

**DECLARATION OF
COVENANTS CONDITIONS AND RESTRICTIONS
FOR
SUMMIT PARK ENCLAVE -**

RICHARDSON HOMES, INC., a Colorado corporation, (the "Declarant"), as the owner of certain real property subject to this Declaration located in Arapahoe County, Colorado and more particularly described on Exhibit A, attached hereto and incorporated herein by this reference (the "Properties"), which Properties consist of 21 individual Tracts to be sold, and related Common Area and Common Area Improvements as set forth on Plat(s) recorded or to be recorded, hereby makes the following grants, submissions, and declarations:

RECITALS

Declarant desires to provide for the preservation and enhancement of property values, and opportunities in the Properties, contributing to the personal and general health, safety and welfare of residents and for the maintenance of the Common Area and Improvements, and to this end desires to create a planned community under the authority of and in compliance with the Colorado Common Interest Ownership Act, C.R.S. Sec. 38-33.3-101, et seq. (the "Act"), and for that purpose, Declarant desires to subject the Properties, together with such additions as may hereafter be made thereto, to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Properties and each Owner thereof.

DECLARATION

NOW, THEREFORE, Declarant declares that the Properties and such additions as may hereafter be made are and shall be held, transferred sold, conveyed and occupied subject to the following uniform covenants, conditions, restrictions, easements, charges and liens which are for the purpose of protecting the value and desirability of and which shall run with the real property and be binding on all persons having or acquiring any right, title or interest in the Properties or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of, be binding upon, and be enforceable by Declarant, its successors in interest, each Owner and the Owner's successors in interest, and the Summit Park Enclave Homeowner's Association, Inc., and its successors in interest.

I. DEFINITIONS

The following terms shall have the following meanings when used, unless the context otherwise requires:

1.1 Association. "Association" shall mean and include Summit Park Enclave Homeowner's Association, Inc., a Colorado nonprofit corporation, its successors and assigns.

1.2 Board of Directors. "Board of Directors" or "Board" shall mean and include the governing body of the Association as provided in this Declaration, the Articles of Incorporation and the By-Laws thereof.

1.3 Building. "Building" shall mean and include any building constructed on the Properties.

1.4 Common Area. "Common Area" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Tract is described in Exhibit B.

1.5 Common Area Improvements. "Common Area Improvements" shall mean and refer to any and all improvements located in, under, or upon the Common Area, as originally developed and constructed by Declarant or as later added by the Association, which Common Area Improvements may include perimeter fences, all as may be located upon the Common Area described herein.

1.6 Common Expense. "Common Expense" shall mean and refer to:

1.6.1 Expenses of administration, operation or management, repair, maintenance or replacement of the Common Areas of the Project;

1.6.2 Expenses declared Common Expenses by the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association;

1.6.3 All sums lawfully assessed against the Tracts by the Board of Directors of the Association;

1.6.4 Expenses determined to be Common Expenses by the Association;

1.6.5 Expenses as are provided in any management agreement applicable to the Properties; and

1.7 Summit Park. "Summit Park" shall mean the Project and the Properties as defined in Section 1.18 below.

1.8 Declarant. "Declarant" shall mean and include Richardson Homes, Inc., a Colorado corporation, its successors and assigns, if such successors and assigns should acquire all Tracts owned by Declarant for the purpose of development and sale and a notice of assignment of Declarant's rights hereunder is recorded in the records of the Office of the Clerk and Recorder of Arapahoe County, Colorado, specifying the assignee of Declarant's rights.

1.9 Declaration. "Declaration" shall mean and include this instrument together with any and all supplements and/or amendments hereto recorded in the records of the Office of the Clerk and Recorder of Arapahoe County, Colorado.

1.10 Dwelling Unit. "Dwelling Unit" shall mean and refer to the improvements located upon any Tract built for single family occupancy as a residence which are constructed on or after the date on which this Declaration is effective within the meaning of C.R.S. Sec. 38-33.3-101, *et seq.*

1.11 First Mortgage. "First Mortgage" shall mean and refer to any unpaid and outstanding mortgage, deed of trust or other security instrument recorded in the records of the Office of the Clerk and Recorder of Arapahoe County, Colorado, encumbering any Tract 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). "First Mortgage" shall also mean and refer to any executory land sales contract wherein the Administrator of Veterans Affairs, an Officer of the United States of America, is the seller, whether such contract is recorded or not, and whether such contract is owned by the Administrator or has been assigned by the Administrator and is owned by the Administrator's assignee, or a remote assignee, and the land records in the Office of the Clerk and Recorder of Arapahoe County, Colorado show the Administrator as having the record title to the Tract.

1.12 First Mortgagee. "First Mortgagee" shall mean and include the holder or beneficiary of any recorded First Mortgage.

1.13 Improvement. "Improvement" shall mean and refer to any Dwelling Unit, building, garage, out-building, structure, fixture, landscaping, site grading, driveway, sidewalk, drainage channel, culvert, roadway, fence, wall, deck, patio, shed, swimming pool, or pond, located on any part of the Project or Properties, including, but not limited to, buildings, structures or fixture located on the Properties or any Tract prior to the recording and effective dates of this Declaration.

1.14 Member. "Member" shall mean and refer to those persons entitled to membership in the Association. "Member" and "Owner" (as hereinafter defined) may be used interchangeably herein, unless the context provides otherwise.

1.15 Mortgage. "Mortgage" shall mean and include any recorded mortgage, deed of trust or other security instrument by which a Tract or any part thereof is encumbered.

1.16 Mortgagee. "Mortgagee" shall mean and include a beneficiary under a Mortgage.

1.17 Owner. "Owner" shall mean and include any person or entity, including the Declarant, at any time owning a Tract. The term "Owner" shall not refer to any Mortgagee as herein defined, unless such Mortgagee has acquired title pursuant to foreclosure, or any proceeding in lieu of foreclosure. The terms "Owner" and "Member" (as hereinabove defined) may be used interchangeably herein, unless the context provided otherwise.

1.18 Properties and Project. "Properties" and "Project" shall mean and refer to that certain real property described on Exhibit A, and any additions thereto pursuant to Article XIII hereof. The Project shall be a "planned community" for purposes of C.R.S. Sec. 38-33.3-101, *et. seq.*, as the Act exists on the date on which this Declaration is recorded in the records of the office of the Clerk and Recorder of Arapahoe County, Colorado.

1.19 Plat. "Plat" shall mean and refer to the various Plat(s) within the Properties which are prepared in accordance with C.R.S. Sec. 38-33.3-209, which Plat(s) shall include a survey of the Properties, the Tracts and the Common Area, and shall have been properly recorded in the records of the Office of the Clerk and Recorder of Arapahoe County, Colorado.

1.20 Supplementary Declaration. "Supplementary Declaration" shall mean any Declaration of Covenants, Condition, or Restrictions which may be recorded on a portion of the Property which is in addition to this Declaration and contains covenants, conditions, and restrictions, in addition to those set forth herein applicable only to that portion of the Property.

1.21 Tract. "Tract" shall mean and refer to any plot of land shown upon any recorded Plat(s) of the Properties, with the exception of the Common Area. A Tract shall be a "unit" in Summit Park Enclave for purposes of C.R.S. Sec. 38-33.3-101, *et. seq.*

1.22 Tract Improvement. "Tract Improvement" shall mean and refer to any improvements located upon a Tract in addition to a Dwelling Unit, as above defined, as

such improvements were originally installed by the Declarant or later approved for installation by the Association and intended for use in connection with the ownership of such Tract.

II. PROPERTY RIGHTS

2.1 Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Tract, subject to the following provisions:

2.1.1 The right of the Association to suspend the voting rights and right to use of any Common Area and Common Area Improvements by a Member for any period during which any assessment against the Member's Tract remains unpaid, and for a period not to exceed 60 days for any and each infraction of its published Rules and Regulations;

2.1.2 The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by sixty-seven (67%) of the membership (excluding the Declarant) agreeing to such dedication or transfer has been recorded; and

2.1.3 The right of the Association, in accordance with this Declaration its Articles of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Area or the existing Common Area Improvements.

2.2 Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, the Owner's right of enjoyment to the Common Area, and Common Area Improvements to the members of the Owner's family, the Owner's tenants, invitees, or contract purchasers who reside on the Properties.

2.3 Common Area and Improvements Thereon. Declarant hereby covenants for itself, its successors and assigns, that upon recordation of this Declaration, it will convey the Common Area and Common Area Improvements to the Association reserving for itself an easement for ingress and egress to the Tracts, and for the installation and maintenance of utilities, water and sewer service (if developed by Declarant, the Association or any governmental authority), telephone service, cable television service and the like. Prior to the conveyance of any Tracts included in additional lands, a perpetual easement for the use of any Common Areas or Common Area Improvements (for the purposes described herein and for such other purposes as may be set forth in such easement) added to the Properties at a later time as provided elsewhere herein shall be transferred to the Association.

