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**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
GARDENS AT NORTH CAREFREE, FIRST FILING
AND
GARDENS AT NORTH CAREFREE
METROPOLITAN DISTRICT**

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR GARDENS AT NORTH CAREFREE, FIRST FILING
AND
GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR GARDENS AT NORTH CAREFREE, FIRST FILING AND GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT ("Declaration") is made and entered into this 22nd day of June, 2020, by COVINGTON HOMES, LLC, a Colorado limited liability company, hereinafter referred to as "Declarant."

RECITALS

A. Declarant is the owner of that certain real property located in the County of El Paso, State of Colorado, legally described on Exhibit "A" attached hereto and incorporated herein by reference (the "Property").

B. Declarant desires to create a system of covenants, conditions, restrictions, easements, reservations, rights-of-way, obligations, liabilities and other charges to protect and enhance the quality, value, aesthetics, desirability, and attractiveness of the Property and Improvements to be developed thereon, which shall be known as Gardens at North Carefree, First Filing (the "Development").

C. The covenants, conditions, restrictions, easements, reservations, rights-of-way, obligations, liabilities, and other charges set forth herein are in addition to the laws of any and all applicable governmental entities with jurisdiction over properties in El Paso County, Colorado.

D. Declarant desires that all Property shall be improved, held, used, occupied, leased, sold, and/or conveyed subject to this Declaration.

E. Gardens at North Carefree Metropolitan District (the "District"), as hereinafter more fully defined, was organized under the laws of the State of Colorado pursuant to Gardens at North Carefree Metropolitan District Service Plan, El Paso County, Colorado approved by the Board of County Commissioners of El Paso County, Colorado on July 23, 2019, by resolution recorded at Reception No. 219084956 of the El Paso County, Colorado records (the "Service Plan"). Pursuant to Section 32-1-1004(8) of the Colorado Revised Statutes, the District shall enforce the covenants, conditions, restrictions and easements and provide design review services, as set forth herein, for the Property.

F. Declarant intends that this Declaration shall run with the land and be binding on and inure to the benefit of all parties having any right, title or interest in any portion of the Property, their heirs, successors, successors-in-kind and assigns.

G. Declarant further hereby states that the District shall maintain, care for and manage the District owned portions of the Property and related District Improvements, from time to time, and perform certain functions for the benefit of the Owners as further described herein

and within the Service Plan. This Declaration shall also define certain duties, powers and rights of the Owners, Declarant and the District.

H. Declarant does not desire to, and this Declaration does not, create a Common Interest Community as defined by the Colorado Common Interest Ownership Act at C.R.S. § 38-33.3-103(8), as amended, on the Property. This Declaration and its Covenants (as defined below) shall not be governed by the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, *et seq.*, or any provision thereof. And Declarant will not form an association under the laws of the State of Colorado to administer the covenants, conditions and restrictions stated herein.

NOW, THEREFORE, in addition to the foregoing, Declarant for itself, its successors and assigns, and for and on behalf of all existing Owners, hereby declares that the Property be owned, held, transferred, conveyed, sold, leased, rented, encumbered, used, occupied, maintained, altered and improved subject to the following covenants, conditions, restrictions, easements, reservations, rights-of-way, obligations, liabilities, charges, fines, penalties and other provisions set forth herein, as the same may be amended and/or supplemented from time to time.

ARTICLE 1. DEFINITIONS

Section 1.1 Defined Terms. When used in this Declaration, unless the context clearly indicates otherwise, capitalized terms shall have the meanings provided in the following Sections of this Article:

1.1.1 “Affiliate” means any and all partnerships, ventures, limited liability companies or other entities in which Declarant owns or any of the entities comprising Declarant owns, either directly or indirectly, a controlling interest.

1.1.2. “Agent” means a person, firm, corporation or other entity employed or engaged as an independent contractor by Declarant or the District.

1.1.3 “Covenants” means the covenants, conditions, restrictions and easements contained in this Declaration, as amended and supplemented from time to time.

1.1.4 “Declarant” shall mean and refer to Covington Homes, LLC, a Colorado limited liability company, and any Person or group of Persons which succeed to all or any portion of the rights and/or duties of Covington Homes, LLC, or of any successor thereto duly designated in accordance with this definition. Any such successor must be so identified by means of an express written assignment executed and acknowledged by Covington Homes, LLC, or a duly designated successor Declarant, and recorded in the real property records of El Paso County, Colorado.

1.1.5 “Declaration” shall mean and refer to this Declaration and any and all duly executed amendments, supplements or additions to this Declaration recorded in the real property records of El Paso County, Colorado, including any plats and maps, from time to time relating to the Property, which are recorded in the real property records of El Paso County, Colorado.

1.1.6 “Design Guidelines” shall mean and refer to, collectively, all written design and development guidelines, policies, application and review procedures, fee schedules, and all architectural controls, which shall apply to all construction and other improvement activities that are enacted by the Design Review Committee in accordance with this Declaration.

1.1.7 “Design Review Committee” or “DRC” shall mean and refer to the committee created under this Declaration for the purpose of establishing and administering architectural control over the Property to insure the proper, appropriate and harmonious development and improvement of the Property, including enforcing Design Guidelines, Owner’s maintenance responsibilities and other provisions of this Declaration, Design Guidelines and related documents.

1.1.8 “District” shall mean Gardens at North Carefree Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado, its successor or assign, and/or any other metropolitan district(s) to whom the then-metropolitan district may, from time to time, transfer or assign any or all of the rights, duties, obligations and responsibilities delineated in this Declaration. Each such assignment or transfer, if any, shall be effective upon the recording in El Paso County, Colorado, of a document of transfer or assignment, duly executed by the then-metropolitan district. In the event that the District ceases to exist, Declarant may appoint a successor entity to serve as enforcer of this Declaration, which entity shall assume all rights and responsibilities of the District under this Declaration. In addition to the authority to provide Services (as defined in Section 1.1.23 below), the District has such other authority with respect to the provision of services as may be permitted by the Special District Act, C.R.S. § 32-1-101, *et seq.*; including, but not limited to, the right to adopt rules and regulations, fees, rates, tolls, penalties and charges, and undertake enforcement actions.

1.1.9 “District Properties” shall mean all real and personal property, including any Improvements, common areas, facilities and related appurtenances now or hereafter owned by the District, or with respect to which the District holds an easement for purposes as may be permitted hereunder.

1.1.10 “Documents” or “Governing Documents” shall mean and refer to this Declaration, the Plat (as defined below) as recorded and filed, any Design Guidelines and any Rules and Regulations (as defined below), as they may be amended from time to time, together with any exhibit, schedule or certificate accompanying such Documents.

1.1.11 “Expansion Property” shall mean and refer to that certain real property legally described on Exhibit “B” and by this reference incorporated herein.

1.1.12 “Governing Board” means the board of directors or other governing board of the District.

1.1.13 “Improvements” shall mean and refer to any building, structure, fence, landscaping or other improvements located within the Property, including, but not limited to, the following: (a) the construction, installation, alteration, demolition, in whole or in part, or expansion of any building, structure or other improvements, including utilities; (b) the staking, clearing, grading, excavation, filling or similar disturbance to the surface of the land, including,

without limitation, any change of grade, change of ground level, or change of drainage pattern; (c) all initial planting of and subsequent material modifications to Landscaping, and all planting, clearing or removing of trees, shrubs, grass or perennial plants, but in each instance excluding removal of dead or diseased plants and trees and excluding any replacement that is substantially similar to the item being replaced; (d) any change or alteration to the exterior appearance of Improvements previously approved by the Design Review Committee, including any change in finish material, color or texture; (e) the repainting and resurfacing of exterior surfaces of structures, including roofing materials, gutters, downspouts, drainspouts, exterior siding or stucco finish, entry doors, windows, trim around doors and windows, surfaces of garage doors, external vents and flues and glass surfaces, exclusive of any replacement that is substantially identical to the item being repainted or resurfaced; and (f) reconstruction of any structures.

1.1.14 “Landscaping” shall mean and refer to trees, shrubs, grasses, flowers and other plants and plant materials.

1.1.15 “Lot” shall mean and refer to a physical portion of the Property which is designated for separate ownership or occupancy, the boundaries of which are described in or determined from the Declaration and the Plat.

1.1.16 “Lot Owner” or “Owner” shall mean and refer to the Declarant or other Person who owns a Lot but does not include a Person having an interest in a Lot solely as security for an obligation. The Declarant is the owner of any Lot created in the Declaration until that Lot is first conveyed to another Person.

1.1.17 “Person” shall mean and refer to a natural person, a corporation, a partnership, an association, a trust, or any other entity or combination thereof.

1.1.18 “Plat” shall mean and refer to the Plat of Gardens at North Carefree, First Filing recorded on March 19, 2020, at Reception No. 220714488 of the El Paso County, Colorado records, together with all supplements and amendments thereto recorded in the office of the Clerk and Recorder of El Paso County, Colorado.

1.1.19 “Property” shall mean and refer to the real estate described on Exhibit “A” attached hereto and incorporated herein by reference, including structures, fixtures, and other Improvements and interests that, by custom, usage or law, pass with a conveyance of land, though not described in the contract of sale or instrument of conveyance; provided, however, that the Property shall not include any property that has been withdrawn under Section 6.2 hereof.

1.1.20 “Related User” shall mean and refer to any person who: (a) resides with an Owner within a Lot; (b) is a guest or invitee of an Owner; (c) is an occupant or tenant of a Lot; or (d) is a family member, guest, invitee or cohabitant of the foregoing.

