

DECLARATION FOR VILLAGE AT PAINTED PASTURES SUBDIVISION

WHEREAS, Raley Ranch Project, LLC, a Colorado limited liability company (hereinafter, "Declarant"), is the owner and developer of certain real property and improvements situated in the County of Garfield, State of Colorado, which real property is described as set forth on **Exhibit A** attached hereto and incorporated herein by this reference, and as the same appears on the Final Plat of Village at Painted Pastures Subdivision recorded in the office of the Clerk and Recorder of said Garfield County on _____, as Reception No. _____ ("Plat"); and

WHEREAS, the real property described on the Plat shall be referred to hereinafter as the "Village at Painted Pastures Subdivision" or the "Property;" and

WHEREAS, Declarant desires to create a planned mixed use community on the Property which is designated for a mix of uses, including residential, commercial, office/service/scientific, industrial/fabrication, storage/warehouse, and public/institutional uses and residential use, and in which portions may be designated as Common Elements (the "Project"); and

WHEREAS, the Declarant has caused the Village at Painted Pastures Property Owners Association, Inc., a Colorado nonprofit corporation ("Association") to be incorporated under the laws of the State of Colorado for the purpose of exercising the functions set forth in this Declaration and as to which each Owner is a member.

WHEREAS, Declarant, as owner and developer of the Property wishes to preserve, protect and enhance the value and desirability of ownership and occupancy of the Property; to provide for the orderly management and operation of the Property; to promote and safeguard the health, comfort, safety, convenience and welfare of the Property for the Association and its members as owners of Lots within the Village at Painted Pastures Subdivision;

NOW, THEREFORE, in addition to the foregoing recitals, Declarant hereby declares, establishes, makes and grants the following covenants, conditions, restrictions, reservations, agreements and easements:

ARTICLE I STATEMENT OF PURPOSE AND IMPOSITION OF SERVITUDES

1.1 Imposition of Servitudes. Declarant hereby makes, declares and establishes the covenants, conditions, restrictions, reservations and easements contained in this Declaration for the benefit of the Property, including all improvements, amenities and facilities appurtenant to or located within the boundaries of the Property now and constructed or installed in the future. From this day forward, the real property and improvements that comprise the Village at Painted Pastures Subdivision, and any portion thereof, shall be held, sold, conveyed, encumbered, leased, rented, occupied, improved, and dealt with in any manner whatsoever subject to this Declaration. All covenants, conditions, restrictions, reservations, agreements, easements and other terms and provisions whatsoever established under this Declaration shall: (i) run with the land comprising the Village at Painted Pastures Subdivision or as equitable servitudes as the case may be, and (ii) shall inure to the benefit of and bind all persons or entities having any right, title or interest in all or any part of the Village at Painted Pastures Subdivision, including the Declarant, all Lot Owners and their respective heirs, executors, administrators, personal representatives, successors, assigns, grantees, tenants, guests, employees, families, contractors, agents, licensees and invitees; and (iii) create specific rights and privileges which may be shared and enjoyed by all Lot Owners and lawful occupants of any part of the Property.

1.2 Limited Applicability of CCIOA. The Village at Painted Pastures Subdivision contains less than twenty lots and is not subject to Development Rights, and therefore pursuant to Section 38-33.3-116, Colorado Revised Statutes ("C.R.S."), the Village at Painted Pastures Subdivision is subject only to Sections 38-33.3-105

through 38-33.3-107 of the Colorado Common Interest Ownership Act, Sections 38-33.3-101, et seq., C.R.S., (“Act”). All other provisions and portions of the Act are expressly disclaimed and do not apply to the Village at Painted Pastures Subdivision except as otherwise expressly set forth herein.

1.3 Declarant’s Intent. Declarant intends to preserve and protect the attractiveness of the Property, to restrain and minimize future impairment or deterioration of the Property, and to preserve, protect and enhance the value and desirability of the Property and to promote and safeguard the health, comfort, safety, convenience and welfare of the Lot Owners of the Property. Declarant intends to encourage the construction and maintenance of attractive permanent improvements, appropriately located to preserve the harmonious development of the Property and to promote and safeguard the health, comfort, safety, convenience and welfare of the Lot Owners.

ARTICLE II

DESCRIPTION OF COMMON INTEREST COMMUNITY AND DEFINITIONS

For the purposes of this Declaration, the following terms shall be defined as set forth herein below.