III. EASEMENTS

3.1 Easements for Encroachments. If any portion of the Common Area, or Common Area Improvements thereon, now or hereafter encroaches upon any Tract, or if any Tract or Tract Improvements thereon, now or hereafter encroaches upon any other Tract or upon any portion of the Common Area, as a result of the construction of the Buildings or other Improvements, or if any such encroachments shall occur hereafter as a result of settling or shifting of any Building or other Improvements or for any other reason, a valid easement shall be deemed to exist for the encroachment and for the maintenance of the same shall exist so long as the Building or other Improvements shall exist. In the event any Dwelling Unit, Tract Improvement, or adjoining Common Area Improvement, shall be partially or totally destroyed or taken as a result of condemnation or eminent domain proceedings and then rebuilt at the same location, encroachments due to this rebuilding shall be permitted, and valid easements for such encroachment and the maintenance thereof shall exist so long as the Building or other Improvements shall stand. The foregoing encroachments shall not be construed to be encumbrances affecting the marketability of title to any Tract.

IV. THE ASSOCIATION

4.1 The Association. The administration of the Project shall be governed by this Declaration and the Articles of Incorporation and By-Laws of the Summit Park Enclave Homeowners Association, Inc., a Colorado nonprofit corporation.

4.2 Membership. An Owner of a Tract shall automatically become a Member of the Association and shall remain a Member for the period of the Owner's Tract ownership. If title to a Tract is held by more than one person, the membership related to that Tract shall be shared by all such persons in the same proportion of interests and by the same type of tenancy in which the title of the Tract is held. An Owner shall be entitled to one membership for each Tract owned. Each membership shall be appurtenant to the Tract and shall be transferred automatically by conveyance of the Tract. No person or entity other than an Owner may be a Member of the Association but the rights of membership may be assigned to a Mortgagee as further security for loans secured by a Mortgage of a Tract.

4.3 Classes of Membership and Voting Rights. The Association shall have two classes of voting membership:

4.3.1 Class A. Class A Members shall be all Owners other than Declarant and they shall be entitled to one (1) vote for each Tract owned on any matter on which

voting by the Owners is permitted or required by this Declaration, the Articles of Incorporation or By-Laws of the Association. When more than one (1) person holds an interest in any Tract, all such persons shall be Members. The vote for such Tract shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Tract.

4.3.2 Class B. The Class B Members shall be Declarant. Declarant shall be entitled to three (3) votes for each Tract owned. The then existing Class B memberships shall be converted to Class A membership on the happening of any of the following events, whichever occurs first:

(i) Upon the date sixty (60) days after the date on which the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(ii) Upon the date two (2) years after the date of Declarant's last conveyance of a Tract in the ordinary course of business;

(iii) June 1, 1995; or

(iv) On a date certain set forth in a written notice from Declarant to the Secretary of the Association of its intent to terminate this reserved right as of such date; provided, however, that in the event there is more than one Declarant, such notice must be signed by all such Declarants.

4.3.3 Notwithstanding the foregoing Class B Members' voting rights and during the period of Class B membership only, the Class A Members shall be entitled to elect at least one (1) but not more than one-third (1/3) of the members of the Board of Directors, upon the happening of the following events:

(i) At a meeting of the Association called for this purpose within sixty (60) days after the date on which the total votes outstanding in the Class A membership equal at least one-ninth (1/9) the total votes outstanding in the Class B membership, the Class A Members shall be entitled to elect at least one (1), but not less than twenty-five percent (25%) of the members of the Board of Directors.

(ii) At a meeting of the Association called for this purpose within sixty (60) days after the date on which the total votes outstanding in the Class A membership equal at least one-third (1/3) of the total votes outstanding in the Class B membership, the Class A Members shall be entitled to elect at least one-third (1/3) of the members of the Board of Directors.

4.3.4 Within sixty (60) days after the Owners other than Declarant elect a majority of the board of Directors, Declarant shall deliver to the Association those items of property described in C.R.S. Sec. 38-33.3-303 (9) which are in existence and in Declarant's custody or control.

4.4 Board of Directors.

4.4.1 The Association shall be managed by its Board of Directors. The Board of Directors shall be elected by a vote of the Owners in annual meetings or special meetings of the Association, at which a quorum is present, called for that purpose according to the Articles of Incorporation and By-Laws of the Association. The Board of Directors shall have such powers and duties and shall serve for such terms of office as are set forth in the Articles of Incorporation and By-Laws of the Association.

4.4.2 Notwithstanding the foregoing voting rights of the Owners, Declarant hereby reserves the right to appoint the Board of Directors of the Association for the period of Class B membership which shall terminate in accordance with the time periods specified in Section 4.3.2; PROVIDED, HOWEVER, that during any period in which Declarant reserves the right to appoint members of the Board of Directors, the Declarant shall not be entitled to vote for any members of the Board of Directors in any election held pursuant to Section 4.3.3 above.

4.4.3 Notwithstanding any provision to the contrary in this Declaration, the Class A Members shall be entitled to remove any member of the Board of Directors, other than any Director appointed by Declarant, by the affirmative vote of sixty-seven percent (67%) of the Class A Members without the prior written approval of the First Mortgagees.

4.5 Transfer. Except as otherwise expressly stated herein, any of the rights, interests and obligations of the Association set forth or reserved herein may not be transferred or assigned to any other person or entity. No such transfer or assignment shall relieve the Association of any of the obligations set forth herein. No such transfer or assignment shall revoke or change any of the rights or obligations of any Owners as set forth herein.

4.6 Powers. The Association shall be granted all of the powers described in C.R.S. Sec. 38-33.3-302, including but not limited to all powers necessary to govern, manage, maintain, repair, administer, and regulate the Project and to perform all of the duties required of the Association. Notwithstanding the above, unless sixty-seven percent (67%) of the First Mortgagees, who have registered pursuant to Section 16.7 below (based upon one (1) vote for each First Mortgage owned or held), have give their prior written approval as provided in Section 16.8 below, and the Owners to which sixty-seven

percent (67%) of the votes in each class of membership are allocated have given their prior written approval, the Association shall not be empowered or entitled to:

4.6.1 By act or omission, seek to abandon or terminate the Project or dissolve the Association;

4.6.2 Partition or subdivide any Tract.

4.7 Required Approvals. Notwithstanding the foregoing powers enumerated in Section 4.6 above, unless eighty percent (80%) of the First Mortgagees, who have registered pursuant to Section 16.7 below (based upon one (1) vote for each First Mortgage owned or held), have given their prior written approval as provided in Section 16.8 below, and the Owners to which eighty percent (80%) of the votes in each class of membership are allocated have given their prior written approval, the Association shall not be empowered or entitled to:

4.7.1 By act or omission, seek to abandon, partition, subdivide, encumber, mortgage, sell or transfer the Common Area or any Common Area Improvements thereon (provided that the granting of easements for public utilities including cable television or for other public purposes consistent with the intended uses of such Common Area by the Association shall not be deemed a transfer within the meaning of this clause);

4.7.2 Use hazard insurance proceeds for loss to the Common Area Improvements for other than the repair, replacement, or reconstruction of such Common Area Improvements;

4.7.3 Merge or consolidate with another project or association; except for such provision as may otherwise be provided herein relating to the annexation of additional lands to the Properties;

4.7.4 Except as may result from the exercise of the annexation provisions in this Declaration, change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;

4.7.5 Changes the voting rights or the extent of rights and easements of each Owner in and to the Common Area and Common Area Improvements thereon;

4.7.6 By act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or exterior appearance of Dwelling Units, or the maintenance or upkeep of the Common Area;

4.7.7 Fail to maintain fire and extended coverage on insurable Common Area Improvements on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement costs).

4.8 Examination of Books and Records. All Owners, First Mortgagees, insurers or guarantors of a First Mortgage of a Tract in the Project shall, upon request, be entitled to:

4.8.1 Inspect the books and records of the Association during normal business hours;

4.8.2 Receive a copy of a financial statements of the Association for the preceding fiscal year at no charge;

4.8.3 Written notice of all meetings of the Association and be permitted to designate a representative to attend all of such meetings; and

4.8.4 Current copies of this Declaration, By-laws, Articles of Incorporation and any Rules and Regulations concerning the Project, provided that reasonable copying charges are advanced to the Association by the party requesting copies.

If requested by a holder, insurer or guarantor of a First Mortgage in writing, a financial statement for the immediately preceding fiscal year will be provided free of charge to the party so requesting, if available. If a financial statement is unavailable, then an unaudited financial statement shall be prepared and furnished within a reasonable time following such request.

4.9 Amendment of Articles. Amendment of the Articles of Incorporation shall require the assent of seventy-five percent (75%) of the entire membership.

V. CERTAIN RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

5.1 Common Areas. The Association, subject to the rights of Owners with respect to their individual Tracts, shall be responsible for the exclusive management and control of the Common Area and Common Area Improvements (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition. The Association may, upon acceptable license and maintenance agreements with public agencies, utilities, or jurisdictions, assume responsibility for maintaining any sidewalks, fences, landscaping improvements and other improvements within rights-of-way and other properties owned by such public agencies on property owned by such public agencies, utilities, or jurisdictions, including, but not limited to, Arapahoe County, Colorado. The cost of such management operation, maintenance, and repair by the

Association shall be borne as provided in Article VI. The Association may be responsible for maintaining any perimeter fences, notwithstanding the fact that all or a portion of such fences may be located on or within the boundary line of various Tracts. The Association shall have an easement on the Tracts for purposes of performing fence maintenance.

