



STONEY RIDGE PUD
DECLARATION OF COLORADO COMMON INTEREST COMMUNITY

I. DECLARATION:

A. Declarant declares that the following, hereinafter referred to as the Property, is subject to the provisions stated herein, which shall be covenants that run with the land and be binding upon the Declarant and its successors and assigns:

Lots 1-140, Stoney Ridge PUD, according to the Final Plat recorded June 4, 2003 at Reception No. 628670.

B. PLANNED COMMUNITY: The Stoney Ridge PUD ("community"), located in The Town of Silt, Garfield County, Colorado; is a planned community as defined by the Colorado Common Interest Ownership Act ("CCIOA") (C.R.S. 38-33.3-101 *et seq.*).

C. RESERVED RIGHTS: As set forth in more detail below, Declarant reserves the right to add additional units to this community, to dedicate additional public rights, to establish limited or general common elements, to add additional property to this community, and to amend this Declaration accordingly.

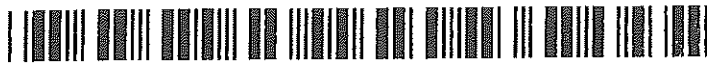
D. ADDITIONAL REGULATIONS: In addition to the provisions of this Declaration, the property may be subject to additional obligations, restrictions and requirements that may be stated on the PUD Final Development Plan, Final Plat and Subdivision Improvements Agreement, the PUD Zone Guide, as amended from time to time, the Silt Municipal Code, Uniform Building Codes, laws and regulations of other applicable jurisdictions, and other matters that may be set forth in recorded documents that affect the Property.

E. PLAT NOTES: In addition to other matters contained therein, the following notes appear on the STONEY RIDGE PUD Final Plat (paragraph nos. correspond to the numbering of plat notes on the plat. Omitted plat notes are technical matters not generally relevant to individual lot owners.):

Final Plat Notes:

1. Basis of bearing for this drawing is between the SW corner and S1/4 corner of section 3 which bears N89°46'29"E. This basis of bearing also being the Town of Silt basis of bearing.
2. Eagle's View Subdivision filed September 16, 1997 as Reception No. 513712.
3. Mesa View Estates Filing 1 filed July 14, 1998 as Reception No. 528556.
4. Antler's Orchard Development filed September 18, 1908 as Reception No. 37488.
5. Sixth E&J Addition to the Town of Silt as amended filed April 6, 1977 as Reception No. 277725.

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6. The survey as performed during September of 2002.
7. Access easements as described in Book 392 Page 107, and Book 1077 Page 668 are to be abandoned in exchange for access via public rights-of-way.
8. Irrigation pipelines and accessories are utilities and shall be constructed within utility easements.
9. Any fence construction on lots numbered 2 through 18 and 52 through 58 between the rear lot line and the Fence Limitation Boundary shall not exceed 4-feet in height and shall be constructed in accordance with the codes, covenants, and restrictions for the Stoney ridge P.U.D.
10. The Slope Easement defined hereon is provided for the purpose of slope maintenance related to Stoney Ridge Drive.
11. This final Plat was prepared prior to the approval of final construction plans and specifications for all lots defined hereon. Modifications to this Plat may be necessary due to possible infrastructure revisions.
12. Lots numbered 68 through 103, 106 through 110, and 112 through 140 must have final construction drawings approved by the Town of Silt prior to conveyance.
13. Silt Pump Canal easement defined hereon is dedicated to the Silt Water Conservancy District and United States Department of the Interior, Bureau of Reclamation.
14. No permanent structures may be constructed on any portion of any lot within the Silt Pump Canal easement defined hereon.
15. Open space parcels defined hereon are dedicated and set apart to the appropriate public and private entities that provide utility service or access, including the Town of Silt, as perpetual easements for access, the installation and maintenance of utility, irrigation and drainage facilities, including but not limited to, water lines, sewer lines, drainage culverts, drainage detention structures and related facilities, together with the right to trim interfering trees and brush; with perpetual right of ingress and egress for installation and maintenance of such lines and facilities. Such easements and rights shall be utilized in a reasonable and prudent manner.
16. Both halves of unimproved duplex lots must be conveyed as one parcel. Only after the issuance of a certificate of occupancy for both duplex units constructed on each half of a duplex lot, may each half of the duplex parcel be conveyed separately.
17. Any private improvements constructed within any platted easement are constructed at the sole risk of the individual lot owner. The public or private entity, to which any easement is granted, is not responsible for the repair or replacement of any private improvements within any easement that are damaged as a result of any action consistent with the intended use of said easement.

