

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

THOUSAND PEAKS RANCH

This Declaration of Covenants, Conditions and Restrictions ("Declaration") is made this 1st day of December 1985, by CRIPPLE CREEK ACCEPTANCE CORPORATION, A Colorado Corporation ("Declarant"), being the legal owner of the following describe premises, situated within the County of Park, Colorado to-wit:

See Exhibit "A" attached hereto and incorporated herein by this reference.

The Declarant has subdivided or intends to subdivide all of the Property and to sell parcels therein ("Parcels") subject to certain protective restrictions, conditions, limitations, reservations and covenants ("Protective Restrictions") in order to insure the most beneficial development of the Property.

NOW, THEREFORE, the Declarant hereby declares that Protective Restrictions are imposed on the Property as follows:

1. **BINDING EFFECT:** The Declarant intends that from and after the date of recordation of this Declaration, all of Property shall be subject to the provisions of this Declaration and the provisions of the Declaration shall run with, bind and burden the Property. All conveyances of the Property or any Parcel thereof, shall be subject to this Declaration from and after the date of recordation, all provisions thereof shall be binding upon each owner of any Parcel of the Property, his heirs, executors, administrators, successors and assigns, and by accepting deeds to any Parcel of the Property, the owners thereof for themselves and their heirs, executors, administrators, successors and assigns, agree that they shall be personally bound by all provisions of this Declaration.

2. **ZONING RESTRICTIONS:** All Parcels of the Property shall be governed by the rules and regulations imposed by the appropriate County Planning and Zoning Department. Any and all improvements and structures placed on any parcel and development of any Parcel must adhere to such zoning requirements.

3. **NUISANCES:** No noxious or offensive activity shall be carried on upon any Parcel nor shall anything be done thereon which may be or may become an annoyance or detriment to other Parcels.

4. **LIVESTOCK AND POULTRY:** If any animals, livestock or poultry of any kind are raised, bred or kept on any Parcel, said Parcel must be fenced so that no animals, livestock or poultry will encroach onto any other Parcel within the Property. The Declarant or its assigns reserves the right to graze cattle on Parcels within the Property, unless the owner thereof installs fencing around such Parcel.

5. **GARBAGE AND REFUSE DISPOSAL:** No Parcel shall be used or maintained as a dumping ground for rubbish. Trash, garbage and other waste shall not be kept, except in sanitary containers. Approved incinerators or other equipment for the storage or disposal of such material shall be kept in a clean, dry and sanitary condition. No outside rubbish burners shall be allowed. Individual owners must haul garbage off their Parcel within a reasonable time or use a privately owned garbage pickup service which is available in the area of the Property.

6. JUNK: No Parcel shall be used or maintained as a junkyard or for storing or merchandising of material classified as junk.

7. RESUBDIVIDING: None of the Parcels shall be resubdivided into smaller lots or parcels nor conveyed or encumbered in less than the full original dimensions of such Parcels as shown by the recorded Plat referenced above unless and until the purchase price of said Parcel has been paid in full to the Declarant or its successors or assigns, and then only in compliance with the rules and regulations of the appropriate county and the State of Colorado.

8. ACCESS: Under no circumstances shall any owner of any Parcel build or cause to be built a fence eliminating access to the easements for utilities and roadways.

9. SEWAGE DISPOSAL: Pending availability of sewers, sewage disposal shall be affected by means of individual septic tanks. All septic tanks and disposal fields must be approved by the appropriate County Department of Health.

10. DRAINAGE: under no circumstances shall any owner of any Parcel be permitted to deliberately alter the topographic conditions of said owner's Parcel in any way that would permit additional quantities of water from any source , other than what nature originally intended, to flow from said owners Parcel into any adjoining Parcel or public right of way. EXCEPTION: The subdivision may find it necessary from time to time to alter the natural drainage of the roads so that the road systems would not be damaged by excessive water.

11. TITLE SUBJECT TO RESTRICTIONS: Nothing contained in this declaration shall impair or defeat the lien of any Agreement, Mortgage or Deed of Trust made in good faith and for value, but title to any Parcel obtained through sale in satisfaction of any Agreement, Mortgage or Deed of Trust shall thereafter be held subject to all provisions of this Declaration.