5.2 Miscellaneous Services. 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 of the Project, 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 Project or the enforcement of this Declaration. The Association may arrange with others to furnish lighting, heating, water, trash collection, snow removal, building and grounds maintenance, sewer service, firewood, and other services as appropriate to the Project. During the period Declarant is in control of the Association, any contracts or leases entered into shall contain a right of termination, without cause, which is exercisable without penalty at any time after transfer of control, upon not more than ninety (90) days prior written notice to the other party thereto; however, such right of termination need not be present in those contracts and leases wherein the subject matter is an essential service and where long term contracts are required. The cost of such services shall be borne as provided in Article VI.

5.3 Professional Management. The Association may obtain and pay for services of a professional "Management Contractor" to manage its affairs, or any part thereof, to the extent it deems advisable, whether such services are in lieu of, or supplemental to, the services described under Section 5.2 above. During the period when Declarant is in control of the Association, any management contracts entered into by the Association with respect to such professional management of the Properties, and any contracts that such professional management shall enter into on behalf of the Association, may not be for a term not to exceed one (1) year, and must contain a provision allowing either party to cancel the contract with or without cause, and without a payment of a termination fee or penalty, upon thirty (30) days prior written notice. Further, and in connection with the Association's right to contract for management and personnel, whether on-site or off-site in nature, the Association shall have the right to limit the use of portions of the Common Area for purposes of maintenance and storage facilities, to the extent allowable, and other such purposes as deemed desirable and necessary by the Association for the purposes of management and maintenance of the Properties. The Professional Management Contractor shall be an independent contractor and neither the contractor, nor any of its employees, shall be considered as employees of the Association.

5.4 Common Area Use. Common Area and Common Area Improvements described in Sections 1.4 and 1.5 of this Declaration are dedicated to the common use and enjoyment of the Owners for such uses common to all the Owners as determined by the

Association, pursuant to the covenants, provisions, and restrictions contained herein, or as further defined in the Association By-Laws and any Rules and Regulations promulgated by the Association.

5.5 Fences and Walls. No fences, hedges or walls shall be erected or maintained upon the Tracts except such as are installed in accordance with the initial construction of the Buildings located thereon, or as may be approved by the Association's Architectural Control Committee or its designated representatives, nor may such fences, hedges, or walls which shall be installed as part of the initial construction be removed, transferred, or altered in any manner, except as approved by the Architectural Control Committee or its designated representative. No fences shall be installed in the front yard of a Dwelling Unit. No fences shall be installed which block or impede established drainage ways. In reviewing any proposed construction of fences, the Architectural Control Committee shall apply the covenants and restrictions set forth in this Declaration or any Supplementary Declaration, any additional Design Guidelines promulgated by the Architectural Control Committee for the Project as a whole or any particular Plat, or phase of the Project, and the reasonable discretion of the Architectural Control Committee.

5.6 Maintenance of Individual Tracts. The ownership of the Tracts, together with Dwelling Units in existing Tract Improvements, shall be evidenced by a Deed to such Tract, together with the Improvements thereon. Maintenance, upkeep, and repairs of the Tracts shall be the sole responsibility of the individual Owners thereof.

5.7 Identity of Board of Directors. From time to time, but not less than annually, there shall be mailed by the Association to each Owner a notice containing the names and addresses of the members of the Board of Directors, and the Management Contractor, if there is one.

5.8 Rights of Action. The Association and any Owner, shall have an appropriate right of action against any other Owner for failure to comply with the provisions of this Declaration or with decisions of the Association made pursuant to this Declaration; and any Owner shall have similar rights of action against the Association.

5.9 Recreational Facility. The Association may enter into an agreement for use of recreational facilities by the Members with the expense of such agreement considered a common expense. The Members may delegate use of the recreational facilities pursuant to Section 2.1.2 above.

VI. ASSESSMENTS

6.1 Obligation. All Owners (including Declarant) shall be obligated to pay the estimated assessments imposed by the Board of Directors to meet the common expenses

of maintenance, operation and management of the Property, the Association, and the various functions and duties of the Association. The Board may establish any reasonable system for collection periodically of Common Expenses, in advance or arrears as deemed desirable. Initially, the assessment for the estimated Common Expenses on an annual basis shall be payable quarterly in advance on the first day of each quarter. In the event a Tract is sold to a non-Declarant purchaser during the year, the annual assessment shall be prorated to the closing date and paid at closing, together with the working capital deposit required by Section 6.12 hereof. Assessments made shall be based upon a budget of the estimated cash requirements as the Board shall from time to time determine to be paid by all of the Owners. Estimated expenses shall include the cost of maintenance and operation of the Common Area, Common Area Improvements, expenses of management, taxes and special assessments, unless separately assessed, insurance premiums for insurance coverage as required herein or as deemed desirable or necessary by the Board, landscaping, care of grounds, wages, legal and accounting fees, management fees, expenses and liabilities incurred by the Board or Management Contractor under or by reason of this Declaration, payment of any deficit remaining from a previous assessment period, the creation of a reasonable contingency or other reserve or surplus fund for the maintenance or replacement of those Common Area Improvements which must be maintained or replaced on a periodic basis as well as other costs and expenses relating to the Common Area, and the purposes and responsibilities of the Association. The omission or failure of the Board to fix the assessments for any assessment period shall not be deemed a waiver, modification, or release of the Owners from their obligation to pay the same. The Board shall have the right, but not the obligation, to make pro-rata refunds of any assessments in excess of the actual expenses incurred after the end of the fiscal year.

In the event that, prior to the termination of Class B Membership, assessments for annual common expenses, exclusive of those amounts held by the Association for an adequate reserve fund and for working capital, fail to equal or exceed the actual expenses incurred by the Association during any particular annual assessment period because of the partial Declarant assessment provided for in Section 6.3 below, then Declarant shall pay a sufficient amount, up to the amount of full parity on such assessment, to the Association to meet any such shortfall so long as (a) written notice must be given by the Association within 60 days following the termination of the then current fiscal year of the Association at the time of the termination of Class B Membership, but in no event more than one (1) year following the termination of such Class B Membership, and (b) Declarant shall have no obligation for any such shortfall caused by expenditures for capital improvements, or by any decrease in assessments, including without limitation, the levying of any assessment in an amount less than the maximum for any common expense assessment period, which amount is established subsequent to the termination of Class B Membership, unless the same has previously been approved in writing by Declarant; provided, however, that at the time any Tract owned by Declarant is leased, rented or otherwise residentially occupied, that Tract shall be assessed at the uniform rate of assessment for privately owned Tracts. In the event there is more than one Declarant, then, subject to the conditions hereinabove

stated, each such Declarant shall pay a pro rata share of the amount necessary to meet each such shortfall in Association assessments, up to the amount of full parity on such assessments during the applicable annual assessment period.

6.2 Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Tract to an Owner, the maximum annual assessment shall be Three Hundred Seventy-Two Dollars (\$372.00) per Tract.

6.2.1 Without a vote of the membership, from and after January 1 of the year immediately following the conveyance of the first Tract to an Owner, the Board of Directors may only increase the maximum annual assessment by an amount of five percent (5%) of the maximum assessment for the previous year.

6.2.2 From and after January 1 of the year immediately following the conveyance of the first Tract to an Owner, the maximum annual assessment may be increased by an amount in excess of five percent (5%) by a vote of fifty-one percent (51%) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

6.2.3 The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

6.3 Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Tracts, and may be collected on an annual or more frequent basis, as determined by the Board of Directors. Provided that, notwithstanding anything to the contrary contained in this Declaration, the annual common expense and special assessment rate set for each Tract owned by Declarant and which is neither leased, rented, nor otherwise occupied as a residence shall be fixed at twenty-five percent (25%) of the assessment rate for other Tracts. Tracts which are owned by Declarant and which are leased, rented, or otherwise occupied as a residence shall, commencing on the date of residential occupancy thereof, be assessed at the same rate as other Tracts. The assessment for each Tract shall be the amount of estimated expenses determined by the Board under Sections 6.1 or 6.5 divided by the total number of Tracts in the Project at the time of such assessment, including any Tracts in the Project owned by Declarant. Neither annual nor special assessments may be used for the construction of capital improvements during the initial development period.

6.4 Time For Payment of Assessments. Assessments shall be due and payable within 15 days after written notice of the amount thereof shall have been mailed to the registered mailing address of the respective Owner of a Tract. Each assessment shall bear interest at the rate of twenty-one percent (21%) per annum from the date it becomes due and payable if not paid within fifteen (15) days after such date, and there shall be a Twenty Dollar (\$20.00) late charge for each installment of assessment payment that is delinquent.

Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of any Tract for such assessment, but the date when payment shall become due in such case shall be deferred to a date fifteen (15) days after the due date indicated in the properly sent notice. The Association may elect to have the annual assessments paid monthly, or such other periodic basis deemed desirable by the Association; and a default in the payment of any one installment of the annual assessment shall additionally give the Association the right to accelerate the remaining amount of annual assessment as immediately due and payable, as further referenced hereinafter.