E: DEFINITIONS:

ACC: Architectural Control Commission created by Article IV.

LOTS: Each lot of The Stoney Ridge PUD shall be considered a unit, as defined by the CCIOA. Unit, *unit owner*, lot and lot owner are used interchangeably herein, unless the context indicates otherwise.

SMC: Silt Municipal Code.

II ASSOCIATION

A. ASSOCIATION: Declarant has formed The Stoney Ridge Homeowners Associations, Inc. ("Association") for the purposes of exercising the rights and obligations of the Association as set forth in this Declaration.

B. ORGANIZATION AND OPERATION OF THE ASSOCIATION:

1. EXECUTIVE BOARD: The Association shall be governed by a Board of Directors, (executive board as defined by the CCIOA), and shall act through the officers appointed by the executive board. The terms "executive board" and "Board of Directors, or Directors" are used interchangeably herein, unless the context indicates otherwise. The Association shall have all powers allowed or granted by law.

2. NUMBER OF DIRECTORS AND ELECTION:

a. During the period of Declarant Control, there shall be at least three directors who shall be appointed by Declarant.

b. No later than termination of any period of Declarant Control, the unit owners shall elect a board of directors of at least five members, for annual terms, at least a majority of whom must be owners other than the Declarant or designated representatives of owners other than the Declarant.

C. DECLARANT CONTROL:

1. APPOINTMENT OF EXECUTIVE BOARD AND OFFICERS: Until expiration of Declarant Control, and as otherwise limited below, Declarant, or persons designated by Declarant, may appoint and remove the directors and officers.

2. TERMINATION OF DECLARANTS CONTROL: Declarant's Control shall terminate upon the happening of either of the following events, whichever occurs earlier:

a. 60 days after conveyance of 75% of the lots that may be created to owners other than a Declarant;

b. 2 years after the last conveyance of a lot by the Declarant in the ordinary course of business; or

c. 2 years after any right to add new lots was last exercised.

3. VOLUNTARY SURRENDER OF CONTROL: Declarant may voluntarily surrender the right to appoint and remove officers and members of the executive board before termination of the period of Declarant Control, but, in that event, the Declarant may require, for the duration of the original period of Declarant Control, that specified actions of the Association or executive board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.



686757 11/18/2005 11:04A B1747 P77 M ALSDORF
4 of 15 R 76.00 D 0.00 GARFIELD COUNTY CO

4. PHASING OUT OF DECLARANT CONTROL: Declarant's Control shall phase out on the following schedule:

a. Not later than sixty days after conveyance of twenty-five percent of the lots that may be created to lot owners other than a Declarant, at least one director and not less than twenty-five percent of the directors must be elected by lot owners other than the Declarant.

b. Not later than sixty days after conveyance of fifty percent of the lots that may be created to lot owners other than a Declarant, at least two directors and not less than thirty-three and one-third percent of the directors must be elected by lot owners other than the Declarant.

D. SURPLUS FUNDS: Any surplus funds may be allocated to a capital reserve account if the executive board, by resolution, adopts a plan for use of any such capital reserves. If not so allocated, surplus funds shall be refunded to lot owners, or credited to them to reduce their future common expense assessments.

E. MEMBERSHIP: Each lot shall be entitled to one membership in the Association. All lots shall have equal voting power. Memberships shall be appurtenant to and may not be separated from lot ownership.

F. NOTICE: Notice to members shall be made by first class mail to the last known address of each member as reflected on the records of the Association. It shall be each member's sole responsibility and obligation to keep the Association informed of each member's correct mailing address. Purchasers of lots shall provide the Association with their names and mailing addresses within 30 days of recording of the conveyance by which a member takes title to a lot. The Association may adopt alternative or additional means of notification that are reasonably deemed to be as effective or more so as that stated herein.