2.1 Act means Colorado’s Common Interest Ownership Act, C.R.S. §38.33.3-101, et seq., as amended. Except as modified in this Declaration (and as this Declaration may be amended from time to time), the definitions set forth in the Act are incorporated herein. But, as set forth above, only Sections 38-33.3-105 to 38-33.3-107 apply to the Property, Community, and Association.

2.2 Allocated Interest. “Allocated Interest” means the undivided interests in the Common Elements, the Common Expense Liability and each Member’s voting share in the Association. The Allocated Interest is calculated as a formula based upon the area of each Lot as a percentage of the area of the entire subdivision as set forth on **Exhibit B**.

2.3 Assessments. “Assessment” means annual assessments, special assessments and default assessments, as described in Article V of this Declaration. “Assessment” also includes late charges, fines, fees, interest, costs, expenses, reasonable attorneys’ fees, and any other amounts authorized to be collected by the Association pursuant to the Governing Documents.

2.4 Association. “Association” shall mean and refer to the Village at Painted Pastures Property Owners Association, its successors and assigns. The Association shall be incorporated as a nonprofit corporation under the laws of the State of Colorado for the purpose of serving and operating as the planned community owners’ association of the Village at Painted Pastures Subdivision. The Association shall have the power and authority, and shall operate in accordance with the provisions of the following: this Declaration, as it may be amended from time to time; the applicable sections of the Act (except as modified by this Declaration and to the extent any such modification is permitted by law); the Association’s articles of incorporation; the Association’s duly-adopted bylaws; the Plat (as defined below) as it may be amended and/or supplemented from time to time; the Annexation and Development Agreement, recorded on September 4, 2020, as Reception No. 941497; the Village at Painted Pastures Subdivision Improvements Agreement recorded on _____, as Reception No. _____; and Plat; conditions of approval for development of the Village at Painted Pastures Subdivision established by Town of Silt, together with applicable provisions of the Town’s code; applicable provisions of Colorado law; such resolutions, rules and regulations as the Association acting through its Executive Board may duly adopt from time to time (hereinafter collectively referred to as “Governing Documents”). Administrative delinquency of the Association under Article 90 of Title 7, C.R.S., for reasons unintended by the Executive Board of the Association (e.g., due to inadvertence or oversight), shall not affect the Association’s authority under this Declaration or the protections from liability afforded to officers, directors, and other authorized agents acting in good faith on behalf of the Association.

2.5 Common Elements. The Common Elements are all portions of the Property other than the Lots. The Common Elements are owned by the Lot Owners as undivided interests pursuant to the definition of Allocated Interests set forth above. Common Elements are for the common use and enjoyment of Lot Owners and their tenants, permittees and guests and not for the public, unless otherwise specified on the Plat. Common Elements also include easements designated on the Plat and/or reserved or granted in this Declaration or other Governing Documents for the benefit of the Declarant or the Association. The Association, subject to the rights and obligations of the Lot Owners as set forth in this Declaration and other applicable provisions of the Governing Documents, shall be responsible for the management and control of the Common Elements except to the extent expressly provided otherwise herein.

2.6 Common Expenses. "Common Expenses" means expenditures made or liabilities incurred by or on behalf of the Association, together with any allocations to reserves. Common Expenses include, without limitation: (a) expenditures in the nature of capital improvements; (ii) expenses of administering, servicing, conserving, managing, improving, maintaining, repairing, restoring or replacing the Common Elements or any portion thereof; (iii) expenses incurred by the Association in fulfilling its purposes, obligations, responsibilities and functions under the Governing Documents (and any functions incidental thereto); (iv) insurance premiums for insurance policies carried by and for the Association; and (v) all expenses incurred by the Association to promote or protect the health, safety and welfare of the Lot Owners. "Common Expenses" does not include expenses incurred with respect to Limited Common Elements except such expenses as the Board determines for good cause.

2.7 Common Expense Liability. "Common Expense Liability" means the liability for Common Expenses allocated to each Lot.

2.8 Community. Community means the Village at Painted Pastures Subdivision.

2.8 County. "County" means Garfield County, Colorado.

2.9 Declaration. "Declaration" means and refers to this Declaration for the Village at Painted Pastures Subdivision, as it may be amended or supplemented from time to time. This Declaration is one of the Governing Documents.