6.5 Special Assessments for Capital Improvements. In addition to the annual assessments authorized by this Article, the Board of Directors 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 or reconstruction, unexpected repair or replacement of the Project or any part thereof, or for any other expense or purchase incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Association to incur expense, but shall be construed to prescribe the manner of assessing the expense authorized by other Sections hereof which shall make specific references to this Article or as set forth in the preceding sentence. Any amount assessed pursuant hereto shall be assessed to Owners at a uniform rate except as provided in Section 6.3 above for certain Tracts owned by the Declarant. 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 mailed to the registered mailing address of the respective Owner. A special assessment shall bear interest at the rate of twenty-one percent (21%) per annum from the date it becomes due and payable, if not paid within thirty (30) days after such date, and there shall be a reasonable late charge as set by the Board of Directors.

In order for the Board to levy a special assessment, the special assessment must first be approved by a vote of fifty-one percent (51%) of each class of Members who are voting in person or by proxy, at a meeting duly called for such purpose.

6.6 Budget Ratification.

6.6.1 At least ninety (90) days prior to levying any annual or special assessment, the Board of Directors shall adopt a proposed budget of the estimated cash requirements for that assessment. Within thirty (30) days after that proposed budget is adopted, the Secretary of the Association (on behalf of the Board of Directors) shall cause to be delivered to each Owner at the Owner's registered address, by regular United States mail, first-class postage prepaid, the following: (i) a summary of the proposed budget, (ii) a statement of the amount of the assessment per Tract and the number and amount of any installments thereof, and (iii) a notice of a meeting of the Association which shall specify (1) that the purpose or one of the purposes of the meeting is to allow the Owners to vote

on the proposed budget, and (b) the date, place and time of the meeting. The meeting shall be held not less than fourteen (14) nor more than sixty (60) days after the date on which the notice is mailed to the Owners.

6.6.2 At the meeting held pursuant to this Section 6.6, the proposed budget shall be submitted to the Owners for approval. Unless sixty-seven percent (67%) of the Owners (regardless of whether a quorum is present) affirmatively vote against approving the proposed budget in person or by proxy, the proposed budget shall be deemed ratified by the Association. In the event a proposed budget is not ratified, the most recent periodic budget in effect shall continue until the Owners ratify a subsequent budget proposed by the Board of Directors. If the proposed budget is not ratified, the Board of Directors shall propose a subsequent budget within fifteen (15) days after the date of the meeting and submit that proposed budget for ratification by the Owners in the manner set forth above for the originally proposed budget.

6.7 Assessment Lien.

6.7.1 All sums assessed but unpaid for the share of Common Expenses or special assessments chargeable to any Tract, including any fees, late charges, fines, interest, costs or attorneys fees, shall constitute a lien on such Tract superior to all other liens and encumbrances except (a) tax and special assessment liens on the Tract in favor of a taxing authority and (b) all sums unpaid on a First Mortgage of record, including all unpaid obligatory sums as may be provided by such encumbrance. Notwithstanding anything in the preceding sentence, to the extent provided in C.R.S. Sec. 38-33.3-16, the lien provided by this Article VI shall be prior and superior to a First Mortgage with respect to annual assessments for Common Expenses. To evidence the lien as herein permitted, the Board of Directors may, but shall not be required to, prepare a written notice setting forth the amount of such unpaid indebtedness, the amount of accrued penalty thereon, the name of the Owner, and a description of the Tract and record the same in the records of the Office of the Clerk and Recorder of Arapahoe County, Colorado. Such lien for assessment shall attach from the due date of the assessment. The lien may be enforced by foreclosure of the defaulting Owner's Tract by the Association in the manner for foreclosing a mortgage on real property upon recording of a notice for claim thereof. In the event of any such foreclosure, the Owner shall be liable for the amount of unpaid assessments, any interest and penalties thereon, the costs and expense of such proceedings, the costs and expense for filing the notice of the claim and lien, and all reasonable attorneys' fees in connection therewith.

6.7.2 The Association shall have the power to bid on a Tract at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Any Mortgagee holding a Mortgage on a Tract may pay any unpaid assessment payable with respect to such Tract and any and all costs and expenses with respect thereto, and the lien on such Tract for the amounts paid shall have the same priority as the lien of the

Mortgage. Except as otherwise provided in Section 6.7.1 above, the lien for assessments referred to herein shall be at all times subordinate to the lien of any First Mortgage held by a First Mortgagee. By accepting a deed to a Tract, each Owner shall thereby waive and release any and all rights and claims said Owner may have in and to the Tract as a homestead exemption or any other exemption.

6.8 Personal Obligation. The amount of any assessment chargeable against any Tract shall be a personal and individual debt of the Owner thereof. No owner may become exempt from liability for the assessment by abandonment or waiver of the use or enjoyment of any of the Common Area or Common Area Improvements. Suit to recover a money judgment for unpaid Common Expenses plus interest and expenses, including attorney fees, shall be maintainable without foreclosing or waiving the assessment lien provided herein.

6.9 Notice to first Mortgagee. If requested in writing, the Association shall report to the First Mortgagee of a Tract any default hereunder or unpaid assessments remaining in default or unpaid or uncured for longer than sixty (60) days.

6.10 Statement of Status of Assessment Payment. Upon payment of a reasonable fee of not less than Twenty-Five Dollars (\$25.00) (except for First Mortgagees who shall be exempt from such fee) and upon the written request of any Owner, Mortgagee, prospective Mortgagee, or prospective purchaser of a Tract, delivered to the Association by certified mail, first-class postage prepaid, return receipt requested, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Tracts, which shall be delivered to the inquiring party by certified mail, first-class postage prepaid, return receipt requested to the inquiring party at the address set forth in such request. Unless such request shall be complied with within fourteen (14) business days after receipt of that request by the Association, and if the request was properly addressed and sent by certified mail, first-class postage prepaid, return receipt requested, then all unpaid assessments which became due prior to the date of making such request shall be subordinate to the lien of a Mortgagee which acquired its interest subsequent to requesting such statement. If the request is made by a prospective purchaser, the lien for the unpaid assessment shall be released automatically if the statement is not furnished within the fourteen (14) business day period herein; provided thereafter, an additional written request is made by such purchaser, and the submission of the additional request is properly addressed and evidenced by a certified mail receipt and the request is not complied with within ten (10) days and the purchaser subsequently acquires the Tract.

6.11 Personal Liability of Purchaser For Assessments. A purchaser of a Tract shall not be personally liable for unpaid assessments against the Tract up to the time of conveyance to purchaser.

6.12 Working Capital and Assessment Reserves.

6.12.1 Each Owner originally purchasing a Tract from Declarant shall be required to deposit and maintain continuously with the Association an amount equal to two (2) month's assessment. Such reserve amount to be held without interest accruing to the Owner, which sum shall be used by the Association or Management Contractor as a working capital fund. This amount may be recovered by a seller from a purchaser at the time of resale. After the expiration of Class B membership, in the event the Board decides there is and will be sufficient working capital without this fund, and the reserve for repair and replacement of the Common Elements is equal to or greater than the amount of the working capital fund, then this amount may be returned to each current Owner. Such advance payment shall not relieve an Owner from making the regular monthly installment payment of the annual common assessment as the same becomes due, nor shall the Association be required to deduct from such advance payment sums due for common assessments by an Owner prior to instituting any proceedings against the Owner for delinquent common assessments.

6.12.2 The Association shall establish an adequate reserve fund for the maintenance, repair and replacement of the Common Area and Common Area Improvements maintained by the Association. This reserve fund shall be maintained through regular installments of common expense assessments.

6.13 First Mortgagee--Foreclosure--Liability for Unpaid Assessments. Subject to the provisions of C.R.S. Sec. 38-33.3-316, each First Mortgagee of a Tract within the Project who obtains title to the Tract pursuant to the remedies provided in the Mortgage or foreclosure of the Mortgage, or any purchaser at foreclosure sale, will take the Tract free of any claims for unpaid assessments and charges against the Tract which accrue prior to the time such First Mortgagee or purchaser at foreclosure sale obtains title to the Tract, but shall not relieve the First Mortgagee or purchaser from liability for, or lien from, any assessments made thereafter. Any unpaid assessment, which was rendered uncollectible by the effect of this Section, may be reallocated and assessed to all Tracts as a Common Expense.

6.14 Association's Right of Acceleration Upon Default. In addition to the other remedies provided for the Association upon the default of an Owner in the payment of an annual assessment, special assessment, or any installment thereof, and in the event an Owner shall default in the payment of any installment of an annual or special assessment, then the Association shall have the right to declare immediately due and owing the total amount of such annual or special assessment as remains outstanding at the time of such installment default. This right of acceleration in the event of installment default shall apply whether the Association pursues the obligation personally against the Owner or through foreclosure of the Owner's Tract, as provided above.

VII. RESTRICTIVE COVENANTS AND OBLIGATIONS

7.1 Residential. The Tracts are hereby restricted to residential use and uses related to the convenience and enjoyment of such residential use. No buildings or structures shall be moved from other locations onto the Tracts or Common Area; and no Common Area Improvements other than those originally planned and/or installed by Declarant shall be erected or constructed on the Common Area or upon any Tract unless approved by the Architectural Control Committee or its designated representative. No garage, or other out-building shall be used or permitted to be kept or stored on any portion of a Tract, either temporarily or permanently. Any such buildings shall be located within the applicable setbacks and shall be constructed of the same materials and have the same exterior color as the residence, and shall be subject to approval by the Architectural Control Committee.

