THENCE S10°56'13"E A DISTANCE OF 781.23 FEET; THENCE S15°46'58"W A DISTANCE OF 396.72 FEET; THENCE S13°44'17"W A DISTANCE OF 139.74 FEET; THENCE S39°53'01"W A DISTANCE OF 222.71 FEET; THENCE S04°47'31"W A DISTANCE OF 214.73 FEET; THENCE S04°44'56"E A DISTANCE OF 494.49 FEET TO THE SOUTH LINE OF THE SAID NORTHWEST ONE-QUARTER OF SECTION 18; THENCE N89°22'23"W ALONG THE SAID SOUTH LINE, A DISTANCE OF 1801.42 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF SOUTH LEMAY AVENUE AS DESCRIBED IN THE SAID DEED OF EASEMENT RECORDED AT RECEPTION NO. 86028301; THENCE ALONG THE SAID EASTERLY RIGHT-OF-WAY THE FOLLOWING FIVE (5) COURSES AND DISTANCES,

1. N00°55'49"E A DISTANCE OF 105.31 FEET (RECORDED AS 105.57 FEET);
2. ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 20.00 FEET, A CENTRAL ANGLE OF 90°00'00" AND AN ARC LENGTH OF 31.42 FEET, BEING SUBTENDED BY A CHORD OF N45°55'49"E A DISTANCE OF 28.28 FEET;
3. N00°55'49"E A DISTANCE OF 80.00 FEET;
4. ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 20.00 FEET, A CENTRAL ANGLE OF 90°00'00" AND AN ARC LENGTH OF 31.42 FEET, BEING SUBTENDED BY A CHORD OF N44°04'11"W A DISTANCE OF 28.28 FEET;
5. N00°55'49"E A DISTANCE OF 91.30 FEET;

THENCE, DEPARTING SAID EASTERLY RIGHT OF WAY, S89°04'11" E A DISTANCE OF 87.50 FEET; THENCE N00°55'49"W A DISTANCE OF 60.00 FEET; THENCE S89°04'11"E A DISTANCE OF 128.28 FEET TO A POINT ON A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 05°25'37", A RADIUS OF 100.00 FEET, AN ARC LENGTH OF 9.47 FEET, THE CHORD OF WHICH BEARS N86°13'01"E A DISTANCE OF 9.47 FEET; THENCE N85°30'12"E A DISTANCE OF 23.93 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 85°25'37", A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 24.98 FEET, THE CHORD OF WHICH BEARS S48°48'56"E A DISTANCE OF 22.19 FEET; THENCE S89°04'11"E A DISTANCE OF 81.00 FEET; THENCE S00°55'49"W A DISTANCE OF 8.72 FEET TO A NON-TANGENT POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 90°00'00", A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 23.56 FEET, THE CHORD OF WHICH BEARS N45°55'49"E A DISTANCE OF 21.21 FEET; THENCE S89°04'11"E A DISTANCE OF 188.57 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 56°04'22", A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 14.88 FEET, THE CHORD OF WHICH BEARS S81°02'00"E A DISTANCE OF 14.10 FEET TO A POINT ON A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 27°58'41", A RADIUS OF 71.00 FEET, AN ARC LENGTH OF 34.87 FEET, THE CHORD OF WHICH BEARS S48°59'10"E A DISTANCE OF 34.33 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 61°54'19", A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 16.21 FEET, THE CHORD OF WHICH BEARS S30°01'21"E A DISTANCE OF 15.43 FEET; THENCE S00°55'49"W A DISTANCE OF 2.71 FEET; THENCE S89°04'11"E A DISTANCE OF 51.00 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 119°04'11", A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 31.17 FEET, THE CHORD OF WHICH BEARS N80°27'54"E A DISTANCE OF 25.86 FEET; THENCE S80°00'00"E A DISTANCE OF 379.84 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 55°15'58", A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 14.47 FEET, THE CHORD OF WHICH BEARS S32°22'01"E A DISTANCE OF 13.91 FEET TO A POINT ON A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 49°38'06", A RADIUS OF 71.00 FEET, AN ARC LENGTH OF 61.47 FEET, THE CHORD OF WHICH BEARS S29°32'08"E A DISTANCE OF 59.56 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 55°15'58", A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 14.47 FEET, THE CHORD OF WHICH BEARS S28°42'10"E A DISTANCE OF 13.91 FEET; THENCE S89°04'11"E A DISTANCE OF 88.00 FEET TO A NON-TANGENT POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 55°15'58", A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 14.47 FEET, THE CHORD OF WHICH BEARS N28°33'48"E A DISTANCE OF 13.91 FEET TO A POINT ON A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 88°06'08", A RADIUS OF 71.00 FEET, AN ARC LENGTH OF 109.17 FEET, THE CHORD OF WHICH BEARS N12°08'44"E A DISTANCE OF 98.73 FEET TO A POINT ON A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 172°02'28", A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 4.54 FEET, THE CHORD OF WHICH BEARS N23°14'05"W A DISTANCE OF 4.52 FEET; THENCE S80°00'00"E A DISTANCE OF 95.69 FEET; THENCE N30°00'00"E A DISTANCE OF 245.00 FEET; THENCE N30°00'00"E A DISTANCE OF 51.00 FEET; THENCE N80°00'00"E A DISTANCE OF 116.05 FEET; THENCE N30°00'00"E A DISTANCE OF 203.00 FEET; THENCE S80°00'00"E A DISTANCE OF 25.19 FEET; THENCE N30°00'00"E A DISTANCE OF 154.00 FEET; THENCE N80°00'00"W A DISTANCE OF 275.00 FEET; THENCE N54°40'08"W A DISTANCE OF 20.09 FEET; THENCE N58°28'19"W A DISTANCE OF 341.34 FEET; THENCE N89°04'11"W A DISTANCE OF 143.22 FEET; THENCE N00°55'49"E A DISTANCE OF 144.53 FEET; THENCE S43°53'24"W A DISTANCE OF 108.40 FEET; THENCE N89°04'11"W A DISTANCE OF 200.49 FEET; THENCE N12°28'38"W A DISTANCE OF 244.33 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE HAVING A DELTA OF 121°7'58", A RADIUS OF 211.50 FEET, AN ARC LENGTH OF 45.40 FEET, THE CHORD OF WHICH BEARS N06°18'39"W A DISTANCE OF 45.31 FEET; THENCE N00°07'40"W A DISTANCE OF 155.20 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE HAVING A DELTA OF 90°00'00", A RADIUS OF 20.00 FEET, AN ARC LENGTH OF 31.42 FEET, THE CHORD OF WHICH BEARS N44°52'20"E A DISTANCE OF 28.28 FEET; THENCE N00°07'40"W A DISTANCE OF 7.50 FEET TO THE POINT OF BEGINNING.