1.1.21 “Rules and Regulations” shall mean and refer to any instruments, however denominated, other than the Design Guidelines, which are adopted by the District for the regulation and management of the Property, including any amendment to those instruments.

1.1.22 “Service Plan” shall mean Gardens at North Carefree Metropolitan District Service Plan, El Paso County, Colorado, approved by the Board of County Commissioners of El Paso County, Colorado, on July 23, 2019, by resolution recorded at Reception No. 219084956 of the El Paso County, Colorado records.

1.1.23 “Services” shall mean the services that the District is empowered to provide pursuant to C.R.S. §§ 32-1-1001 and 1004, as amended, and other provisions of Title 32 of C.R.S., as amended, including as provided in the Service Plan.

1.1.24 “Security Interest Holder” means any Person named as a mortgagee or beneficiary, or in a similar capacity, under any security interest, the Administrator of Veterans Affairs, an Officer of the United States of America, and his or her assigns under any executory land sales contract wherein the said Administrator is identified as the seller, whether such contract is recorded or not in the El Paso County records, and shows said Administrator as having the record title to the Lot, or any successor to the interest of any such Person under such security interest.

1.1.25 “Special Declarant Rights Period” means the period beginning the date this Declaration is recorded in the office of the Clerk and Recorder of El Paso County, Colorado, and ending the earlier of (i) twenty-five (25) years from the date this Declaration is recorded in the office of the Clerk and Recorder of El Paso County, Colorado, or (ii) ten years from the date on which Declarant shall have conveyed all of the Lots, including any Lots added in the Expansion Property.

Section 1.2 Other Terms in Declaration. Other terms in this Declaration may be defined in specific provisions contained herein and shall have the meaning assigned by such definition.

ARTICLE 2. ARCHITECTURAL CONTROL

Section 2.1 Design Review Committee.

2.1.1 Appointment of Members. The Governing Board shall appoint the members of the DRC. During the Special Declarant Rights Period, the members of the DRC may be, but are not required to be, directors of the Governing Board, an Affiliate of Declarant, or any member or employee of an Affiliate of Declarant. Upon the expiration of the Special Declarant Rights Period, the members of the DRC shall be appointed from among the Owners or a director of the Governing Board. There shall initially be three (3) members of the DRC.

2.1.2 Term. Each member of the DRC shall serve at the pleasure of the Governing Board. In the event of the death or resignation of any member of the DRC, the Governing Board shall appoint a successor.

2.1.3 Decisions. All decisions of the DRC shall be by a majority vote of those members of the DRC present at a meeting at which a quorum is present. A majority of the members of the DRC shall constitute a quorum.

2.1.4 Compensation. The members of the DRC shall not be entitled to any compensation for services performed pursuant to this Declaration, except as provided in Section 2.1.5 below.

2.1.5 Delegation. The DRC or the Governing Board shall have the power to delegate the responsibility for reviewing any application submitted to the DRC to a professional architect, landscape architect, engineer, property manager or other professional person who is qualified to review the issues raised in the application, including a member or manager of Declarant. The DRC or the Governing Board shall also have the power to require that the applicant pay the fees reasonably incurred in retaining any such professional to review the application submitted. The DRC or the Governing Board further shall have the right and authority to: (i) delegate, in writing, some or all architectural authority to one or more other Persons, including one or more management companies, metropolitan or other district(s), such as by entering into intergovernmental agreement(s) or other document(s) or agreement(s); and (ii) withdraw, in writing, any delegated authority.

2.1.6 Non-liability. No member of the DRC or the Governing Board, nor any Person to whom the DRC or Governing Board has delegated review of an application or other authority, shall be liable to any Owner, in equity or damages, or to any Person submitting requests for approval or to any Person by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove, or for any loss, damage, or injury arising out of or in connection with the performance of the duties of the DRC or Governing Board under this Declaration, unless such action constitutes willful misconduct or bad faith on the part of the DRC or Governing Board. Review of any application submitted to the DRC shall be pursuant to this Declaration, and any approval granted shall not be considered approval of the structural safety or integrity of the Improvements to be constructed or conformance of such Improvements with building codes, zoning resolutions, or other applicable governmental rules and regulations. The DRC may require any Person submitting a request for approval to obtain the approval of all governmental entities with jurisdiction over the Property, and provide proof of issuance of all associated permits, licenses and approvals required by such governmental entities.

Section 2.2 Control. No Improvements shall be erected, placed or altered on any Lot unless said Improvements are in full compliance with the Governing Documents and until the plans and specifications thereof shall have been approved in writing by the DRC. No alteration or repainting to the exterior of any Improvement shall be made within the Property, and no Landscaping, including the installation of trees, shrubs, grass or other landscaping, shall be installed within the Property unless said alteration, repainting and/or Landscaping are in full compliance with the Governing Documents and until the alteration, repainting and/or Landscaping shall have been approved in writing by the DRC.

Section 2.3 Purpose. The DRC is established for the purpose of maintaining within the Property a consistent and harmonious general character of development and a style and nature of building and design intended to enhance the aesthetics and property values within the Property.

Section 2.4 Rules and Guidelines. The Governing Board or DRC may issue Design Guidelines and other rules setting forth procedures for the submission of plans for approval and

may also issue guidelines setting forth the criteria that the DRC will use in considering plans submitted for approval, which shall be in addition to the provisions of this Declaration.

Section 2.5 Review of Plans and Specifications. The DRC shall consider and act upon any and all requests submitted for its approval. The DRC shall approve plans and specifications submitted to it only if it determines that the construction, alteration, and additions contemplated thereby, and in the location as indicated, will comply with this Declaration; will serve to preserve and enhance the value of the Lots within the Property; will be consistent with the spirit and intent of this Declaration; and will maintain a harmonious relationship among structures, Improvements and topography within the Property. The DRC shall consider the quality of workmanship, type of materials, and harmony of exterior design with other Lots located within the Property. Should the DRC fail to approve or disapprove the plans and specifications submitted to it by an Owner of a Lot within thirty (30) days after complete submission of all required documents, the plans shall be resubmitted to the DRC by certified mail, return receipt requested, with a copy to the Governing Board, by certified mail, return receipt requested, and, in the event that the DRC fails to approve or disapprove any plans and specifications as herein provided within thirty (30) days after such resubmission to the DRC and the Governing Board by certified mail, the same shall be deemed to have been approved, as submitted, and no further action shall be required; provided, however, that no building, structure or other Improvement shall be erected or allowed to remain on any Lot which violates or is inconsistent with any of the covenants or restrictions contained in the Declaration. The issuance of a building permit or license for the construction of Improvements inconsistent with this Declaration shall not prevent the Governing Board or any Owner from enforcing the provisions of this Declaration.

Section 2.6 Prosecution of Work after Approval. After approval of any proposed Improvement, the proposed Improvement shall be accomplished as promptly and diligently as possible and in complete conformity with all conditions and requirements of the approval. Failure to complete the proposed Improvement within one (1) year after the date of approval of the application, or to complete the Improvement in complete conformance with the conditions and requirements of the approval, shall constitute noncompliance with the requirement that approval for Improvements be obtained from the DRC; provided, however, the DRC or Governing Board, in its discretion, may grant extensions of time for completion of any proposed Improvements.

Section 2.7 Notice of Completion. Upon the completion of any Improvement, the applicant for approval of the same shall give a written "Notice of Completion" to the DRC. Until the date of receipt of such Notice of Completion, the DRC shall not be deemed to have notice of completion of any Improvement on which approval has been sought and granted, as provided in this Article.

Section 2.8 Inspection of Work. The DRC, or its duly authorized representative, shall have the right to inspect any Improvement prior to, or after completion, in order to determine whether the proposed Improvement is being completed, or has been completed, in compliance with the approval granted pursuant to this Article; provided, however, that the right of inspection shall terminate sixty (60) days after the DRC shall have received a Notice of Completion from the applicant.

Section 2.9 Notice of Noncompliance. If, as a result of inspections or otherwise, the DRC finds that any Improvement has been done without obtaining the approval of the DRC, or was not done in substantial compliance with the approval that was granted, or was not completed within one (1) year after the date of approval, subject to any extensions of time granted pursuant to Section 2.6 hereof, the DRC or the Governing Board shall notify the applicant in writing of the noncompliance; which Notice of Noncompliance shall be given, in any event, within sixty (60) days after the DRC receives a Notice of Completion from the applicant. The Notice of Noncompliance shall specify the particulars of the noncompliance.

Section 2.10 Correction of Noncompliance. If the DRC or Governing Board determines that a noncompliance exists, the Person responsible for such noncompliance shall remedy or remove the same (and return the subject real estate and/or Improvement or structure to its original condition) within a period of not more than forty-five (45) days from the date of receipt of the Notice of Noncompliance. If such Person does not comply with the ruling within such period, the Governing Board may record the Notice of Noncompliance against the Lot on which the noncompliance exists, may remove the noncomplying Improvement or may otherwise remedy the noncompliance; and the Person responsible for such noncompliance shall reimburse the Governing Board, upon demand, for all costs and expenses incurred with respect thereto.

Section 2.11 No Waiver of Future Approval. The approval by the DRC of any proposal or plans and specifications for any work to be done on a Lot shall not be deemed to constitute a waiver of any right to withhold approval or consent to any similar proposals, plans, specifications, drawings, or other matters subsequently or additionally submitted for approval by the same Owner or by another Owner.