III. ASSESSMENTS

A. ASSESSMENTS: Each lot shall be obligated to pay a proportional share of the expenses of the Association levied against and allocated to such lot. Each assessment levied shall be a separate, distinct and personal debt and obligation of the lot owner against whom assessed. No lot may waive or otherwise escape liability for the assessment by non-use of the common elements, or abandonment of the lot. No assessment obligation may be passed to a successor in title, unless expressly assumed by the successor and approved by the Association.

B. ASSESSMENT LIEN: The Association shall have a statutory lien on each lot for any assessment levied against each lot, or fines or other amounts found to be due against a lot, from the time the assessment, fine, or expense becomes due. Said lien shall have the full priority provided by statute. All fees, charges, late charges, attorney's fees, fines, expenses, and interest outstanding from such lot shall be included in such lien.



686757 11/18/2005 11:04A B1747 P78 M ALSDORF
5 of 15 R 76.00 D 0.00 GARFIELD COUNTY CO

Said lien shall be superior to the Homestead Exemption provided by C.R.S. 38-41-201, *et seq.* and each lot owner hereby agrees that the acceptance of the deed or other instrument of conveyance to a lot shall signify that lot owner's waiver of any Homestead Exemption. Unless paid or otherwise satisfied, the lien may be foreclosed in the manner for foreclosure of mortgages, or in any other manner provided by law. At the Association's sole option, the Association may also sue for a personal judgment to collect any delinquent amounts from any defaulting lot owner.

C. ANNUAL BUDGET: The Association shall prepare an annual budget of expenses in the manner provided by law.

D. SPECIAL ASSESSMENTS: If the assessments received by the Association are inadequate to meet the expenses of the Association, including because of nonpayment of assessments by members, the Association may amend the budget and levy a special assessment.

E. LATE CHARGES AND INTEREST: Any assessment not paid within 30 days after the due date shall incur a one time late fee of 10% of the assessment amount due and bear interest from the due date at 18% per year, compounded monthly. Any delinquent member shall also be liable for attorney's fees and all other related costs incurred as a result of such delinquency, including all court, collection, and arbitration costs.

F. NO OFFSETS: All assessments shall be payable in the amounts specified in the levy thereof and no offsets or reductions shall be permitted for any reason, unless specifically approved by the Association.

G. ALLOCATION OF ASSESSMENTS:

1. Allocation of interest in common elements and expenses of the Association shall be determined by dividing the total interest or expenses by the number of lots for which a final plat has been recorded.

2. Allocation of interests and expenses for limited common elements and expenses related thereto will be determined by dividing the subject limited common element(s) by the number of lots having use of the limited common element.

3. these formulas shall be used when additional lots or limited or common elements are added to the community or when lots are withdrawn.

H. DECLARANT RESPONSIBILITIES: Declarant shall be responsible for all Association expenses until the first of the year following completion of infrastructure improvements for Phase 1 of the PUD or termination of Declarant's control, whichever is earlier.

I. ASSOCIATION RESPONSIBILITIES:

1. The Association Shall:

a. Operate, maintain, repair and replace all common areas;



b. Operate, maintain (including snow removal), repair and replace internal trails, street landscaping, and internal parks.

c. Operate, maintain, repair and replace all raw water irrigation facilities.

d. Maintain property damage and liability insurance, naming the Town of Silt as additional insured, in an amount equal to 150% of the minimum amount contained within the Governmental Immunity Act. Maintain liability insurance in the amount of \$300,000.00, with specific endorsement to cover the Associations liabilities under that certain Agreement with the Silt Water Conservancy District dated to be determined after an agreement is reached.

e. Pay all ditch assessments on the water rights used by the Association for raw water irrigation.

f. Any and all obligations assigned or delegated to the Homeowners Association by the Annexation and Development Agreement and Subdivision Improvements Agreement for The Stoney Ridge P.U.D.