7.2 Sales Facilities of Declarant. Notwithstanding any provision in Section 7.1, Declarant, its agents, employees and contractors shall be permitted to maintain during the period of construction and sale of the buildings in the Project upon such portion of the Property as Declarant may choose such facilities as in the sole opinion of the Declarant may be reasonably required, convenient, or incidental to the construction, sale or rental of Tracts and Dwelling Units including, but without limitation, one business office which shall not exceed twenty-five hundred (2500) square feet of floor space, construction and storage area, signs, not more than one (1) sales office which shall not exceed twenty-five hundred (2500) square feet of floor space, construction trailers, parking areas not to exceed ten thousand (10,000) square feet of gross area, and lighting, and temporary parking facilities for all employees of Declarant; provided, however, that the limit on Declarant's right to use the Property for sales purposes shall not limit its right to use the property for construction or development purposes; provided further that these rights shall terminate no later than December 31, 2002; and provided further, that such use shall not interfere in any way with the right of ingress or egress to any privately owned Dwelling Unit and the use and enjoyment thereof as a private residence, nor the rights of ingress or egress to the Common Area and Improvements thereon, nor the use thereof for recreation or other proper purposes by the Owners and the Members, agents and Officers of the Association.

7.3 Compliance with Law. No improper or unlawful use shall be permitted or made of the Properties or any part thereof. All valid laws, ordinances, and regulations of all governmental bodies having jurisdiction over the Project shall be observed.

7.4 Rules and Regulations. Rules and Regulations may be adopted by the Board of Directors concerning and governing the use of the Common Area and Common Area Improvements, provided such Rules and Regulations shall be furnished to Owners prior to the time they are adopted and that Owners be notified as provided in the By-Laws

of the Association that the Board of Directors will consider adoption of the Rules and Regulations so that Owners will have an opportunity to be heard or furnish input regarding the adoption and so that such Rules and Regulations shall be uniform and nondiscriminatory. After adoption, a copy of such Rules and Regulations shall be provided to all Owners. The Association may also adopt a fine system to impose monetary penalties for such infractions, or take judicial action against any Owner to enforce compliance with such Rules, Regulations, or other obligations, including injunctive relief or to obtain damages for noncompliance, all to the extent permitted by law. The Board of Directors may adopt and publish a fine schedule which shall list fines which shall be imposed for violations of this Declaration, the Association By-Laws, Articles of Incorporation, and any Rules and Regulations.

7.5 No Other Business. No other business activity of any kind shall be conducted in any Dwelling Unit or on the Project, except that permitted by the Association or otherwise provided herein.

7.6 Miscellaneous Use Restrictions.

7.6.1 Antennas. Except for any which may, at Declarant's option, be erected by Declarant's designated representative, no exterior radio or television antenna, aerial, satellite dish, or other type of radio or television receiving system shall be erected or maintained without the prior written approval of the Architectural Control Committee.

7.6.2 Repair of Buildings. No Improvement upon any Tract shall be permitted to fall into disrepair, and each such Improvement shall at all times be kept in good condition and repair and adequately painted or otherwise finished by the Owner before the surfacing becomes weather-beaten or worn off. All fences within the Property visible from any Common Area or public right-of-way shall be stained if constructed of wood and painted if constructed of metal. Materials which are customarily left unfinished are permitted so long as in the opinion of the Architectural Control Committee they have not become unsightly.

7.6.3 Reconstruction of Buildings. Any improvement which may be destroyed in whole or in part by fire, hail, windstorm or any other cause or act of God, shall be rebuilt or all debris removed so as not to render any such property or any portion thereof, in the opinion of the Board, unsanitary, unsightly, offensive or detrimental to any other property or to its occupants.

7.6.4 Nuisances. No noise or other nuisance shall be permitted to exist or operate upon any Tract so as to be, in the opinion of the Board, offensive or detrimental to any other property or its occupants. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes) shall be

5:00 PM Day before pickup to 5:00 PM day of pickup

located, used or placed on any Tract without the prior written approval of the Board. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any Tract and no odors shall be permitted to arise therefrom so as to render any such property or any portion thereof, in the opinion of the Board, unsanitary, unsightly, offensive or detrimental to any other property or to its occupants.

ok
7.6.5 Unsightly Articles. No unsightly article shall be permitted to remain on any Tract so as to be visible from adjoining property or public or private thoroughfares. Without limiting the generality of the foregoing trailers, mobile homes, recreation vehicles, graders, trucks other than pickups used solely for the private and non-business use of the residents of a dwelling, boats, tractors, campers, motorcycles, and all commercial and business vehicles shall be kept at all times, except when in actual use, in an approved garage. No lumber, grass, plant waste, shrub or tree clippings, metals, building materials or scrap shall be kept, stored or allowed to accumulate on any property. No lawn or yard art shall be allowed on the Property or on any Tract.

7.6.6 Signs and Flags. No sign or flag or any kind shall be displayed to the public view on any Tract. Signs and flags used for sale, administration and directional purposes by Declarant during development of Summit Park Enclave will be permitted.

Except statement number signs flags for 48 hr. on app. residential

ok
7.6.7 Single-Family Use Only. No Tract and no residence on any Tract shall be used for any purpose other than for a one single-family residence. However, nothing in this Declaration shall prevent the rental of a Tract by the Owner thereof for residential purposes.

ok
7.6.8 Hazardous Activities. No activities shall be conducted on any Tract or Common Area, and no Improvements constructed on any Tract, Common Area, or Licensed 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 Tract and no open fires shall be lighted or permitted on any Tract, except in a contained barbecue unit while attended and in use for cooking purposes or within a safe and well-designated interior fireplace.

ok
7.6.9 Garage Sales. No garage, patio, porch or lawn sale shall be held on any Tract, except that the Owner of any Tract may conduct such sale if the items sold are the Owner's own furniture or furnishings, not acquired for purposes of resale; if such sale is held at such time and in such manner as not be disturb any other resident of the area; and if such sale is held in full compliance with all applicable governmental ordinances, statutes, resolutions, rules and regulations, on an infrequent, occasional basis.

OK 7.6.10 New Construction. All Dwelling Units shall be of new construction and no existing Dwelling Unit shall be moved onto any Tract.

OK 7.6.11 Storage of Building Materials. No building materials shall be stored on any Tract except temporarily during continuous construction of an Improvement or its approved alteration or improvement.

OK 7.6.12 Temporary Structures. No trailer, mobile home, tent or shack or other temporary building, improvement or structure shall be placed upon any property, except that temporary structures necessary for storage of tools and equipment and for office space for architects, builders and foremen during actual construction may be maintained by Declarant, or by an Owner with the prior approval of Architectural Control Committee, such approval to include the nature, size and location of such structure.

OK 7.6.13 Livestock, Poultry, and Pets. No animals or pets other than domesticated dogs, cats, and other common household pets shall be allowed on the Property. Raising or keeping livestock such as cows, sheep, goats, poultry, and the like is therefore prohibited.

OK 7.6.14 Roofing. All roofs shall be covered with good grade asphalt shingles or other similar high quality materials as specifically approved by the Committee.

OK 7.6.15 Colors. All exterior painting or staining shall be of colors in harmony with the other existing homes in the neighborhood or of colors similar to those originally employed in the neighborhood. In general, only those areas that were stained originally shall be restained; unpainted surfaces and unstained areas, such as brick or stone, shall not be painted or stained unless specifically approved by the Committee.

OK 7.6.16 Window Coverings. All windows shall be covered with curtains, drapes, or other acceptable coverings within no more than six months of occupancy. Window coverings visible from the exterior shall be compatible with the architectural character of the residence.

OK 7.6.17 Solar Panels. Any solar panels and related appurtenances and equipment, whether included in the original construction or added at a later date, shall be designed and constructed so as to appear as an integrated part of the building architecture. This shall generally mean that the panels shall be roof mounted so that the top surface is flush with the roof surface, with all appurtenances recessed into the structure's attic. When solar orientation prohibits this approach the roof shall be altered so that the panels appear to be "built-in", i.e., shall not be visible. If panels are ground or wall mounted, they shall be integrated into the structure using compatible materials so that the panels appear as a natural extension of the house.

See A.C.

7.6.18 Swimming Pools/Hot Tubs. Any swimming pools, spas, hot tubs, jacuzzis, and the like shall be screened from view of adjacent Tracts and rights of way, by screening materials and methods approved by the Committee.

7.6.19 Exterior Lighting. Exterior lighting shall not be directed in such a manner as to create an annoyance to adjoining properties. High wattage area lighting ("yard lights") are prohibited. Illumination of roofs or features on roofs is prohibited.

7.6.20 Driveways. Any modification to a driveway shall be approved by the Committee. In no case shall the width of the driveway at the curb be widened. Any widening inbound of the curb shall be smoothly transitioned back to the curb.