Section 2.12 Variations. The Governing Board, in its sole discretion, may authorize variances from compliance with any provisions of this Declaration when circumstances such as natural obstructions, hardships, aesthetics or environmental considerations may require. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Governing Board. If any such variance is granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted; provided, however, that the granting of the variance shall not operate to waive any provisions of this Declaration for any purpose except as to the particular Lot and the particular provision hereof covered by the variance, nor shall the granting of a variance affect in any way the Owner's obligations to comply with all governmental laws and regulations affecting the Lot concerned, including, but not limited to, zoning ordinances and setback lines or requirements imposed by any governmental authority having jurisdiction.

Section 2.13 Access Easement. Each Lot is subject to an easement in favor of the DRC and the District, including their agents, representatives, employees and contractor thereof: for performing any of the actions contemplated in this Declaration, including without limitation Sections 2.8 through 2.10, above; and/or for and incidental to investigation and/or enforcement of any term or provision of any of the Governing Documents. If damage is inflicted, or a strong likelihood exists that it will be inflicted, on any of the Property, including without limitation any Lot, the Owner responsible for the damage or expense to avoid damage, or the District if it is responsible, is liable for the cost of prompt repair and remediation. Further, the rights and

easements granted in this Section 2.13 may be exercised only during reasonable hours after reasonable notice to an Owner or a Related User of any affected Lot; except that no such notice shall be required in connection with any exterior, non-intrusive matter; and except that in emergency situations, entry upon a Lot may be made at any time provided that an Owner or Related User of each affected Lot shall be notified of emergency entry as early as is reasonably possible. The interior of any residence located on a Lot shall not be subject to the easements provided for in this Section.

Section 2.14 Declarant and District Exemption. Notwithstanding anything herein to the contrary, the Declarant, Covington Properties, LLC, a Colorado limited liability company ("Covington Properties"), and the District are exempt from this Article 2 and all provisions of the Governing Documents that require DRC review and/or approval, except for the requirement to obtain approval from all governmental entities for which approval is required.

ARTICLE 3. RESTRICTIVE COVENANTS AND OBLIGATIONS

Section 3.1 Residential Use. Subject to the Special Declarant Rights as provided in this Declaration, and subject to non-obtrusive, in-home business operations as permitted below, Lots shall be used for residential purposes only, including uses related to the convenience and enjoyment of such residential use.

Section 3.2 Temporary Structures. No temporary building or other temporary structures, trailers, basements, tents, shacks, barns or outbuildings shall be erected, used or permitted to be kept or stored on any portion of the Property for any period of time, except as specifically allowed in this Declaration or except as utilized by the Declarant or the assigns or lessees of Declarant.

Section 3.3 Construction Facilities. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant, Covington Properties or the District, or their agents, employees and contractors, to maintain during the period of construction and sale of any Lots, upon such portion of the Property as Declarant may choose, such facilities as, in their sole opinion, may be reasonably required, convenient or incidental to the construction and sale or rental of Lots, including, without limitation, a business office, storage area, construction yard, signs, model homes, sales office, construction office, parking areas and lighting.

Section 3.4 General Restrictions. None of the Property shall be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Lot or any resident thereof, and no billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on the Property.

Section 3.5 Household Pets. No animals, livestock, poultry or insects, of any kind, shall be raised, bred, kept or boarded within the Property. However, not more than a total of four dogs, cats or other household pets may be kept in any Lot, so long as they are not kept for any commercial purpose and are not kept in such number or in such manner as to create a nuisance to other Owners. The District shall have, and is hereby given, the right and authority to determine, in its sole discretion, whether dogs, cats or other household pets are being kept for commercial

purposes or are being kept in such number or in such manner as to be unreasonable or to create a nuisance to other Owners, or that an Owner is otherwise in violation of this Section 3.5 and to take such action or actions as it deems reasonably necessary to correct the same. An Owner's right to keep household pets shall be coupled with the responsibility to pay for any damage caused by such Owner's pets, as well as any costs incurred by the District as a result of such pets. Dogs and other household pets shall not be allowed to run at large within the Property.

Section 3.6 Use of District Properties. Subject to the Special Declarant Rights as provided in this Declaration, there shall be no obstruction of the District Properties, nor shall anything be kept or stored on any part of the District Properties without the prior written approval of the Governing Board. Except for those Improvements erected or installed by Declarant, nothing shall be altered on, constructed in or removed from the District Properties, without the prior written approval of the Governing Board.

Section 3.7 Exterior Changes. Except for those Improvements erected or installed by Declarant, no exterior additions to, alterations or decoration of any residence or building, nor any changes in fences, hedges, walls, or other structures, nor installation of window-mounted air conditioning units or any exterior television, radio or other communication antennas of any type, shall be commenced, erected, placed or maintained, without the prior written approval of the DRC.

Section 3.8 Antennas. Satellite dishes that are 39.37 inches or less in diameter that receive direct broadcast satellite service, fixed wireless signals via satellite, or wireless cable that receives broadband radio service or fixed wireless signals, which are professionally installed in a safe manner and located on the side or rear of the dwelling are permitted. Ground mounting is encouraged in rear Lots, and the location should be selected in a manner that will not cause a nuisance to other Lots. Provided that if such location would impair the signal strength, the satellite dish may be installed at such location as is necessary to avoid impairment of the signal strength. No other antenna or other device for the transmission or reception of television or radio signals, or any other form of electromagnetic radiation, may be installed or maintained on the exterior of any lot, unless approved by the DRC. To the extent the application of this provision would violate any provision of the Over-the-Air Reception Devices ("OTARD") rules adopted by the Federal Communication Commission to protect the rights of property owners to install, maintain or use an antenna to receive video programming from direct broadcast satellites, this provision shall be deemed amended, as necessary, to meet the minimum requirements of such rules.

Section 3.9 Signs and Advertising. Except as hereinafter provided, no signs, advertising, billboards, unsightly objects or nuisances of any kind shall be placed, erected, maintained or permitted to remain in or on any Lot without the prior written approval of the DRC, nor shall any sign(s) be permitted in or on the District Properties, without the prior written approval of the Governing Board. Notwithstanding the foregoing, the following are permitted: (i) a name plate of the occupant or street number; (ii) one (1) "For Sale," "Open House," or "For Rent," sign for the length of time reasonably necessary to advertise for sale or rent, not more than five (5) square feet in the aggregate; (iii) a security sign, not more than five (5) square feet in the aggregate; (iv) signs expressly permitted by applicable law, including the display of the American flag, service flags, and political signs in conformance with C.R.S. § 3833.3106.5; and

(v) signs, advertising, or billboards used by the Declarant (or by any other builder with the express written consent of the Declarant) in connection with the sale or rental of Lots, or otherwise in connection with development of, or construction of, a Lot or any Improvement on a Lot. No permitted sign shall interfere with the Owners' use and enjoyment of their Lots, or their ingress and egress from a public way to their Lots.

Section 3.10 Trash. All garbage cans, trash receptacles or similar items shall be kept in an enclosed garage so as to conceal them from view of neighboring Lots and streets. Garbage cans and trash receptacles shall be placed outside for trash removal no sooner than the evening before the regularly scheduled pick up, and shall be returned to the enclosed garage no later than noon the day following the pick-up. All rubbish, trash or garbage shall be kept in garbage cans or trash receptacles and shall be regularly removed from the premises in accordance with the foregoing.

Section 3.11 Parking. Except as allowed by C.R.S. § 38-33.3-106.5, the following may not be parked or stored within the Property, unless such parking or storage is within a garage, or unless authorized in writing by the Governing Board: oversized vehicles, trailers, tractors, mobile homes, golf carts, junk cars, buses, camping trailers, boat trailers, hauling trailers, boats or other motorcraft and accessories thereto, self-contained motorized recreational vehicles, trucks over three-fourths (3/4) ton, commercial vehicles, vehicles with commercial writing on their exteriors or other oversized types of vehicles or equipment as prohibited by Rule or Regulation. The foregoing may be parked as a temporary expedience for loading, unloading, delivery of goods or services, or emergency. This restriction shall not apply to trucks or other commercial vehicles temporarily located within the Property that are necessary for construction or for the maintenance of the Property, Lots, District Properties or any Improvements located thereon. Parking in fire lanes (as designated by the District or as designated by local government or a local fire protection authority) shall not be permitted. The fact that a vehicle of the above description may be licensed by the State of Colorado or any other state as a passenger vehicle shall not exempt the vehicle from this provision or the intent of this provision. This provision is intended to be broadly interpreted.

Section 3.12 Abandoned or Inoperable Vehicles. No abandoned, unlicensed or inoperable automobiles or vehicles of any kind shall be stored or parked within the Property unless parked or stored within a garage. An "abandoned or inoperable vehicle" shall be defined as any automobile, truck, motorcycle, boat, trailer, camper, house trailer, self-contained motorized recreational vehicle, or other similar vehicle, which has not been driven under its own propulsion for a period of one (1) week or longer, or any vehicle which does not have an operable propulsion system installed therein; provided, however, that the foregoing restrictions shall not include otherwise permitted vehicles parked by Owners while on vacation or during a period of illness, or vehicle(s) parked within an enclosed garage. In the event that the Governing Board shall determine that a vehicle is an abandoned, unlicensed or inoperable vehicle, then a written notice describing said vehicle shall be personally delivered to the Owner thereof or shall be conspicuously placed upon the vehicle. If the abandoned, unlicensed or inoperable vehicle is not removed within seventy-two (72) hours after providing such notice, the District shall have the right to remove the vehicle, and the owner thereof shall be solely responsible for all towing and storage charges.