2. OTHER ACTIONS: The Association may take such other actions as the Association or the members may determine from time to time.

3. LOT MAINTENANCE: If any lot owner fails to maintain the lot and the improvements in a manner consistent with the requirements of this Declaration and the rules and regulations of the Association, the Association, upon a vote of a 2/3rds majority of the directors, may enter upon said lot and repair and maintain the surface and exterior of any improvements in conformance with this Declaration. All costs of such repair or maintenance shall be assessed against said lot.

4. SILT PUMP CANAL: The Association is responsible for the costs and expenses of repair, cleaning, maintenance, and replacement of the Silt Pump Canal and the costs and expenses of repair and replacement of streets, utilities and other facilities damaged by failure of the Silt Pump Canal Pipeline or repairs, cleaning, maintenance, and replacement of said Pipeline.

III. USE RESTRICTIONS:

The following restrictions are imposed as a common scheme upon the community for the benefit of the community and shall be enforced, at the sole discretion of the board of directors, as they may deem proper. All such restrictions are subject to the reserved Development Rights and Special Declarant rights of Declarant.

A. ACCESSORY DWELLING LOT: To the extent allowed by the Silt Municipal Code and subject to ACC review and approval, an accessory dwelling unit may be incorporated into the primary residence, or on larger lots, as a separate structure.

B. ACCESSORY STRUCTURES: One or more non-residential outbuildings may be allowed, subject to ACC review and approval, one of which may be



a detached garage. All such outbuildings shall conform to the general architectural scheme of the residence and the community.

C. ALTERNATIVE ENERGY SOURCES: Reasonable accommodation to design standards shall be considered for applications for alternative energy sources such as solar power, but not including windmills. Screening or alternative finishes that do not unreasonably compromise energy efficiency may be required as a condition of approval.

D. ANIMALS: Only those animals allowed by the Silt Municipal Code shall be allowed. Any such animals shall only be allowed if they do not unreasonably interfere with any other lot owners use and enjoyment of their property. The Association is specifically empowered to take action against any lot owner or occupant if animals kept thereon become a nuisance.

1. Only household type pets shall be kept on any lot. All such pets, including cats, shall be restrained within the lot boundaries, unless under the direct and immediate control of a handler.

2. All pets shall be subject to all applicable provisions of the Silt Municipal Code and any rules and regulation adopted by the Association.

E. ANTENNAS: No exterior television antennas shall be allowed, unless fully screened. Single staff radio antennas and satellite reception dishes are allowable, but subject to ACC review and approval upon such terms and conditions at the ACC may deem appropriate.

F. CONSTRUCTION: All construction materials shall be stored on site in a neat and orderly manner so as not to create an unsightly condition or to allow debris to scatter. All construction shall be diligently pursued and completed. All construction sites shall be provided with access to bathroom facilities and a trash depository.

G. FENCES: All fences shall be subject to approval of the ACC. Lot owners and the ACC are encouraged to seek a balance between lot owners' needs and desires to maintain privacy and Declarant's intent to foster a neighborhood that encourages a sense of community and openness.

1. All side lot fences shall be of "two sided" style, or the finished side shall face outward, unless the adjoining lot owners agree otherwise.

2. All lot owners are hereby granted the right to enter into the side lot easement on adjoining lots for the sole purpose of maintaining and construction of approved fencing, but only after reasonable notice to the adjoining lot owner.

3. Any lot owner who intends to construct a fence between adjoining lots may request the ACC to require the adjoining lot owner to share in the cost thereof. The ACC shall by rule or regulation, establish a procedure for determining the means and methods of sharing adjoining fencing construction and maintenance costs.

H. RIDGE LOTS: all homes on ridge lots shall be set back from the ridge break at least 15 feet and shall comply with the following architectural standards.