7.6.21 Retaining Walls. Any retaining walls not constructed by the Declarant shall require approval by the Committee. The applicant is encouraged to use materials that are compatible with the building construction (wood painted or stained to match the house, brick or stone to match the house, etc.). Retaining walls which divert water onto other properties or otherwise substantially alter existing drainage patterns are prohibited.

7.6.22 Site Grading. Any change to site grading not done by the Declarant shall be approved by the Committee. No new grading shall divert water onto other properties or otherwise substantially alter existing drainage patterns. Care shall be taken to keep water away from foundations. Downspouts shall discharge onto splash blocks of other devices to prevent saturation of soils at foundations. Irrigation of plant material shall be kept away from the foundation. Patios, lawn areas, shrub beds, etc., shall be sloped positively away from foundations to prevent puddling of water.

7.7 Failure to Maintain. In the event that the Owner of a Tract shall fail to maintain the Tract and Improvements thereon in a manner consistent with the requirements of this Declaration or any Supplementary Declaration, the Architectural Control Committee or the Association, its agents, or employees, shall have the right, in addition to any other remedies, to enter upon said Tract and to repair, maintain, and restore the Tract, the exterior of the residence, and any other improvements on the Tract in the manner contemplated by this Declaration and any Supplementary Declaration. The cost of such maintenance, repair, and restoration shall be the responsibility of the Owner and shall be added to and become a part of the annual assessments applicable to said Tract.

VIII. ARCHITECTURAL CONTROL COMMITTEE

8.1 Membership.

8.1.1 The Board of Directors may appoint an Architectural Control Committee (hereinafter referred to as the "Committee") which may be composed of three (3) or more members. In the event no such appointment is made, then the Board of Directors shall constitute the Architectural Control Committee and shall have all of the duties and responsibilities of said Committee as set forth herein.

8.1.2 In the event of death, disability, or resignation of any member of the Committee, the Board of Directors shall have authority to designate a successor or successors.

8.1.3 An affidavit executed by a majority of the members of the Committee, and recorded in the records of the Office of the Clerk and Recorder of Arapahoe County, Colorado shall be sufficient evidence of the membership and of the other recitals therein contained.

8.2 Evidence of Action. The Committee's approval or disapproval as required in this Declaration shall be in writing, as indicated by the signatures of a majority of the Committee or its designated representatives. The Committee shall not be required to maintain records of plans submitted. Approval by the Committee shall be conclusive evidence of compliance with these covenants provided that the improvements are constructed in substantial compliance with the plans as approved. In the event the Committee fails to approve or disapprove a proposal within forty-five (45) days after plans and specifications have been submitted to it and the submission is evidenced by a certified or registered mail receipt, or, in any event, if no suit to enjoin the proposed construction has been commenced within one (1) year after the proposed construction had begun and became apparent, such approval will not be required, and the related covenants shall be deemed to have been complied with fully.

8.3 Duties. The Committee shall act upon and approve or disapprove any and all matters to be submitted to the Committee pursuant to any of the provisions of this Declaration and shall have all duties and powers as are hereinafter provided and set forth. Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed, nor shall the Committee or any member thereof be liable, in any manner, for any action or failure of action done in good faith arising out of their service on the Committee.

8.4 Approval of Plans.

8.4.1 All plans and specifications in connection with the construction (which is commenced on or after the effective date of this Declaration) of any residence, fence, swimming pool, ancillary structure, exterior lighting, machinery, solar panels or installations, decks, patios, patio enclosures, wall, driveway, out-building, or other structure, and in connection with any exterior maintenance and remodeling of any residence or other structure, including, but not limited to, changing the initial color or exterior materials of the residence, or any other lot improvements or appurtenances, such as mailboxes, or any alteration of any of the above described improvements to a Tract shall be submitted to the Committee or its designee, and prior written approval shall be required.

8.4.2 Before any construction or alteration begins, plans and specifications showing the nature, kind, shape, height, materials, and location, the exterior design the exterior materials to be used, the color scheme, the site plan, a topographic survey, the location of the driveway and sidewalks and plans for the proper landscaping and drainage of the Tract with respect to adjacent Tracts must be submitted to the Committee for its prior written approval.

8.4.3 In passing upon such plans, specifications and other requirements, the committee may take into consideration whether the proposed residence or other structure or alteration and the materials of which it is to be built are reasonable and suitable for the Tract upon which the residence or other structure or alteration is to be erected, the harmony thereof with the surroundings, and the effect of the residence or other structure or alteration as planned on the outlook from and/or property values of adjacent or neighboring property. The Committee shall, in the exercise of its judgment and determination, use reason and good faith.

8.4.4 No residence, fence, all, driveway, landscaping structure, alteration of any kind, including, but not limited to, those specifically described in this Article VIII, which has not received such prior written approval by the Committee and which does not fully comply with such approved plans and specification, shall be erected, constructed, placed, or maintained upon any Tract. No changes or deviations in and from such plans and specifications as so approved shall be made without the prior written consent of the Committee. The Committee shall not be responsible for any structural defects in such plans or specifications or in any building or structure erected according to such plans and specifications.

8.4.5 In passing upon such plans, specifications, and other requirements, the Committee shall apply the pertinent requirements and considerations set forth in the covenants and restrictions set forth in this Declaration or any Supplementary Declaration or any additional Design guidelines promulgated by the Architectural Control Committee

for the Project as a whole or any particular Plat, or phase of the Property, and the reasonable discretion of the Architectural Control Committee.

8.5 Reserved Right of Declarant. Notwithstanding the above provisions, and until Declarant has conveyed its last Tract to a purchaser, Declarant shall have the right, and said right is hereby specifically reserved unto Declarant, to appoint the members of such Architectural Control Committee and to fill any vacancies therein created. (This Section supersedes the authority granted in Section 8.1 above).

8.6 Binding Agreement to Pay Legal Costs. In the event that an Owner shall dispute the determination of the Architectural Control Committee and files a lawsuit to overrule, vacate or otherwise mitigate the effect of any determination of the Committee, or if an Owner fails to submit for approval any action as required by Section 8.4 and the Committee or any Owner, the Architectural Review Committee, or the Association brings an action to enforce these provisions; then the Owner and the Association are hereby bound to the agreement that any and all costs, including reasonable attorneys fees, associated with the institution and defense of such a suit, shall, to the extent permitted by a court of competent jurisdiction, be paid to the prevailing party by the losing party.

8.7 Variance. The Architectural Control Committee may grant reasonable variances or adjustments from any conditions or restrictions imposed by this Declaration. A variance or adjustment shall only be granted if it is not material, detrimental or injurious to the other property of improvements to the neighborhood, and shall not defeat the general intent and purpose of this Declaration. Any variance granted by the Architectural Control Committee shall not affect or negate the requirements of any other applicable authorities.

8.8 Fees. At the time of submission of plans for a new residence on a Tract, the Owner shall pay a review fee to the Architectural Control Committee of One Hundred Dollars (\$100.00) per Tract. Any plans for swimming pools, decks, or ancillary structures shall require a review fee of Twenty-Five Dollars (\$25.00) to be paid at plan submission. Any other matters to be reviewed by the Committee (such as fences, landscaping, painting, roofing, etc.) shall be reviewed without a fee. In the event a submittal is rejected the resubmittal fee for each subsequent resubmittal shall be fifty percent (50%) of the original fee; provided however, the total of submittal and resubmittal fees for a new residence shall in no event exceed Two Hundred Fifty (\$250.00) and for other items shall in no event exceed One Hundred Dollars (\$100.00). The fees set forth in this paragraph may be increased by the Association at any time to cover cost of living increases as measured by the Consumer Price Index after January 1, 1993.

8.9 No Review. The following types of changes, additions, or alterations do not require the approval of the Architectural Control Committee. Although exempt from Committee review, all work must proceed in accord with all applicable law, codes, and regulations, and the provisions of this Declaration.

8.9.1 Addition of plants to a property in accordance with a previously approved landscape plan.

8.9.2 Modifications to the interior of a residence when those modifications do not unduly affect the outside appearance of the structure.

8.9.3 Repainting or restaining of the exterior of the residence in original color.

8.9.4 Repairs to a structure in accordance with previously approved plans and specifications.

8.9.5 Reroofing with roofing materials of the same quality (or better) and color as original materials.

8.9.6 Seasonal decorations if removed promptly (within fifteen (15) days following the holiday).

IX. INSURANCE

9.1 Comprehensive General Liability and Property Insurance. Comprehensive general liability and property damage insurance shall be purchased by the Board of Directors and shall be maintained in force at all times, the premiums thereon to be paid by the Association as a Common Expense. If Declarant pays the premium, it shall be entitled to reimbursement from the Association. The insurance shall be carried with reputable companies authorized to do business in the State of Colorado, in such amounts as the Board may determine; the insurance carrier should have a current rating by Best's Insurance reports of VI or better, or a financial rating of Class VI and a general policyholder's rating of at least A. If the insurer does not meet this rating requirement, the insurer must be reinsured by a company that does have a current rating by Best's Insurance Reports of VI or better.