Section 3.13 Vehicle Maintenance. No activity such as, but not limited to, maintenance, repair, rebuilding, dismantling, repainting, or servicing of any kind of vehicle, trailer or boat, may be performed or conducted outside of the garages, except as permitted by the Rules and Regulations or by approval of the DRC or the Governing Board. The foregoing restriction shall not be deemed to prevent washing and polishing of any motor vehicle, boat, trailer, motor-driven cycle, or other vehicle on a Lot, together with those activities normally incidental and necessary to such washing and polishing.

Section 3.14 Towing or Booting. If any vehicle is parked on any portion of the Property in violation of the foregoing Sections or in violation of the Rules and Regulations, the Governing Board, or any property manager retained by the Governing Board, may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours, the vehicle may be towed or booted. The notice shall include the name and telephone number of a person to contact regarding the alleged violation. If twenty-four (24) hours after such notice is placed on the vehicle the violation continues, or thereafter occurs again within six (6) months of such notice, the vehicle may be towed or booted in accordance with the notice, without further notice to the vehicle owner or user.

If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's or occupant's Lot or dwelling, is obstructing the flow of traffic, is parked on any grassy area, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed or booted immediately.

If a vehicle is towed or booted in accordance with this Section 3.14, neither the District nor any officer or agent of the District shall be liable to any person for towing and storage costs or for any claim of damage as a result of the towing or booting activity. The District's right to tow or boot is in addition to, and not in limitation of, all other rights of the District, including the right to assess fines. Notwithstanding anything to the contrary in this Section, the Governing Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow or boot.

Section 3.15 Sound, Light, Etc. There shall be no activities that materially disturb or destroy the vegetation, wildlife or air quality within the Property or which use excessive amounts of water or which result in unreasonable levels of sound, water or light pollution. Exterior illumination of houses, yards, garages, driveways and streets shall be limited to that reasonably necessary for security and safety. Lighting shall be oriented so as not to shine on any other residence.

Section 3.16 Evaporative Coolers. No evaporative cooler may be installed in or on any Lot without DRC approval.

Section 3.17 Subdivision. There shall be no subdivision of a Lot into two (2) or more Lots after a subdivision plat including such Lot has been approved and filed with the appropriate governmental authority, or changing the boundary lines of any Lot, except that the Declarant shall be permitted to subdivide or change boundary lines of Lots which it owns.

Section 3.18 Leases. A Lot Owner may lease his or her Lot in compliance with all of the provisions of the Governing Documents. Any Lot Owner who leases his or her Lot shall be required to provide copies of the Governing Documents to all tenants of the Lot. Leases of Lots must be in writing and for a term of not less than six (6) months. Leases shall be subject in all respects to the provisions of the Governing Documents and must specifically provide that any failure by any Related User to comply with the terms of such documents shall be a default under the lease. Failure of a Lot Owner to comply with the terms of this Section 3.18 and with applicable Rules and Regulations may, at the discretion of the Governing Board, result in that Person's forfeiture of the right to lease the Lot. Mortgagees and eligible insurers shall be exempt from any leasing restrictions placed on the Lots.

Section 3.19 Nuisances. No nuisance shall be allowed on or within any Lot, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful enjoyment or possession and proper use of the Lot. As used herein, the term "nuisance" shall not include any activities of Declarant in regard to the development and construction of Improvements on the Lots or the District Properties. All parts of the Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate, nor any fire hazard to exist. Further, no immoral, improper, offensive or unlawful use shall be permitted or made of any Lot or any part thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Property, or any portion thereof, shall be observed.

Section 3.20 No Hazardous Activities. Nothing shall be done or kept which endangers the common welfare or which is deemed a hazardous material under any law, ordinance or rule of any jurisdiction or regulatory body in any Lot or in or on the District Properties, or any part thereof, which would result in the cancellation of insurance on any building and/or Lot, or any part thereof, or an increase on the rate of insurance on any building and/or Lot, or any part thereof, over what the District, but for such activity, would pay, without the prior written approval of the District. In the event the District, in its sole and absolute discretion, elects to consent to any such activity resulting in an increase of the rate of insurance on any other Lot, the District may require that the responsible Lot Owner agree in writing to the prompt payment of such increase in the insurance premium.

Section 3.21 No Violation of Laws. Nothing shall be done or kept in or on any Lot or in or on the District Properties, or any part thereof, which would be in violation of any protective covenants, restrictions or limitations affecting any Lot or in violation of any statute, rule, ordinance, regulation, zoning resolution, permit or otherwise imposed requirement of any governmental authority.

Section 3.22 Home Business Activities. No business or commercial enterprise whatsoever shall be allowed to operate within the Property, except that Owners may conduct business activities within their Lot, provided all of the following conditions are satisfied:

3.22.1 The business conducted is clearly secondary to the residential use of the Lot and is conducted entirely within the residence situated on the Lot;

3.22.2 The existence or operation of the business is not detectable from outside of the Lot by sight, sound, smell or otherwise, or by the existence of signs indicating that a business is being conducted;

3.22.3 The business is conducted by the Owner or members of the Owner's family and no more than one (1) employee;

3.22.4 The business does not result in an undue volume of traffic or parking within the Property, which determination shall be made by the Governing Board, in its sole discretion;

3.22.5 The business conforms to all zoning requirements and is lawful in nature; and

3.22.6 The business conforms to any reasonable Rules and Regulations that may be imposed by the Governing Board, from time to time, on a uniform basis to protect the peace, tranquility and quality of the Development.

Section 3.23 Damage to District Properties. No damage to or waste of the District Properties, or any part thereof, shall be committed by an Owner or by any Related User or contract purchaser of an Owner; and each Owner shall indemnify and hold the District and the other Owners harmless against all loss resulting from such damage or waste caused by him, her, or his or her Related Users or contract purchasers.

Section 3.24 Exemption for Declarant, Covington Properties and the District. Provisions of this Declaration regarding development rights, Special Declarant Rights and additional reserved rights shall supersede the provisions in this Article 3. The Declarant, transferee declarants, Covington Properties, and the District shall be exempt from provisions of this Article 3 that impede or preclude the exercise of any development right, Special Declarant Right, or additional reserved rights reserved to the Declarant and transferee declarants pursuant to this Declaration.

ARTICLE 4, MAINTENANCE

Section 4.1 District's Maintenance Responsibilities. The maintenance, repair, reconstruction, management, control and operation of the District Properties and any Landscaping, irrigation systems, fences, signs and other Improvements located on the District Properties shall be the responsibility of the District. Such maintenance, repairs, reconstruction, management, control and operation shall be performed at such times and in such manner as the District shall determine.

Section 4.2 Owners' Maintenance Responsibilities. The maintenance and repair of each Lot and the Improvements thereon, including, but not limited to, the residence, the Landscaping and irrigation systems located on each Lot, and the flatwork, shall be the responsibility and expense of the Owner thereof.

Section 4.3 District's Right to Repair, Maintain, Restore and Demolish. In the event any Owner shall fail to perform his or her maintenance, repair and replacement obligations in a

manner satisfactory to the Governing Board, or as required by the DRC or any provision of the Design Guidelines, properly adopted, the District may, if said failure continues for a thirty (30) day period after written notice to said Owner by the Governing Board, enter upon said Lot subsequent to the expiration of said thirty (30) day time period to perform any or all of such maintenance, repair or replacement. The cost of such maintenance, repair and replacement shall be the personal obligation of the Owner of the Lot on which such work is performed, which if not paid upon demand may be collected by the District in the manner provided in this Declaration or otherwise authorized by law.

Section 4.4 Maintenance of Drainage. Maintaining proper drainage away from the Improvements on the Lots is essential to minimize potential swelling of expansive soils that may exist on the Property. No Owner may install Improvements or alter grading to adversely affect drainage on any Lot. Each Owner shall maintain all gutters, downspouts and extensions within such Owner's Lot to insure that the gutters and downspouts remain in the down position and are free and clear of all obstructions and debris and that the water flow from such gutters and downspouts is directed away from the foundation and/or slabs on any Improvement. No Owner may later obstruct or obliterate any drainage swales, pans, easements, or channels located or installed on any Lot or the Property.

Section 4.5 Easement for Maintenance Access and Entry. The District, its officers, agents, employees, independent contractors, successors and assigns shall have a nonexclusive perpetual right and easement over, across and upon all Lots and the Property for the purpose of performing the maintenance and repair of the Improvements on the District Properties or on any Lot, Improvement or other portion of the Property required of the District under the terms of this Declaration or the Service Plan. If damage is inflicted or a strong likelihood exists that it will be inflicted on any other property, or any Lot, the Person responsible for the damage or the expense to avoid damage, or the District if it is responsible, is liable for the cost of prompt repair or avoidance. All Persons performing such work shall use their best efforts to minimize interference with the Lot Owner's use and enjoyment of the Lot when performing such work.

Section 4.6 Owner's Negligence. Notwithstanding anything to the contrary contained in this Declaration, in the event that the need for maintenance, repair or reconstruction of any District Properties, a Lot, or any Improvements located thereon, is caused by the willful or negligent act or omission of any Owner, any member of such Owner's family or by a Related User, the cost of such repair, maintenance, reconstruction or the expense to avoid such damage shall be the personal obligation of such Owner, to the extent that said Owner would be liable for the acts of such Persons under the laws of the State of Colorado. A determination of the negligence or willful act or omission of any Owner, or any member of an Owner's family or a Related User, and the amount of the Owner's liability therefor, shall be determined by the District at a hearing conducted by the Governing Board after notice to the Owner, provided that any such determination which assigns liability to any Owner pursuant to the terms of this Section may be appealed by said Owner to a court of law.