1. Ridge lots are lots numbered: 1 through 20 and 52 through 59.
2. Siding on homes located on these lots must be naturally appearing products, including stucco, stone or brick, wood, or vinyl with wood grain. All siding, regardless of type, shall be a muted earth tone color.
3. House colors, trim and roof materials shall be of muted earth tones. Solid primary colors or hard white or black are not allowed.
4. Roofing should give a natural variegated look and may be made of tile, slate, masonry, metal, wood, or composition materials. "Dimensional or architectural" composition shingles are also acceptable. Metal roofs, although discouraged, are acceptable if an appearance comparable to other products can be achieved.
5. Ridge lot slopes can become unstable if subjected to excessive irrigation. Steep slopes shall not be irrigated. Each individual owner of a ridge lot is responsible for maintenance of the ridge slope and liable for any damages or repairs required by movement of the ridge slope.

I. IRRIGATION SYSTEMS: All landscaped areas requiring regular irrigation must be serviced by a functional underground irrigation system that is approved by the ACC. All such systems shall provide for adequately sized zones for the water volumes and pressures available and shall include an automatic irrigation controller. The Association may impose water use restrictions for the purposes of equalizing water usage in the community.

J. LANDSCAPING: All lots shall be landscaped within one year of completion of the original improvements and shall include a reasonable number of trees. Irrigated landscaping shall be limited to 5,000 square feet. Irrigated grass is not required. Xeriscape landscaping is encouraged. All landscaping shall be maintained in a visually attractive condition at all times, including all easement areas within any lot. Landscaping in drainage swales shall not alter the grades established for drainage purposes and no fences, landscaping materials, or other obstructions shall be constructed in a manner that would prevent the flow of water or inhibit the function of the drainage swales. Landscaping plans shall be subject to approval of the ACC.

K. LIGHTING: All exterior lighting shall be indirect or of such controlled focus and intensity as to not unreasonably disturb adjacent lots. All exterior lighting shall be submitted to the Architectural Control Committee ("ACC") for review before installation and is subject to the Silt Municipal Code.

L. LIMITATION OF USES: all lots in this community are primarily intended for residential use, including use as easements and access to other lots. In home businesses or occupations are allowable, to the extent allowed for similar residential districts under the Silt Municipal Code. In addition, any home based business or occupation use shall be subject to ACC review and approval upon such terms and conditions as the ACC may deem appropriate.



M. LOT SIZES AND BUILDING SIZES: Lot sizes and building sizes are governed by the Stoney Ridge PUD Zoning Guidelines.

N. MANUFACTURED HOUSING: Manufactured housing, as defined by the Silt Municipal Code, shall not be allowed on any lot in the community. This provision shall not be interpreted to prohibit new or alternative construction methods, which may include the prefabrication of significant portions of a structure.

O. MINERAL EXTRACTION: No oil or gas drilling, development operations, refining, mining operations of any kind or any quarrying (excluding operations incidental to development of the property) shall be permitted within the community.

P. MODIFICATION AND AMENDMENTS:

1. The Association may modify, amend, or waive any of the foregoing restrictions, or otherwise restrict and regulate the use and occupancy of the community and lots by reasonable rules and regulations of general application.

2. Additional or modified restrictions may be imposed by Declarant for future phases of the community.

Q. PUD ZONE GUIDE: In addition to the use restrictions stated herein, substantial limitations and requirements for the use of these lots are set forth in the Stoney Ridge PUD Zone Guidelines.

R. NUISANCES: No nuisance or unsightly object, in the sole determination of the Association, using an objective reasonable person standard, shall be allowed within the PUD nor shall any use or practice be allowed which is a source of unreasonable annoyance to residents or which unreasonably interferes with the peaceful possession and proper use of any lot. In accordance with the provision regarding pets, it shall be a nuisance for anyone to keep a dog or other animal that barks, howls or makes other unreasonable noises that interferes with the peace of neighboring lots. No immoral, improper, offensive, or unlawful use shall be made of the property nor any part thereof.

S. SIGNS: Subject to the Special Declarant rights, and the SMC, all signs shall be approved by the ACC.

T. TEMPORARY BUILDINGS: No used or previously erected or temporary house, structure, house trailer, mobile home, or other non-permanent outbuilding shall be placed, or allowed to remain on any lot, except during construction, subject however to Declarant's right to maintain such temporary trailers or buildings as it deems necessary for construction, sales and marketing purposes.