12. MEMBERSHIP IN THOUSAND PEAKS RANCH ASSOCIATION:

Section 1. An Owner of a Parcel shall automatically become a member of the Thousand Peaks Ranch Association ("Association") and shall remain a member of the Association until such time as his ownership ceases for any reason, at which time his membership in said Association shall automatically cease. Ownership of a Parcel shall be the sole qualification and criteria for membership.

Section 2. The Association shall have two classes of voting membership, as follows:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Parcel owned. When more than one person holds an interest in any Parcel, all such persons shall be members. The vote for such Parcels shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Parcel.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to four (4) votes for each Parcel owned or contemplated to be created and annexed to this project and to the Association pursuant to the Declaration. The Class B membership shall cease and be converted to a Class A membership when the number of votes in each class are equal.

13. CREATION OF THE MAINTENANCE ASSESSMENTS: The Declarant, for each Parcel owned within the Properties, hereby covenants, and each Owner of any Parcel by acquiring an ownership interest therein, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges of a maximum of \$100.00 commencing January 1, 1986, as established by the Board of Directors. Such assessment to be established and collected as provided herein. In the event a Parcel has not been sold by Declarant on or before January 1, 1986, the assessment as to the Parcel shall not commence until its first conveyance by Declarant.

The annual and special assessments, together with interest, cost of collection and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Parcel against which each such assessment is made. Each such assessment, together with interest, cost of collection and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Parcel at the time when the assessment fell due. The personal obligation for the delinquent assessment shall not pass to his successors in title unless expressly assumed by them.

14. PURPOSE OF ASSESSMENTS: The assessments levied by the Association shall be used exclusively to promote the health, safety and general welfare of the residents in the Properties and for maintenance of the roadways within the subdivision.

15. EFFECT OF NONPAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION: Any assessment not paid within thirty (30) days after the due date shall, at the election of the Association, pay a "late charge" in a sum to be determined by the Association. The Association may bring, without electing a remedy, any and all actions and seek any and all relief against the Owner personally obligated to pay the same, and/or to foreclose the lien against the Parcel in a like manner as a mortgage of real property. No owner may waive or otherwise escape liability for the assessments provided for hereby non-use of the roadways or abandonment of his Parcel. In any action taken against an Owner to collect delinquent assessments, the owner shall be obligated to pay all costs and attorneys' fees incurred by the Association.

16. SUBORDINATION OF THE LEIN TO MORTGAGES: The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Parcel shall not affect the assessment lien. However, the sale or transfer of any Parcel pursuant to mortgage foreclosure, deed of trust sale, or any proceeding in lieu thereof, shall extinguish the lean of such assessments as to payments which become do prior to such sale or transfer. No sale or transfer shall relieve such Parcel from liability for any assessments thereafter becoming due or from the lien thereon.

17. DURATION; AMENDMENT: The Protective Restrictions shall be binding on all Parcels of the Property and the owners therefore for a period of 25 years from the date of the original recording hereof, at which time said Protective Restrictions shall automatically become renewed for an additional period of 25 years. Provided, however, that these Protective Restrictions may be amended by written agreement of record owners of 75% or more of the Parcels, at any time, if such amendments are recorded in the appropriate county recorder's office.

18. ENFORCEMENT: Each and all of the Protective Restrictions shall be enforceable by injunction or by other causes of action available to any owner of a Parcel, or to the Declarant or its successors and assigns. Invalidation of any Protective Restriction by judgment or court order shall in no way affect any other Protective Restriction, and all other Protective Restrictions shall remain unmodified, in full force and effect.

19. ATTORNEYS FEES: In the event that any legal action is brought in order to enforce any of the Protective Restrictions, the party prevailing in such action shall be paid by the nonprevailing party all costs and attorney's fees incurred in such action.

Dated this 1st day of December, 1985.

CRIPPLE CREEK ACCEPTANCE CORP
A Colorado Corporation
By (signed) T.J. O'Reilly
Its Secretary

(Notarized and notary mark, Dated December 1, 1985, T.J. O'Reilly signed as authorized officer. Notary Witness and official seal of Cindy A. Sanders)