Section 4.7 Construction Defects. Neither the District nor any Owner shall commence any lawsuit, arbitration or other civil action against the Declarant, Covington Properties, the District or any construction professional retained by Declarant for construction defects,

omissions or errors without first complying with the requirements of the Construction Defect Action Reform Act, C.R.S. § 1320801, *et seq.* (“CDARA”). As used in this Section, the term “construction professional” shall have the same meaning as ascribed by CDARA and shall include the Declarant. The requirements of CDARA include the following:

4.7.1 No later than seventy-five (75) days before filing an arbitration proceeding against a construction professional, the District or Owner (hereinafter, “Claimant”) shall send or deliver a written notice of claim to the construction professional by certified mail, return receipt requested, or by personal service.

4.7.2 Following the mailing or delivery of the notice of claim, at the written request of the construction professional, the Claimant shall provide the construction professional, and its contractors or other agents, reasonable access to the Claimant’s property during normal working hours to inspect the property and the claimed defect. The inspection shall be completed within thirty (30) days of service of the notice of claim.

4.7.3 Within thirty (30) days following the completion of the inspection process conducted pursuant to Section 4.7.2, a construction professional may send or deliver to the Claimant, by certified mail, return receipt requested, or personal service, an offer to settle the claim by payment of a sum certain or by agreeing to remedy the claimed defect described in the notice of claim. A written offer to remedy the construction defect shall include a report of the scope of the inspection, the findings and results of the inspection, a description of the additional construction work necessary to remedy the defect described in the notice of claim and all damage to the improvement to real property caused by the defect, and a timetable for the completion of the remedial construction work.

4.7.4 A Claimant who accepts a construction professional’s offer to remedy or settle by payment of a sum certain a construction defect claim shall do so by sending the construction professional a written notice of acceptance no later than fifteen (15) days after receipt of the offer. Unless a Claimant accepts an offer made pursuant to Section 4.7.3 in writing within fifteen (15) days of the delivery of the offer, the offer shall be deemed to have been rejected. If an offer to settle is accepted by the Claimant, then the monetary settlement shall be paid in accordance with the offer. If an offer to remedy is accepted by the Claimant, the remedial construction work shall be completed in accordance with the timetable set forth in the offer, unless the delay is caused by events beyond the reasonable control of the construction professional.

4.7.5 If no offer is made by the construction professional or if the Claimant rejects an offer, the Claimant’s sole remedy shall be to bring a binding arbitration proceeding against the construction professional for the construction defect claim described in the notice of claim as provided below.

4.7.6 Any arbitration proceeding commenced by a Claimant who fails to comply with the requirements of this Section shall be stayed, which stay shall remain in effect until the Claimant has complied with the requirements of this Section.

Section 4.8 Arbitration. Any dispute between an Owner and the District, the Declarant or Covington Properties, or in which any of the same is a party, shall be decided by

binding arbitration. The arbitration shall be conducted in accordance with the Uniform Arbitration Act in Part 2 of Article 22 of Title 13, C.R.S. Judgment on the award of the arbitrator may be entered in any court having jurisdiction thereof. In any arbitration in which Declarant is a party, all parties shall pay their own attorney fees and costs. In no instance may punitive, multiple or other special damages be awarded.

Section 4.9 Waiver of Tort and Related Damages. The District and the Owners waive any claim or theory of recovery for tort damages against Declarant or any construction professional retained by Declarant for defects, errors or omissions that have not caused any physical damage to Person or property. The District and each Owner shall not have, and hereby waive, the right to pursue any other remedies or damages, including, but not limited to, consequential, punitive or other special damages against Declarant or any construction professional retained by Declarant.

ARTICLE 5. SPECIAL DECLARANT RIGHTS, DEVELOPMENT RIGHTS AND ADDITIONAL RESERVED RIGHTS

Section 5.1 General Provisions. Until the expiration of the Special Declarant Rights Period, Declarant will have the following Special Declarant Rights with respect to all of the Property:

5.1.1 Completion of Improvements. The right to complete or make Improvements as indicated on the Plat or any development plan for the Property.

5.1.2 Development Rights. The right to exercise the following rights or combination of rights are hereby reserved by Declarant, as follows:

- (a) The right to add Lots from the Expansion Property to the Property.
- (b) The right to subdivide Lots or adjust or relocate boundary lines between any Lots.
- (c) The right to convey any Lots or any portion thereof to the District, which upon such conveyance shall become District Properties.

5.1.3 FHA/VA Requirements. The right to amend this Declaration in connection with the exercise of any Special Declarant Rights or Development Rights or in connection with the qualification or continued qualification for FHA or VA loan guarantees, and for compliance with FNMA, GNMA, FHLMC requirements or other available financing programs.

5.1.4 Sales Activities. The right to maintain approved signs advertising the model residences on Lots owned by Declarant contained within the Property, subject to the requirements of this Declaration.

Section 5.2 Order of Exercise of Declarant's Rights. The fact that Declarant may exercise one (1) or more of Declarant's Development Rights or other Special Declarant Rights on one (1) portion of the Property will not operate to require Declarant to exercise a

Development Right or other Special Declarant Right with respect to any other portion of the Property. The Declarant may exercise its Development Rights on all or any portion of the Property in whatever order of development the Declarant, in its sole discretion, determines.

Section 5.3 Supplemental Provisions Regarding Declarant's Rights. Without limiting the generality of the foregoing, certain of these Special Declarant Rights are explained more fully in this Article below. Further, Declarant reserves the right to amend this Declaration and any Plat in connection with the exercise of any Development Rights or any other Special Declarant Rights, and Declarant also reserves the additional rights retained for the benefit of Declarant in this Article and in other provisions of this Declaration.

Section 5.4 Utility Easements. Declarant hereby reserves for itself and its successors and assigns, a general easement upon, across, over, in and under the Property for ingress and egress and for installation, replacement, repair and maintenance of all utilities, including, but not limited to, water, sewer, gas, telephone, electrical, cable and other communications systems. By virtue of this easement, it shall be expressly permissible and proper for the companies providing such services to install and maintain necessary equipment, wires, circuits and conduits under and over the Property. No water, sewer, gas, telephone, electrical, communications or other utility or service lines, systems or facilities may be installed or relocated on the surface of the Property, unless approved by Declarant, prior to the expiration of the Special Declarant Rights Period, or by the Governing Board after such expiration. These items may be temporarily installed above ground during construction, if approved by Declarant, or after the Special Declarant Rights Period, if approved by the Governing Board, subject to the requirements, if any, of any authority having jurisdiction over the Property.

Section 5.5 Drainage Easements. Declarant reserves, for itself and its successors and assigns, an easement to enter on any portion of the Property for the purpose of modifying the grade of any drainage channels on the Property to improve the drainage of water. Every Lot shall be burdened with easements for natural drainage of storm water runoff from the other portions of the Property; provided that no person shall alter the natural drainage on any Lot so as to materially increase the drainage of water onto adjacent portions of the Property without the consent of the DRC and the Owner of the affected property.

Section 5.6 General Provision. Any entity using these general easements provided under Sections 5.4 and 5.5 above shall use its best efforts to install and maintain the easements for utilities or drainage without disturbing the uses of the Owners and Declarant; shall prosecute its installation and maintenance activities as promptly and as reasonably as possible; shall, in the case of utility work, restore the surface to its original condition as soon as possible after completion of its work; and shall comply with all requirements of the Design Guidelines and the DRC. Should any entity furnishing a service covered by these general easements request a specific easement by separate recordable document, either Declarant or the District shall have, and is hereby given, the right and authority to grant such easement upon, across, over or under any part or all of the Property without conflicting with the terms of this Declaration. This general easement shall in no way affect, void, extinguish or modify any other recorded easement affecting the Property.

Section 5.7 Reservation for Construction. Declarant hereby reserves, for itself and its successors and assigns, a perpetual easement and right of way over, upon and across the Property for construction, utilities, drainage, ingress and egress. The location of these easements and rights of way may be made certain by Declarant, or by the District with the prior approval of the DRC, by instruments recorded in El Paso County, Colorado. Declarant further reserves the right to establish, from time to time, by dedication or otherwise, utility and other easements, reservations, exceptions and exclusions necessary or convenient for the development, use and operation of any other property of Declarant, as long as such action does not unreasonably impair the enjoyment of the Property by the Owners.

Section 5.8 Maintenance Easement. An easement is hereby reserved to Declarant and granted to the District and the DRC upon, across, over, in and under the Property and a right to make such use of the Property, including the Lots, as may be necessary or appropriate to make repairs or to perform the duties, obligations, functions and maintenance which the District, the DRC or Declarant is obligated or permitted to perform, including the right to enter upon any Lot for the purpose of performing maintenance and repair thereon, as required by this Declaration, together with the right of access, ingress and egress necessary for such installation, maintenance, operation, repair, replacement and upkeep.

Section 5.9 Recorded Easements. In addition to all easements and rights of way of record at or before the recording of this Declaration, the Property and all portions thereof, shall be subject to the easements as shown on the Plat or any portion thereof. Further, the Property, or portions thereof, is now or may hereafter be subject to the easements, licenses and other recorded documents, or any of them, set forth on Exhibit "C" attached hereto and incorporated herein by this reference.