CONTAINING A NET CALCULATED AREA OF 2,851,559.17 SQUARE FEET OR 65.463 ACRES.

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 18; THENCE N89°52'20"E ALONG SAID NORTH LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 18 A DISTANCE OF 491.01 FEET; THENCE S00°07'40"E A DISTANCE OF 50.00 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF TRILBY ROAD, SAID POINT BEING THE POINT OF BEGINNING; THENCE S 00°07'40" E A DISTANCE OF 7.50 FEET TO A NON-TANGENT POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE HAVING A DELTA OF 90°00'00", A RADIUS OF 20.00 FEET, AN ARC LENGTH OF 31.42 FEET, THE CHORD OF WHICH BEARS S 45°07'40" E A DISTANCE OF 28.28 FEET; THENCE S00°07'40"E A DISTANCE OF 185.20 FEET TO A POINT ON A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE HAVING A DELTA OF 121°7'58", A RADIUS OF 211.50 FEET, AN ARC LENGTH OF 57.64 FEET, THE CHORD OF WHICH BEARS S 06°18'39" E A DISTANCE OF 57.53 FEET; THENCE S 12°25'38" E A DISTANCE OF 92.21 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 90°00'00", A RADIUS OF 15.00 FEET, AN ARC LENGTH OF 23.56 FEET, THE CHORD OF WHICH BEARS S 32°34'22" W A DISTANCE OF 21.21 FEET; THENCE S 77°34'22" W A DISTANCE OF 10.94 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 13°21'27", A RADIUS OF 214.50 FEET, AN ARC LENGTH OF 50.01 FEET, THE CHORD OF WHICH BEARS S 84°15'06" W A DISTANCE OF 49.89 FEET; THENCE N 89°04'11" W A DISTANCE OF 175.58 FEET; THENCE S 00°55'49" W A DISTANCE OF 314.00 FEET TO A POINT ON A CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 07°09'13", A RADIUS OF 285.50, AN ARC LENGTH OF 33.15 FEET, THE CHORD OF WHICH BEARS S 02°38'47" E A DISTANCE OF 33.13 FEET; THENCE S 08°15'24" E A DISTANCE OF 115.88 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 07°09'13", A RADIUS OF 214.50 FEET, AN ARC LENGTH OF 28.78 FEET; THENCE S 02°38'47" E A DISTANCE OF 28.78 FEET; THENCE S 00°55'49" W A DISTANCE OF 147.16 FEET; THENCE N 89°04'11" W A DISTANCE OF 78.00 FEET; THENCE S 00°55'49" W A DISTANCE OF 99.24 FEET; THENCE S 42°41'12" W A DISTANCE OF 28.23 FEET; THENCE N 89°04'11" W A DISTANCE OF 170.86 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF LEMAY AVENUE; THENCE N 00°55'49" E ALONG SAID EASTERLY RIGHT-OF-WAY LINE A DISTANCE OF 1083.89 FEET TO A POINT ON A CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE, HAVING A DELTA OF 88°58'31", A RADIUS OF 20.00 FEET, AN ARC LENGTH OF 31.05 FEET, THE CHORD OF WHICH BEARS N 45°24'03" E A DISTANCE OF 28.02 FEET; THENCE N89°52'20"E A DISTANCE OF 422.35 FEET TO THE POINT OF BEGINNING.

CONTAINING A NET CALCULATED AREA OF 348,232.45 SQ.FT. OR 8.017 ACRES.