U. TRASH: All trash, garbage, refuse, rubbish and vegetation cuttings shall be kept in suitable containers and disposed of in a regular manner. Nothing herein shall be construed to prohibit composting if done in a reasonable manner so as not to foster or create an unsightly condition, vermin, or odors. In no case shall any trash or



vegetation be disposed of in the open spaces, unless specifically authorized by the Association.

V. VEHICLES:

1. The minimum number of off-street parking spaces as required by the SMC shall be maintained on each lot.
2. Only operable and currently licensable vehicles shall be kept or maintained on any lot unless enclosed in a garage or other screened area.
3. Recreational vehicles and commercial vehicles shall not be parked on the public streets of the community for more than 72 hours at one time, or as otherwise required by SMC.
4. No dependent vehicles (trailers or other towed vehicles) shall be parked on the public street unless attached to towing vehicle.
5. Recreational vehicles, trailers, campers, snowmobiles, other sports utility machinery or other moderately sized equipment or machinery may be stored on a lot, if done so in a neat, orderly and well maintained manner. Covered and/or screened storage areas or landscape screening are required from streets and alleys.

W. WEED CONTROL: It shall be each lot owners responsibility to control all noxious weeds on the entire lot. If any lot owner fails to control weeds in a reasonable manner, the Association, after 15 days notice, may enter the lot and perform such actions as it deems appropriate for weed control and assess the lot owner for all expenses of such weed control.

IV. ARCHITECTURAL REVIEW

A. ARCHITECTURAL CONTROL COMMITTEE: There is hereby established an Architectural Control Committee ("ACC") which shall be composed of three or more persons appointed by the board of directors for one year terms. During the period of Declarant Control, ACC members need not be lot owners and may be employees of principals of Declarant. After the period of Declarant Control all ACC members shall be lot owners or designated representatives of lot owners.

B. ARCHITECTURAL REVIEW: No structure, landscaping, fencing or other improvement shall be constructed or maintained on any lot and no alteration, or repainting of the exterior of a structure shall be made and no landscaping performed unless complete plans and specifications, showing the exterior design, height, building materials and color scheme, location and size of driveways, plan of landscaping, fencing, walls and windbreaks, and the grading plan shall have been submitted to and approved in writing by the ACC and a copy of such plans, as finally approved, shall have been deposited with the ACC.

C. ARCHITECTURAL STANDARDS: The ACC shall exercise its best judgment to see that all improvements, construction, landscaping, and alterations approved by the ACC conform with the character, standards, and esthetics of the community as a whole. No ACC member shall be liable in damages to anyone for any



action or inaction in the role of committee representative or by the committee, whether negligent, inadvertent or otherwise, related to approval or disapproval of any plans, proposals, or reviewable activities hereunder.

D. APPROVAL DEADLINE: In the event the ACC fails to approve or disapprove such design and location within 10 days after said plans and specifications have been submitted to it, approval will not be required and this article will be deemed to have been fully complied with. To commence the 10 day time period described herein, the proponent must submit his plans and specifications, in person, to the ACC chairman or other person designated by the committee and receive a written dated receipt reflecting the commencement of the 10 day period.

E. VARIANCES. The committee may allow reasonable variances to any of the restrictions contained herein, or rules and regulations adopted by the Association or ACC on such terms and conditions as the ACC may impose. No variance shall be granted which contravenes any provisions of The Stoney Ridge PUD Guidelines or the Town of Silt Land Use and Building Codes. No variance shall be granted until written notice of the request for such variance has been provided to all lot owners within 200 feet of the subject lot, except that the ACC may require broader notice of any particular application for variance. Notice shall be given by U.S. Mail, first class postage prepaid, to the address of record with the Association for each lot entitled to notice.

F. COSTS: The ACC may assess reasonable fees for any review requested. In the event that an application requires extraordinary legal, engineering, or other fees, the ACC shall notify the applicant of the estimated extra costs and shall not be required to take further action until the estimated cost of any such review has been paid by applicant. Any delay caused by applicant's failure to pay costs shall be added to the 10 day review time limit. Any unpaid ACC review fees or costs may be assessed against the subject lot and owner.