Section 5.10 Emergency Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance and all other similar emergency agencies or Persons to enter upon all streets and upon the Property in the proper performance of their duties.

Section 5.11 Easements Deemed Appurtenant. Any and all conveyances made by Declarant to any Person shall be conclusively deemed to incorporate these reservations of rights and easements, whether or not set forth in such grants. The easements and rights created herein for an Owner shall be deemed appurtenant to the Lot owned by such Owner. All conveyances and instruments affecting title to a Lot shall be deemed to grant and reserve the easements and rights of way as provided herein, as though set forth in said document in full, even though no specific reference to such easements or rights of way appear.

Section 5.12 Operations and Maintenance Services and Costs. Declarant hereby authorizes the District to provide certain operations and maintenance services to the Property in lieu of a homeowners' association (as may be authorized or limited by law and the Service Plan), which services may include operation and maintenance of any District Properties, covenant enforcement, architectural design review services, and operations and maintenance services for public facilities and improvements not otherwise dedicated to El Paso County in accordance with approved development plans. Each Lot Owner may be charged an annual fee, for operation and maintenance services provided by the District as described herein. The annual fee shall subject to adjustment at the discretion of and as determined by the Governing Board of the District based

upon the District's annual budget, and amendments thereto from time to time. The board of directors of the District shall not be liable for any omission or improper exercise by any Agent or independent contractor of any duty, power or function so delegated by written instrument executed by or on behalf of the board of directors of the District.

Section 5.13 Rights Transferable. Any Special Declarant Rights or Development Rights created or reserved under this Article for the benefit of the Declarant may be transferred to any Person by an instrument describing the rights transferred and recorded in El Paso County, Colorado. Such instrument shall be executed by the transferor Declarant and the transferee.

ARTICLE 6. EXPANSION AND WITHDRAWAL RIGHTS

Section 6.1 Expansion Rights. Declarant expressly reserves the right, at any time from the effective date of this Declaration until the expiration of the Special Declarant Rights Period, to subject all or any portion of the Expansion Property, including any Lot therein, to the provisions of this Declaration.

Section 6.2 Development and Withdrawal Rights. Declarant expressly reserves the right, at any time after the effective date of this Declaration until the expiration of the Special Declarant Rights Period, to create additional Lots and to subdivide Lots, relocate boundaries between Lots, convert Lots into District Properties on all or any portion of the Property or the Expansion Property. Declarant may exercise its rights, in accordance with this Section 6.2, on all or any portion of such property in whatever order or sequence that Declarant, in its sole discretion, determines. Declarant expressly reserves the right to withdraw any Lot or all or any portion of the property from the Property by recording a document evidencing such withdrawal in the real property records of El Paso County, Colorado. Any Lot withdrawn from the Property shall be subject to whatever easements, if any, are reasonably necessary for access to or operation of the Lots remaining, subject to this Declaration. Declarant shall prepare and record in the real property records of El Paso County, Colorado, whatever documents are necessary to evidence such easements.

Section 6.3 Amendment of the Declaration. If Declarant elects to submit all or a portion of the Expansion Property to this Declaration, including any Lot therein, or to exercise any other rights described in this Article 6, Declarant shall record an appropriate amendment to this Declaration. When Declarant submits a portion of the Expansion Property to this Declaration, the amendment to this Declaration shall contain the legal description of the Expansion Property so submitted, an amendment to any District Properties, if any, within such portion of the Expansion Property, as so expanded, and such additional information and provisions as Declarant may deem appropriate. Any such amendment submitting a portion of the Expansion Property to this Declaration may impose on the property described therein such additional covenants, conditions, limitations, reservations, exceptions, equitable servitudes and other provisions, in addition to those set forth in this Declaration, as Declarant deems to be appropriate, taking into account the unique and particular aspects of the proposed development of the portion of the Expansion Property covered by such amendment.

Section 6.4 Interpretation. Upon the recording of an amendment to the Declaration in the real property records of El Paso County, Colorado, submitting a portion of the Expansion

Property to this Declaration, the definitions used in this Declaration shall automatically be extended to encompass and to refer to the Property, as expanded.

Section 6.5 Construction. The buildings, structures and types of improvements to be placed within the Expansion Property, or any part thereof, need not be of the same size, style or configuration of existing Improvements on the Property.

Section 6.6 Rights Incidental to Construction Easement. Declarant expressly reserves the right to perform construction work and to store materials in secure areas on Lots or property owned by it, if any, and the future right to control such work and repairs, and the right of access thereto, until its completion. All work may be performed by Declarant without the consent or approval of any Owner or Security Interest Holder.

Section 6.7 Reciprocal Easements. If property is withdrawn from the Property (“Withdrawn Property”):

6.7.1 The owner(s) of the Withdrawn Property shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the District Properties, if any, within the Property; and

6.7.2 The Owner(s) shall have whatever easements are necessary or desirable, if any, for access, utility service, repair, maintenance and emergencies over and across the District Properties, if any, within the Withdrawn Property; and

6.7.3 Declarant shall prepare and record in the real property records of El Paso County, Colorado, whatever documents are necessary to evidence such easements. Such recorded easement(s) shall specify that the owners of the Withdrawn Property and the Owners shall be obligated to pay a proportionate share of the cost of the operation and maintenance of any easements utilized by either one of them on the other’s property, upon such reasonable basis as the Declarant shall establish in the easement(s). Preparation and recordation by Declarant of an easement pursuant to this Section shall conclusively determine the existence, location and extent of the reciprocal easements that are necessary or desirable as contemplated by this Section.

Section 6.8 Termination of Expansion and Development Rights. The expansion and Development Rights reserved to Declarant, for itself, its successors and assigns, shall expire upon the expiration of the Special Declarant Rights Period, unless the expansion and Development Rights are sooner relinquished, in whole or in part, by Declarant pursuant to an instrument confirming such relinquishment, and the terms and conditions applicable to the same, executed, acknowledged and recorded by Declarant in the real property records of El Paso County, Colorado.

ARTICLE 7. RELEASE, WAIVER AND CERTAIN DISCLOSURES

Section 7.1 Minor Violations of Setback Restrictions. If upon the erection of any structure, it is disclosed by survey that a minor violation or infringement of proposed setback or offset lines has occurred, such violation or infringement shall be deemed waived by the Owners

of each Lot immediately adjoining the structure which is in violation of the setback or offset, and such waiver shall be binding upon all other Owners. However, nothing contained in this Section shall prevent the prosecution of a suit for any other violation of the Covenants or the Design Guidelines, if any. A "minor violation," for the purpose of this Section, is a violation of not more than one (1) foot beyond the proposed setback or offset lines, so long as there is no encroachment into the established minimum setbacks and offsets determined by the Design Guidelines, Plat and El Paso County ordinance or regulation. This provision shall apply only to the original structures and shall not be applicable to any alterations or repairs to, or replacements of, any of such structures. The release and waiver set forth in Section 7.6 (Waiver) shall apply to this Section.

Section 7.2 Limitation on Liability. Declarant, the District, the Governing Board, the DRC, and their directors, officers, shareholders, partners, members, agents and employees, shall not be liable to any Person for any action or for any failure to act arising out of this Declaration or the Governing Documents, unless the action or failure to act was not in good faith and was done or withheld with malice. The release and waiver set forth in Section 7.6 (Waiver) shall apply to this Section.

Section 7.3 No Representations, Guaranties or Warranties. No representations, guaranties or warranties of any kind, express or implied, shall be deemed to have been given or made by Declarant, the District, the Governing Board, the DRC or by any of their officers, directors, shareholders, members, partners, agents or employees, in connection with any portion of the Property, or any Improvement, its physical condition, structural integrity, freedom from defects, zoning, compliance with applicable laws, fitness for intended use, or view, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulation thereof, unless and except as specifically set forth in writing. The release and waiver set forth in Section 7.6 (Waiver) shall apply to this Section.

Section 7.4 Disclaimer Regarding Safety.

DECLARANT, THE DISTRICT, THE GOVERNING BOARD, THE DRC, AND THEIR OFFICERS, DIRECTORS, SHAREHOLDERS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, HEREBY DISCLAIM ANY OBLIGATION REGARDING THE SECURITY OF ANY PERSONS OR PROPERTY WITHIN THE PROPERTY. BY ACCEPTING A DEED TO A LOT WITHIN THE PROPERTY, EACH OWNER ACKNOWLEDGES THAT THE DECLARANT, THE DISTRICT, THE GOVERNING BOARD, THE DRC, AND THEIR OFFICERS, DIRECTORS, SHAREHOLDERS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, ARE OBLIGATED TO DO ONLY THOSE ACTS SPECIFICALLY ENUMERATED HEREIN OR IN THE COVENANTS AND DESIGN GUIDELINES, IF ANY, AND ARE NOT OBLIGATED TO DO ANY OTHER ACTS WITH RESPECT TO THE SAFETY OR PROTECTION OF PERSONS OR PROPERTY WITHIN THE PROPERTY. THE RELEASE AND WAIVER SET FORTH IN SECTION 7.6 (WAIVER) SHALL APPLY TO THIS SECTION.