9.1.1 A comprehensive policy of general liability insurance shall be in force for a minimum amount of One Million Dollars (\$1,000,000.00) per occurrence, covering all claims for bodily injury and/or property damage arising out of a single occurrence, such coverage to include protection against liability for non-owned and hired automobiles, liability for property of others, and, if applicable, host liquor liability and other risks which are customarily covered with project similar in construction, location,

and use. The policy or policies shall name as insured all of the Owners, the Association, each member of the Board of Directors, the Management Contractor and their respective agents and employees. Declarant shall be named as an additional insured on such policy or policies until such time as Declarant shall have conveyed all the Tracts in the Project. The policy or policies shall insure against loss arising from perils in the Common Area and in any other areas which the Association has a maintenance responsibility and shall include contractual liability coverage to protect against such liabilities as may arise under the contractual exposures of the Association or the Board of Directors.

9.1.2 The policy or policies shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying a claim of an Owner or the Association because of negligent acts of the Association or other Owners.

9.2 Fire and Hazard Insurance. Fire and hazard insurance shall be purchased by the Board of Directors and shall thereafter be maintained in force at all times, the premiums thereon to be paid by the Association as a Common Expense, such policy to cover all Common Area Improvements. The policy or policies shall be of a master or blanket type with a standard all risk endorsement, and insure against loss from perils therein including broad form coverage on all of the Improvements in the Common Area, except such as may be separately insured, and except land, foundation, excavation and other items normally excluded from coverage. Such policy or policies shall contain extended coverage, vandalism, and malicious mischief endorsements. The Improvements to be insured under this clause shall be continually insured to value, and the policy or policies shall contain replacement cost insurance. If reasonably available, the policy or policies shall contain a stipulated amount clause, or determinable cash adjustment clause, or similar clause to permit a cash settlement covering specified value in the event of destruction and a decision not to rebuild. The policy or policies shall name as insured the Association. Declarant shall also be named as an additional insured on such policy until such time as the Declarant shall have conveyed all the Tracts in the Project. The policy or policies shall also cover personal property owned by the Association or in common by the Owners, their tenants, invitees or agents, and shall further contain a waiver of subrogation rights by the carrier as to negligent Owners. If Declarant pays the premium for said policy or policies, it shall be entitled to reimbursement from the Association. The insurance shall be carried with a reputable companies authorized to do business in the State of Colorado, in such amounts as the Board may determine. The insurance carrier should have a current rating by Best's Insurance Reports of VI or better or a financial rating of Class VI and a general policyholder's rating of at least A. If the insurer does not meet this rating requirement, the insurer must be reinsured by a company that does have a current rating by Best's Insurance reports of VI or better.

9.3 No Individual Fire Insurance on Common Areas. The blanket policy or policies to be carried by the Association and referenced under Section 9.2 above must provide that it is primary over any policy or policies separately carried by an individual

Tract Owner and that the proceeds of the individual policy or policies carried by such Owner shall only be used to the extent that the proceeds of the insurance carried by the Association are insufficient to cover any losses to the Common Area.

9.4 Owner's Personal Liability and Property Insurance. An Owner may carry such property, fire and personal liability insurance as such Owner may desire. It is understood that the Association policies described herein will provide no insurance coverage for the Tracts or the improvements situate thereon.

9.5 Fidelity Insurance Coverage. The Association shall provide for fidelity coverage against dishonest acts on the part of the Officers, Directors, Management Contractors, employees or volunteers responsible for handling funds belonging to or administered by the Association. The fidelity bond or insurance must name the Association as the named insured and shall be written in an amount sufficient to provide protection, which is in no event less than one and one-half (1.5) times the insured's estimated annual operating expenses and reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any person or persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

9.6 Other Insurance. The Board of Directors may purchase and maintain in force as a Common Expense, debris removal insurance, plate or other glass insurance, fidelity bonds, and other insurance or bonds that it deems necessary. The Board shall purchase and maintain worker's compensation insurance to the extent that the same shall be required by law respecting employees of the Association. Notwithstanding any other provisions herein, the Association shall continuously maintain in effect such casualty, flood and liability insurance, and a fidelity bond, meeting the insurance and fidelity bond requirements for such project established by the Federal Home Loan Mortgage corporation, the Federal National Mortgage Association and Government National Mortgage Association, so long as any are a Mortgagee or Owner of a Tract within the Properties, except to the extent such coverage is not available or has been waived in writing by either or all of the above.

9.7 Attorney in Fact. The Association is hereby appointed the attorney in fact for all Owners to negotiate loss adjustment on the policy or policies carried by the Association under this Article IX.

9.8 Proceeds. The Association shall receive the proceeds of any casualty insurance payments received on the policies obtained and maintained pursuant to this Article. To the extent that repairs and reconstruction are required herein and there is a determination that the Properties shall not be rebuilt, the proceeds shall be distributed in the manner provided in Article X regarding casualty damage or destruction.

9.9 Notice of Cancellation or Modification. The policy and/or policies required by Sections 9.1, 9.2 and 9.5 must provide that they cannot be cancelled or substantially modified, by any party, without at least ten (10) days prior written notice to the Association, and to each holder of a First Mortgage which has requested in writing that it be listed as a scheduled holder of a First Mortgage in the insurance policy.

9.10 Annual Review of Policies. All insurance policies shall be reviewed at least annually by the Board of Directors to ascertain whether the coverages contained in the policies are sufficient for the upcoming year, whether any necessary repairs or replacements of the property which occurred in the preceding year were covered by insurance, and that all possible insurance claims have been filed!

9.11 Deductibles. No insurance policy applicable to either fire or extended coverage shall contain a deductible clause which exceeds the great of:

- (i) Five Hundred Dollars (\$500.00); or
- (ii) One percent (1%) of the face amount of the policy.

If an Owner, who by negligent or willful act, causes damage to the Common Area or other Properties which are insured as a Common Expense, then said Owner shall bear the whole cost of the deductible required in the blanket insurance policy for the Association on the Common Area and other such Properties. An Owner shall be responsible for any action of members of the Owner's family, tenants or guests which cause damage to said Common Areas or other Properties.

9.12 Directors' and Officers' Liability Insurance. If 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 Directors or Officers of the Association.

9.13 Waivers. All such policies of insurance shall contain waivers of subrogation and waivers of any defense based on an invalidity arising out of the acts of a Member of the Association.

X. CASUALTY

10.1 Association As Agent and Attorney In Fact. All of the Owners irrevocably constitute and appoint the Association as their true and lawful agent and attorney in fact in their name, place and stead for the purposes of dealing with the Property upon its damage, destruction, obsolescence and/or condemnation as hereinafter provided. Acceptance by any grantee of a deed from Declarant or from any Owner shall constitute appointment of the Association as agent and attorney in fact as herein provided.

10.2 General Authority of Association. As attorney in fact, the Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted. Repair and construction of the Common Area Improvements as used in this Article means restoring Project to substantially the same condition in which it existed prior to damage. Subject to the provisions of Section 4.7 above, the proceeds of any insurance collected shall be used by the Association for the purpose of repair or reconstruction unless Owners, to which at least sixty-seven percent (67%) of the votes are allocated, and sixty-seven percent (67%) of the First Mortgagees agree not to rebuild in accordance with the provisions set forth in this Article.

10.3 Notices and Cost Estimates. As soon as practical after an event causing damage to, or destruction of any part of the Common Area, the Association shall immediately obtain estimates that it deems reliable of the cost of repair or reconstruction of that part of the Project damaged or destroyed.

10.4 Insurance Proceeds Sufficient to Repair. In the event that proceeds from insurance coverage are sufficient to cover the cost of repair or construction after a casualty pursuant to the estimate of costs obtained by the Association, then such repair or reconstruction shall be promptly performed by the Association as attorney in fact for the Owners pursuant to the Article.

10.5 Insurance Proceeds Insufficient to Repair. If the insurance proceeds are insufficient to repair or reconstruct the damage or destroyed Common Area or Common Area Improvements, such damage shall be repaired as promptly as possible by the Association and any costs of such repair or reconstruction in excess of insurance proceeds available shall be assessed against all Owners as a Common Expense pursuant to Article VI.

XI. CONDEMNATION

11.1 Consequences of Condemnation. At any time during the continuance of the Ownership pursuant to this Declaration, if all or any part of the Common Areas shall be taken, or condemned by any public authority, or sold, or otherwise disposed of in lieu of or in avoidance thereof, the provisions of this Article XI shall apply.

11.2 Proceeds and Notice. All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award" shall be payable to the Association; provided, however, that the Association shall provide timely notice of such condemnation proceeding or condemning authority acquisition to all Owners and First Mortgagees of record of Dwelling Units within the project who request such notice.

XII. GENERAL RESERVATIONS

12.1 Reservation of Easements, Exceptions, and Exclusions. Declarant reserves the right to establish from time to time by dedication or otherwise, utility (including cable television and other easements, for purposes including but not limited to streets, paths, walkways, drainable recreation areas, parking areas, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions and exclusions consistent with the ownership of the Properties for the best interest of all Owners and the Association in order to serve all the Owners within the Project. The rights herein reserved unto Declarant shall continue until Declarant no longer retains an interest in the Project, or December 31, 2002, whichever occurs first.