G. DECLARANT EXEMPTION: Declarant shall be exempt from ACC review until expiration or termination of all reserved development rights and special Declarant rights.

V. COMMON AREAS: Common areas are designated on the Final Plat.

VI. DEVELOPMENT RIGHTS:

A. DEVELOPMENT RIGHTS: Declarant reserves the following "development rights":

1. To add real estate to this common interest community;
2. To create lots, common elements, or limited common elements within this common interest community; and
3. To withdraw real estate from this common interest community.



686757 11/18/2005 11:04A B1747 P85 M ALSDORF
 12 of 15 R 76.00 D 0.00 GARFIELD COUNTY CO

B. SPECIAL DECLARANT RIGHTS: Declarant reserves the following "special Declarant rights":

1. To complete improvements indicated on plats and maps filed with or referred to in this Declaration and subsequent amendments thereto;
2. To exercise any development rights;
3. To maintain sales offices, management offices, signs advertising the common interest community, and sales models in such locations, quality and character as Declarant in its sole discretion shall determine;
4. to use easements through the common elements for the purpose of making improvements within the common interest community or within real estate which may be added to the common interest community; and
5. To appoint or remove any officer of the Association or any director during any period of Declarant Control.

E. SEPCIFIC DEVELOPMENT RIGHTS: In addition to the general development rights enumerated above, Declarant reserves the following specific development rights: To develop lots 1-20, 22-50, 52-67, 70-75, 78-82, 86-106, 108-127, 129-140 of The Stoney Ridge PUD as detached single family lots and Lots 21, 51, 68, 69, 76, 77, 83, 84, 85, 107, and 128 as duplex lots or zero lot line single family residences.

F. LIMITATIONS AND CONDITIONS: Declarant's reserved development rights are subject to the following limitations and conditions:

1. These rights apply to those lands which were annexed to the Town of Silt by Annexation Map recorded at Reception No. 623030, Plus such additional real estate as may be added to the common interest community.
2. Development of these rights is subject to a phasing plan approved by the Town of Silt, but Declarant has not made any commitment as to the timing of completion of any particular phase, or that any phase of the project will ever be constructed.
3. The boundaries of the various blocks, phases, common elements, easements and other features are shown on the attachments to the Annexation Agreement in general outline and layout only. Actual legal descriptions will only be determined at time of final platting.
4. All development phases, except for phasing requirements by the Town of Silt, are independent of each other and may be developed in any order and without regard to development of any other block or phase.
5. The Development Rights and Special Declarant Rights reserved shall expire as to any portion of Stoney Ridge PUD at the earlier of 10 years from the recording of this Declaration or recording of a Final Plat for that particular portion of the PUD, unless such rights for a particular phase are extended by amendment of this Declaration for that phase. The Association may, in its sole discretion, and upon the written application of Declarant, extend any such Development Rights and Special Declarant Rights.
6. Any portion of the real estate may be withdrawn from the community until a Final Plat has been recorded. After a Final Plat has been recorded, any portion not subject to a Final Plat may be withdrawn.



686757 11/18/2005 11:04A B1747 P86 M ALSDORF
13 of 15 R 76.00 D 0.00 GARFIELD COUNTY CO

7. The maximum number of lots Declarant reserves the right to create in this common interest community is: 151 lots or units the character of which is to be determined when such Development Rights are exercised.

8. Declarant may maintain sales offices, management offices, and models in the common interest community. Declarant may maintain one sales office per phase, one management office per phase, and a maximum of 5 models in each phase. All sales office and models shall be located on a lot and not in a common area, the location of which is to be determined by Declarant. Offices and models shall be considered lots and not common elements, unless otherwise declared for each Phase. If the Declarant ceases to be a lot owner, the Declarant ceases to have any rights with regard to any real estate used as a sales office, management office, or model, unless it is removed promptly from the common interest community which right of removal is hereby reserved. Declarant may maintain signs on the common elements advertising the common interest community to the extent authorized by the Town of Silt Sign Code. This section is subject to the provisions of other state laws and to local ordinances.