Section 7.5 Development Within and Surrounding the Property. Each Owner acknowledges that development within and surrounding the Property may continue for an indefinite period, and that plans for the density, type and location of Improvements,

developments or land uses may change over time. Such development may entail changes to or alterations in the access to the Property, view of or from the Property or the Lots, surrounding land uses, open space or facilities, traffic volumes or patterns, privacy or other off-site aspects or amenities. Development also may entail noise, odors, unsightliness, dust and other inconveniences or disruptions. By accepting a deed to a Lot, each Owner accepts title to such Lot subject to the foregoing, and waives and releases any claim against the Declarant, Covington Properties, the District, the Governing Board, the DRC, and their respective officers, directors, members, partners, agents and employees, heirs, personal representatives, successors and assigns, arising out of or associated with any of the foregoing. The release and waiver set forth in Section 7.6 (Waiver) shall apply to this Section.

Section 7.6 Waiver. By acceptance of a deed to a Lot, each Owner hereby releases, waives and discharges the Declarant, Covington Properties, the District, the Governing Board, the DRC, and their respective officers, directors, members, partners, agents and employees, heirs, personal representatives, successors and assigns, from all losses, claims, liabilities, costs, expenses and damages arising directly or indirectly from any hazards, disclosures or risks set forth in this Declaration and any Design Guidelines, Rules and Regulations, and other Documents now or hereafter adopted by or for the District, including, without limitation, those contained in Sections 7.1 through 7.5 of this Declaration.

Section 7.7 Colorado Governmental Immunity Act. Notwithstanding anything herein to the contrary, the parties hereto understand and agree that liability for claims for injuries to Persons, real property or Improvements arising out of the negligence of the District, its boards, officials and employees, is controlled and limited by the provisions of the Colorado Governmental Immunity Act, § 24-10-101, *et seq.*, C.R.S., and § 24-30-1501, *et seq.*, C.R.S. Any provision of this Declaration, whether or not incorporated herein by reference, shall be controlled, limited and otherwise modified so as to limit any liability of the District to the above-cited laws.

ARTICLE 8. EASEMENTS AND RESERVATIONS

Section 8.1 Easements of Encroachment. Reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, are hereby granted and created between each Lot and any adjacent District Properties, if any, and between adjacent Lots due to the unintentional placement or the settling or shifting of any Improvements constructed, reconstructed, or altered thereon to a distance of not more than one (1) foot, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, an Owner.

Section 8.2 Right of Entry. In addition to the enforcement rights the District is granted in this Declaration, the District shall have the right, but not the obligation, to enter upon any Lot for emergency, security, and safety reasons, to perform maintenance pursuant to the Governing Documents, and to inspect for the purpose of ensuring compliance with this Declaration and the other Governing Documents, which right may be exercised by any member of the Governing Board, the District, and its officers, agents, employees, and managers, and all

policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner, and any damage caused by entry shall be repaired by the District. This right of entry shall include the right of the District to enter upon any Lot to cure any condition which may increase the possibility of a fire or other hazard if an Owner fails or refuses to cure the condition within a reasonable time after request by the District. In no event will the provisions of this Section authorize entry into any dwelling without the prior consent of the Owner.

ARTICLE 9. AMENDMENT AND TERMINATION

Section 9.1 Technical, Clerical, Typographical or Clarification Amendment. If the Declarant determines that any amendments to this Declaration or to the map or Plat shall be necessary in order to make non-material changes, such as for the correction of a technical, clerical or typographical error or clarification of a statement, the Declarant shall have the right and power to make and execute any such amendment at any time prior to the expiration of the Special Declarant Rights Period, and thereafter the Governing Board shall have the right and power to make and execute any such amendments.

Section 9.2 Necessary to Exercise Authority of Governing Documents. In addition to the rights granted to Declarant to execute amendments to this Declaration, the Governing Board shall have the authority to execute amendments to this Declaration, which are reasonably necessary in order to perform their respective duties as authorized by this Declaration.

Section 9.3 Amendment Required by Mortgage Agencies. At any time prior to the expiration of the Special Declarant Rights Period, Declarant shall have the right to amend this Declaration or any of the other Governing Documents to the extent necessary to comply with the requirements, standards or guidelines of recognized secondary mortgage markets, including, without limitation, the Department of Housing and Urban Development ("HUD"), the Federal Housing Administration ("FHA"), the Veterans Administration ("VA"), the Federal Home Loan Mortgage Corporation ("FHLMC"), the Government National Mortgage Association ("GNMA"), or the Federal National Mortgage Association ("FNMA"). After the expiration of the period of Declarant control, the Governing Board shall have the right to execute any such amendments to this Declaration. Any amendment executed pursuant to this Section 9.3 shall be effective upon the recordation in the real property records of El Paso County, Colorado, of a certificate setting forth the amendment or repeal in full.

Section 9.4 Amendment of Declaration by Owners. Except as otherwise provided in this Declaration, and subject to provisions elsewhere contained in this Declaration requiring the consent of others, any provision, covenant, condition, restriction, or equitable servitude contained in this Declaration may be changed or repealed, and any such provision added to this Declaration at any time, and from time to time, upon approval of the Governing Board and at least sixty-seven percent (67%) of the votes of the Lot Owners. Notwithstanding the foregoing, however, no amendment shall be adopted or shall be effective at any time prior to the expiration of the Special Declarant Rights Period, unless Declarant shall have granted its written approval to the same. And further, no amendment that impairs, alters or affects any right of Declarant,

including as provided in Section 4.7, above, shall be effective to limit or diminish any right granted by that Section to Declarant or any construction professional retained by Declarant.

Section 9.5 Recording of Amendments. To be effective, all amendments to this Declaration must be recorded in the real property records of El Paso County, Colorado, and must contain evidence of approval thereof. One method of satisfying the requirement of this Section is the recordation of a certificate of the secretary of an officer of the Governing Board certifying that Owners representing the requisite percentage of the Lots have given their written consent to the amendment in question. The officer must further certify that originals of such written consents of the Owners, along with a copy of the amendment as executed and recorded, are in the corporate records of the District and available for inspection. No action to challenge the validity of an amendment to this Declaration may be brought more than one (1) year after the amendment is recorded.

Section 9.6 Expenses. All expenses associated with preparing and recording an amendment to the Declaration shall be the sole responsibility of:

9.6.1 In the case of an amendment for the purpose of altering boundaries between adjoining Lots and subdivision of Lots, the Owners desiring the amendment;

9.6.2 Declarant, in the case of an amendment made or requested by the Declarant; and

9.6.3 In all other cases, the expense of the Persons requesting the amendment.

ARTICLE 10. GENERAL PROVISIONS

Section 10.1 Notice. Notice of matters affecting the Property or any violation of the Declaration may be given to Lot Owners by the District or the DRC or by other Lot Owners in the following manner: notice shall be (i) hand delivered, or (ii) sent prepaid by United States mail to the mailing address of each Lot or to any other mailing address designated in writing by the Lot Owner, or (iii) provided via email to any Owner who has requested that notice be provided via email and has provided a valid email address to all Lot Owners. Such notice shall be deemed given when hand delivered, or when deposited in the United States Mail, or when sent electronically to a valid email address.

Section 10.2 Rules and Regulations. Rules and Regulations concerning and governing the Property may be adopted, enacted, modified, amended, repealed and re-enacted from time to time by the Governing Board, except that the Governing and the DRC shall have the authority to adopt and amend the Design Guidelines. The Rules and Regulations may state procedural requirements, interpretations, clarifications and applications of this Declaration and law, including without limitation, blanket requirements, blanket interpretations, and blanket applications. The Governing Board shall have the authority to adopt or vary one or more Rules and Regulations that are different for different types of Lots, if any. Any Rules and Regulations that are adopted shall be in accordance with, and shall not be inconsistent with or contrary to, this Declaration.

Section 10.3 Enforcement.

10.3.1 Enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in this Declaration may be by any proceeding at law or in equity against any Person(s) violating or attempting to violate any such provision. Remedies therefor include all of the remedies available at law or in equity. Declarant, the District, the DRC and any aggrieved Owner, shall have the right, but not the duty, to institute, maintain and prosecute any such proceedings. No remedy shall be exclusive of other remedies that may be available. Except as otherwise provided in Section 4.7, the prevailing party shall be awarded their costs and attorney fees incurred in asserting or defending the claim, as well as any and all other sums; and except that any Person who brings an action against Declarant, the District or the DRC, regarding enforcement or non-enforcement of any provision(s) of the Governing Documents, shall not be awarded their costs and any attorney fees. Failure by Declarant, the District, the DRC or any Owner to enforce any covenant, restriction or other provision contained in this Declaration or other Governing Documents, shall in no event give rise to any liability, nor shall such non-enforcement be deemed a waiver of the right to thereafter enforce any covenant, restriction or other provision of these Covenants, regardless of the number of violations or breaches that may occur.

10.3.2 The foregoing includes the right of the District to: send demand letters and notices; charge interest and/or late charges; levy and collect penalties and fines; impose liens (as provided in C.R.S. Section 32-1-1001(j)(I), as amended); and/or negotiate, settle and/or take any other actions with respect to any violation(s) or alleged violation(s) of any of the Governing Documents. A lien imposed by the District against a Lot under this Declaration is a first and prior perpetual lien against the Lot and all Improvements thereon, for all fees, fines, penalties and charges of the District, until paid in full to the same extent as any other liens that may be legally imposed by the District. Fees, charges, late charges, attorney fees, fines and interest are enforceable by the District. The amount of the lien shall include all those items set forth in this Section 10 from the time such items, fines and penalties are imposed. If a fine or penalty is payable in installments, each installment is a lien until paid in full. Recording of this Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien is required. However, the District or any officer of the DRC or any managing agent thereof, may prepare and record in El Paso County, a written notice setting forth the amount of the unpaid indebtedness, the name of the Owner(s) of the Lot, and a description of the Lot. If a notice of lien is filed, the costs and expenses thereof shall be added to the due amount for the Lot against which it is filed and collected as part and parcel thereof. The District's lien may be foreclosed as provided by law.