12.2 Rights of Declarant Incident to Construction. An easement is hereby retained by and granted to Declarant for access, ingress, and egress over, in, upon, under, and across the Project, including but not limited to the right to store materials thereon and to make such other use thereof as may be reasonably necessary or incidental to Declarant's construction on the Properties; 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, the Owner's family members, guests, or invitees, to or of that Owner's Tract.

XIII. ENLARGEMENT OF PROJECT (ANNEXATION)

13.1 Special Rights Reserved to Declarant: Enlargement of Project.

13.1.1 Declarant shall have the absolute right, but not the obligation, and same is hereby specifically reserved unto Declarant to be exercised prior to December 31, 2002, to annex to the land and Improvements described in this Declaration and to the Plat herein referred to, and thereby to submit to each and every provision of this Declaration the land described on Exhibit C, attached hereto and incorporated herein by this reference, or any portion thereof as further referenced hereunder, together with the Improvements to be constructed thereon as further referenced herein. It is the intention of Declarant that the lands described on Exhibit C may be annexed to the land covered by this Declaration by additional phases. Such phases may be added by Declarant either in the aggregate or on a phase by phase basis, by a portion of a phase, or any combination thereof, with the result being that this Project may be increased up to a maximum number of forty-two (42) Tracts, or such lesser amount of Tracts as may be reflective of the Declarant's decision to add either no additional phases or such lesser number of phases desired. No particular order is established for the sequence, if any, in which the additional units may be annexed into the Project.

13.1.2 Any such expansion or annexation as herein reserved unto Declarant shall be accomplished by the recording of a supplement or supplements to this Declaration, and such documents shall be recorded in the records of the Office of the Clerk and Recorder of Arapahoe County, Colorado.

13.1.3 There is hereby reserved unto Declarant the irrevocable power of attorney, coupled with an interest, to execute, acknowledge, and deliver such further instruments and to do such further acts and/or things as may be from time to time required in order to accomplish the purposes of this Article XIII, including the right, if necessary, to amend the Articles of Incorporation or By-Laws, and to act on behalf of the Association to obtain such accomplishment. Each Owner and each and every Mortgagee of a Tract in the Project shall be deemed to have acquiesced to the supplements to this Declaration and to any required supplements to the Plat for the purpose of adding additional Tracts and Common Area to the Project in the manner set forth in this Article XIII, and shall be deemed to have granted unto Declarant an irrevocable power of attorney, coupled with an interest, to effectuate, execute, acknowledge and deliver any such instruments, if any, and to do such other acts and things as may be deemed necessary or desirable by Declarant, its successors or assigns, to properly accomplish the supplements contemplated by this Article XIII. Such supplements shall contain at least the following information:

13.1.4 A legal description of the particular phase (s) being annexed, including a proper legal description of the Tracts and the Common Areas located therein;

13.1.5 A statement that said lands are being annexed pursuant to the particular provisions of Article XIII hereof; and

13.1.6 A further statement to the effect that said phase(s), when annexed, shall be deemed to be included within the Project covered by this Declaration and, thereby, subject to all of the terms, provisions, covenants, conditions, reservations, charges, and liens, including assessments, applicable hereunder as well as expressly subject to all of the provisions of the Articles of Incorporation and the By-laws of the Association referenced hereunder.

All such supplements shall be subject to the prior approval of the Federal Housing Administration (FHA) or the Veteran's Administration, and shall be consistent with the original Plat as and if approved by FHA or the Veteran's Administration, unless amendments thereto promulgated by Declarant have been properly processed and approved by FHA or the Veteran's Administration and any governmental entity having jurisdiction thereof.

13.2 Assessments and Voting Rights. On the date of recordation of any annexation by supplement to this Declaration, the assessment responsibility indicated in

Section 6.1 and the voting rights outlined in Section 4.3, appurtenant to the annexed Tracts, shall become effective.

13.3 Future Improvements. All future Improvements to the Project shall be consistent with initial Improvements in terms of quality of construction.

13.4 Further Annexations. Annexation of property not included in the property described in Exhibit C shall require consent of sixty-seven percent (67%) of Owners (excluding the Declarant) as well as the prior approval of either FHA or the Veteran's Administration.

XIV. PRE-EXISTING RESERVATIONS RESTRICTIONS EASEMENTS AND COVENANTS

The property was subject to the following reservations, restrictions, conditions, exceptions, easements and covenants at the time of the recordation of this Declaration:

14.1 Arapahoe County. Any restrictions in the use of property created by plats or zoning ordinances approved or adopted by Arapahoe County, Colorado.

14.2 Recorded Documents. Those documents listed on Exhibit D attached hereto.

14.3 Other Recorded Documents. Any other reservations, restrictions, conditions, exceptions, conditions, easements and covenants not enumerated under this Declaration or the Association Articles of Incorporation or By-Laws, but which exist of record at the time of the recordation of this Declaration.

XV. REVOCATION OR AMENDMENT OF DECLARATION

15.1 Revocation. Except as provided specifically elsewhere herein, this Declaration shall not be revoked unless the Owners of Tracts to which seventy-five percent (75%) of the votes in the Association are allocated and sixty-seven percent (67%) of the registered First Mortgagees consent and agree to such revocation by instrument(s) duly recorded.

15.2 Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the Properties for a term of forty (40) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. Subject to any provision in Sections 4.6 and 4.7 above, this Declaration shall not be amended, except as otherwise herein provided, without the consent of Owners of Tracts to which at least seventy-five percent (75%) of


the votes in the Association are allocated, and approval of sixty-seven percent (67%) of the First Mortgagees. Such amendment may be evidenced by either a recorded instrument indicating such consent or by a recorded certificate of the Secretary of the Association certifying that at a meeting of the Owners, duly called at which a quorum was presented, the Owners of Tracts, to which seventy-five percent (75%) of the votes in the Association are allocated, consented to the Amendment, and that sixty-seven percent (67%) of the First Mortgagees have given approval (as provided in Section 16.8 below) to the Amendment, unless a higher percentage is required for such consent and approval by Sections 4.6 and 4.7 above, in which case the certificate shall reflect the higher percentage, and that copies of such written consent and approval are in the corporate records of the Association.

15.3 Amendments to Conform to VA, FHA, FNMA, or FHLMC Requirements. Notwithstanding any provisions to the contrary, during the period of Class B membership, Declarant shall have the right to unilaterally amend this Declaration in order to comply with the requirements of the Veteran's Administration, Federal Housing Administration, Federal National Mortgage Association, or Federal Home Loan Mortgage Corporation. Such amendment shall not require the vote or consent of Owners in the Project.

15.4 Technical Amendments. Declarant hereby reserves and is granted the right and power to record technical amendments to this Declaration at any time prior to the termination of the Declarant's reserved right to appoint the Board of Directors of the Association for the purposes of correcting spelling, grammar, dates or as is otherwise necessary to clarify the meaning of the provision of this Declaration.

15.5 FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of FHA or the Veteran's Administration: annexation of additional properties; dedication of Common Area, and amendment of this Declaration.

XVI. MISCELLANEOUS PROVISIONS



16.1 Mailing Address. Each Owner and First Mortgagee shall register a mailing address with the Association, and all notices, demands and statements shall be sent by regular United States Mail, first-class postage prepaid, addressed in the name of the Owner or First Mortgagee at such registered mailing address. All notices to Declarant shall be sent by certified mail, first-class postage prepaid, return receipt requested, to the following address:

DECLARANT:

Richardson Homes, Inc.
7465 E. Peakview Avenue, Building 10
Englewood, CO 80111

until such address is changed by notice of address change given to the Association.

16.2 Compliance with Provisions. Each Owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation, By-Laws, Rules and Regulations, resolutions, and contracts of the Association as the same may from time to time be in force and effect. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages or injunctive relief or both, together with reasonable attorney fees, court costs, and injunction bond premiums maintainable by the Board of Directors, or the Management Contractor, on behalf of the Owners, or by any Owner.

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

16.4 Terminology. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural and the singular; and the use of any gender shall include all genders.

16.5 State Law. The provisions of this Declaration shall be in addition and supplemental to all laws of the State of Colorado.

16.6 Declarant's Rights Transferable. Any right or interest of Declarant hereunder, established or reserved, may be transferred or assigned by Declarant either separately, or with one or more of such rights or interest, to any person or entity without the consent of the Owners, the Association, or any First Mortgagee.

16.7 Registration of First Mortgagees. Whenever this Declaration requires that a First Mortgagee receive notice, such requirement of notice shall be waived if the First Mortgagee has failed to register its name and proper address with the Association for the purpose of such notices.

16.8 Approval by First Mortgagees. Whenever this Declaration requires the approval of First Mortgagees, only those First Mortgagees who have registered as provided under Section 16.7 need be included in the request for approval and in any

**EXHIBIT A
TO DECLARATIONS
FOR
SUMMIT PARK ENCLAVE**

Tracts A through F, inclusive, and
Lots 1-12, inclusive, Block 2, and
Lots 7, 8, 9, 10, 14, 15, 16, 17, and 18, Block 1,
SUMMIT PARK SUBDIVISION, Filing No. 3,
as recorded on October 16, 1992 in Book 106 at Page 18,
Reception No. 116186, in the records of the
County of Arapahoe, State of Colorado