9. Declarant hereby reserves a blanket easement over all common elements, as may be reasonably necessary for the purposes of discharging Declarant's obligations or exercising special Declarant's rights, and for exercise of Declarant's reserved development rights. All such easements shall continue in effect until completion of all improvements in the community, or expiration of Declarant's development rights or special Declarant rights, whichever is earlier.

10. Declarant may amend the Declaration at any time before expiration of reserved development rights or special Declarant rights to add additional real estate to the common interest community. The amount of added real estate shall not exceed 10% of the total area, as described in the Preliminary PUD Plan for The Stoney Ridge PUD.

11. All income or proceeds from real estate subject to development rights inures to the Declarant.

12. Upon the expiration of any development rights for a particular portion of the real estate, said portion for which the development rights have expired shall, at Declarant's option; be retained by Declarant, subject to the provisions of this Declaration, in which case Declarant shall be responsible for all expenses of said real estate; Declarant shall have no further liability for any expenses of said lots or common elements for which development rights have terminated.

13. Declarant may voluntarily terminate any portion of the reserved development rights at any time with 30 days written notice to the Association.

VII. GENERAL PROVISIONS

1. ENFORCEMENT. The Association and the Town of Silt shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and covenants contained in this Declaration. No individual lot owners or other 3rd party shall have any right to enforce the provisions hereof. Subject to any applicable statute of limitations, failure by the Association to enforce any covenant or restriction herein shall not be deemed to be a waiver of the right to do so thereafter. The Town of Silt shall be a



3rd party beneficiary of this Declaration and may, but shall have no obligation to or liability for, failure to exercise its rights hereunder.

2. FURTHER SUBDIVISION OF LOTS. Lots may be further subdivided with the consent of the executive board and subject to the land use regulations of the Town of Silt.

3. LENDERS AUTHORITY. Lenders who hold security interests encumbering the lots shall have no authority to approve actions of the Association, or Declarant in exercise of their rights and obligations to the community. This provision may be amended by Declarant, or the Association, if required by law or regulation, or general lender requirements, without the consent of any security holders.

4. COLORADO COMMON INTEREST OWNERSHIP ACT. Except to the extent expressly stated herein and allowed by law, this community shall be governed by the provisions of the Colorado Common Interest Ownership Act (C.R.S. 38-33.3-101 *et seq.*) in effect at the time of the recording of the original Declaration.

5. SEVERABILITY. If any provisions of this Declaration or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this Declaration which can be given effect without the invalid provisions of application and, to this end, the provisions of this Declaration are severable to the extent such can be done so in a just and equitable manner to all parties concerned.

6. AMENDMENT. This Declaration is subject to amendment by Declarant as more fully set forth herein, to the extent allowed by law. Any subsequent amendment shall restate the entire Declaration and recording of an amendment shall provide that the previously recorded Declaration is of no further force and effect.

VII. SPECIAL PROVISIONS: Pursuant to the provisions of an Agreement with the Silt Water Conservancy District, the District or the Town of Silt may compel the Association to impose and collect assessments for the purpose of said Agreement. If the Association ceases to exist or function, the District or the Town are specifically authorized and empowered to operate or reconstitute the Association for the sole purpose of imposing and collecting assessments to fulfill the Associations obligations under said Agreement. Said assessments to include all costs and expenses incurred by the District or Town in undertaking all such actions. These rights in the Association granted to the District and the Town shall not be interpreted to impose any other obligation or responsibility on these parties regarding said Association other than the specific and limited rights identified herein.

Kelly and Michael Lyon Family, LLC

By: [Signature]
Kelly Lyon, Managing Member

Date: November 18, 2005

State of Colorado)
County of Garfield)ss.



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The foregoing Declaration was acknowledged before me on 11/16/05
by Kelly Lyon as Managing Member of Kelly and Michael Lyon Family LLC, a
Colorado limited liability company.

My commission expires: 6-13-06
Witness my hand and seal.



Sharon S. Hawkins
Notary Public