10.3.3 Each Owner of a Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees, and shall be personally obligated, to pay to the District any and all fines and penalties, as provided in this Declaration; with such fines and penalties to be established and collected as hereinafter provided. All Owners of each Lot shall be jointly and severally liable to the District for the payment of all fines and penalties attributable to their Lot.

10.3.4 Declarant or the District shall furnish to an Owner, or such Owner's designee, or to a Security Interest Holder or its designee, upon written request delivered personally or by

certified mail, first class postage prepaid, return receipt requested, to Declarant's or the District's registered agent, a written statement setting forth the amount of unpaid fines and penalties, if any, currently levied against such Owner's Lot. The statement shall be furnished within a reasonable time after receipt of the request and is binding on the District, Declarant and every Owner. The District or its agents shall have the right to charge a reasonable fee for the issuance of such certificates.

10.3.5 In addition, the District, the Governing Board or the DRC may:

(a) suspend the right to vote; save and except that such suspension for a violation of the Rules and Regulations shall not exceed sixty (60) days for any one (1) occurrence;

(b) exercise self-help, including, but not limited to, performing such maintenance responsibilities which are the Owner's responsibility under this Declaration and charging all costs incurred by the District against the Lot and the Owner or taking action to abate any violation of the Governing Documents;

(c) require an Owner, at the Owner's expense, to remove any structure or Improvement on such Owner's Lot in violation of the Governing Documents and to restore the Lot to its previous condition and, upon failure of the Owner to do so, the District or its designee shall have the right to enter the Lot, remove the violation and restore the Lot to substantially the same condition as previously existed, at the Owner's expense, and any such action shall not be deemed a trespass, with all fees and costs in connection with such removal and restoration to be assessed to the Owner; and

(d) without liability to any Person, preclude any contractor, subcontractor, agent, employee, or other invitee of any Owner who fails to comply with the terms and provisions of this Declaration from continuing or performing any further activities within the Development.

10.3.6 In addition to any other enforcement rights, if an Owner fails to properly perform his or her maintenance responsibilities, or otherwise fails to comply with the Governing Documents, the District may record a notice of violation against the Owner and the Lot.

10.3.7 The decision of the District to pursue enforcement action in any particular case shall be left to the Governing Board's discretion, subject to the duty to exercise judgment and be reasonable, as provided for in this Declaration, and further restricted in that the Governing Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing, the Governing Board may determine that, under the circumstances of a particular case:

(a) the District's legal position is not strong enough to justify taking any or further action;

(b) the District's covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law; or

(c) that it is not in the District's best interest, based upon hardship, expense, limited effect on other Owners or other reasonable criteria, to pursue enforcement action.

**GARDENS AT NORTH CAREFREE
METROPOLITAN DISTRICT'S CONSENT TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
GARDENS AT NORTH CAREFREE, FIRST FILING AND
GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT**

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned, as the metropolitan district charged with covenant enforcement and architectural review services under this Declaration, hereby consents to subjection of the Property to this Declaration and all the terms and provisions hereof.

Executed this 2nd day of June, 2020.

"DISTRICT":

GARDENS AT NORTH CAREFREE
METROPOLITAN DISTRICT, a quasi-municipal
corporation and political subdivision of the State of
Colorado

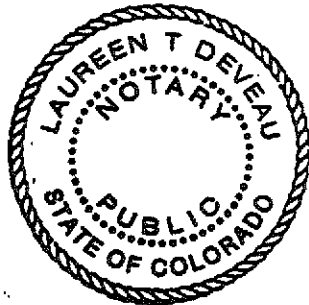
By: [Signature]
Name: Ronald G. Covington
Title: Chairman

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 2nd day of June, 2020, by Ronald G. Covington, as Chairman of Gardens at North Carefree Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado.

Witness my hand and official seal.

My Commission Expires: 2/2/2021 [Signature]
Notary Public



id 20094003829

LENDER CONSENT

Consent is hereby given to the above Declaration. The undersigned agrees and acknowledges that any foreclosure or enforcement of any other remedy available to the undersigned, under the deed of trust recorded in the real property records of El Paso County, Colorado, or under any other deeds of trust or other security agreements for the benefit of the undersigned with regard to the Property described in the Declaration, will not render void or otherwise impair the validity of the Declaration or any Plat. Additionally, the undersigned subordinates the lien and interests of the undersigned under its deed of trust, as above referenced, and under any other deeds of trust or other security agreements for the benefit of the undersigned with regard to the Property, to the terms and conditions of the above Declaration.

Dated this ____ day of _____, 20__.

MORTGAGEE:

By _____
Name: _____
Title: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____ of _____ BANK.

WITNESS my hand and official seal.

My commission expires:

Notary Public



EXHIBIT "A" ATTACHED TO AND MADE A PART OF DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS FOR GARDENS AT NORTH CAREFREE, FIRST FILING AND GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT

Legal Description of the Property

Lots 18 through 27, 39, 40, 54 and 55, Gardens at North Carefree, First Filing, County of El Paso, State of Colorado

EXHIBIT "B" ATTACHED TO AND MADE A PART OF DECLARATION OF

(HF&G 04/07/20)

COVENANTS, CONDITIONS AND RESTRICTIONS FOR GARDENS AT NORTH
CAREFREE, FIRST FILING AND GARDENS AT NORTH CAREFREE METROPOLITAN
DISTRICT

Legal Description of the Expansion Property

Lots 1-17 inclusive, Lots 28-38 inclusive, Lots 41-53 inclusive, and
Lots 56-70 inclusive, Gardens at North Carefree, First Filing, County of
El Paso, State of Colorado

EXHIBIT "C" ATTACHED TO AND MADE A PART OF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR GARDENS AT NORTH CAREFREE, FIRST FILING AND GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT

Easements, Licenses or Other Recorded Documents

1. Right of the proprietor of a vein or lode to extract and remove his ore therefrom, should the same be found to penetrate or intersect the premises hereby granted, and a right of way for ditches or canals constructed by the authority of the United States, as reserved in United States patent recorded September 8, 1891 in Book 143 at Page 374.
2. Terms, conditions, provisions, burdens, obligations and easements as set forth and granted in right-of-way recorded September 26, 1934 in Book 908 at Page 90.
3. Terms, conditions, provisions, burdens, obligations and easements as set forth and granted in grant of right of way recorded December 01, 1964 in Book 2046 at Page 703.
4. Notice concerning underground electric cables and facilities of Mountain View Electric Association recorded May 9, 1983 in Book 3718 at Page 812.
5. Terms, conditions and provisions of Resolution No. 96-150, Land Use-39 recorded June 24, 1996 in Book 6915 at Page 458 and Resolution No. 02-43 recorded March 25, 2002 under Reception No. 202046723.
6. Terms, conditions and provisions of Inclusion and Water Use Agreement Recorded April 11, 1997 under Reception No. 97041325.
7. Terms, conditions and provisions of Resolution No. 04-378 Recorded November 23, 2004 under Reception No. 204193022.
8. Terms, conditions and provisions of Resolution No. 04-461 Recorded July 29, 2005 under Reception No. 205115758.
9. Terms, conditions, provisions, burdens, obligations and easements as set forth and granted in Right of Way Easement Recorded April 11, 2006 under Reception No. 206052717.
10. Easements, conditions, covenants, restrictions, reservations and notes on the Plat of Mule Deer Business Park Fling No. 1 recorded June 19, 2006 under Reception No. 206712353.
11. Resolution No. 07-229 in connection with said plat recorded June 5, 2007 under Reception No. 207075455.
12. Resolution No. 05-297 in connection with said plat recorded August 24, 2007 under Reception No. 207111087.

13. Terms, conditions, provisions, burdens, obligations and easements as set forth and granted in Avigation Easement recorded June 19, 2006 under Reception No. 206089433.
14. Terms, conditions, provisions, burdens and obligations as set forth in Subdivision Improvements Agreement Mule Deer Business Park Filing No. 1 recorded June 19, 2006 under Reception No. 206089434
15. Amended Subdivision Improvements Agreement Mule Deer Business Park Filing No. 1 recorded November 29, 2007 under Reception No. 207152175 and Second Amended Subdivision Improvements Agreement Mule Deer Business Park Filing No. 1 recorded November 21, 2008 under Reception No. 208125186.
16. Resolution No. 08-445 in connection with said second amendment recorded November 21, 2008 under Reception No. 208125185.
17. Terms, conditions and provisions of Resolution No. 09-199 recorded August 17, 2009 at Reception No. 209097824.
18. Terms, conditions, provisions, burdens and obligations as set forth in Resolution No. 19-50 recorded February 13, 2019 under Reception no. 219015417.
19. Terms, conditions, provisions, burdens and obligations as set forth in PUD Development / Preliminary Plan Amendment for the Gardens at North Carefree recorded January 07, 2020 under Reception No. 2202442.
20. Terms, conditions, provisions, burdens and obligations as set forth in Resolution No. 20-33 to approve final plat for Gardens at North Carefree recorded January 28, 2020 under Reception No. 22012430.
21. All easements and rights of way appearing in this Declaration.
22. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.