2.10 Executive Board. "Executive Board" or "Board" shall mean the Board of Directors of the Association.

2.11 First Mortgage/Mortgagee. "First Mortgage" shall mean any recorded deed of trust or mortgage encumbering a Lot and the Lot Owner's appurtenant undivided interest in the Common Elements which is not subject to any lien or encumbrance except liens for taxes or other liens which are given priority by statute or by this Declaration, and the term "First Mortgagee" shall mean the holder of record of a First Mortgage.

2.12 Governing Documents. "Governing Documents" has the meaning set forth in Section 2.4 above.

2.13. Improvements. "Improvements" shall mean, without limitation: all buildings, structures and portions thereof; parking areas; loading and storage areas; fences; walls; decks; patios; balconies; hedges; plants; poles; antennae; driveways; sidewalks; signs; swamp coolers, air-conditioning units and other improvements that are not contained entirely within the interior of an approved structure; changes, alterations or additions to any exterior color, material appearance or shape of a structure (including fences, decks, sidewalks, patios and balconies); exterior lighting or illumination; excavation and all other site work, including, without limitation, grading, roads, utility improvements (lines, connections, valves, fixtures and other apparatus), infiltrators, irrigation systems; swales, bio swales, culverts, erosion control features, siltation control features and drainage features; ponds and ditches and features of thereof; and the addition, removal or pruning of trees, shrubs or plants

rooted in the ground. The term "Improvements" includes both original Improvements as built and all subsequent changes, alterations, additions, replacements or further Improvements. The term "Improvements" does not include turf, shrub or tree repair or replacement of a magnitude that does not change exterior colors or exterior appearances.

2.14 Limited Common Elements. "Limited Common Element" means a portion of the Common Elements as defined in this Declaration or otherwise in the Governing Documents for the exclusive use of one or more but fewer than all of the Units.

2.15 Lot, Unit, or Parcel. "Lot," "Unit," or "Parcel" means and refers to any of the separately numbered lots or plots shown upon the Plat of the Village at Painted Pastures Subdivision, except the Common Area and any public streets or rights of way. Ownership of a Lot includes ownership of an undivided interest in the Common Elements appurtenant to such Lot. Ownership of an undivided interest in the Common Elements is appurtenant to, and not severable from, ownership of the Lot. Subsequent to recording of this Declaration, any contract of sale, deed, mortgage, deed of trust, lien or other instrument affecting title to a Lot shall describe a Lot in the following manner or substantially similar thereto subject to such modifications or other provisions as may be required by any law, practice or usage:

Lot _____, Village at Painted Pastures Subdivision, according to the Plat thereof recorded on _____, 2020, as Reception No. _____, and the Declaration for Village at Painted Pastures Subdivision recorded on _____, 2020, as Reception No. _____, as the same may be amended, with the Clerk and Recorder of Garfield County, Colorado (**with the appropriate information inserted as necessary to complete the description including references to supplemental plats or maps, if any**), County of Garfield, State of Colorado.

2.17 Lot Owner. The terms "Owner" and "Lot Owner" are synonymous and mean a person or entity who owns a Lot but excludes those persons or entities having an interest in a Lot merely as security for the performance of an obligation, unless and until acquisition of fee title to the Lot pursuant to foreclosure or other proceedings. The Declarant is the owner of each Lot created by the Governing Documents until that Lot is conveyed to another person.

2.16 Member. "Member" shall mean a member of the Association by virtue of being a Lot Owner. The Association shall be entitled to rely on the records of the Clerk and Recorder for Garfield County, Colorado, for the purposes of determining who is a Lot Owner, in the absence of evidence otherwise satisfactory to the Executive Board.

2.17 Period of Declarant Control. "Period of Declarant Control" means the length of time by which the Declarant, or persons designated by the Declarant, its successors or assigns, may appoint and remove the officers and members of the Executive Board. For purposes of this Declaration, the Declarant's Period of Control shall last until all three Lots are owned by unrelated third parties.

2.18 Plat. The term "Plat" means the Final Plat of Village at Painted Pastures Subdivision ("PUD") approved by the Town, and filed of record with the Clerk & Recorder for Garfield County, Colorado, under Reception No. _____, as the same may be amended and/or supplemented from time to time. The term "Plat" as used in this Declaration or any other Governing Document specifically includes all duly-approved and recorded amendments and supplements to the Plat as first recorded, including but not limited to "as built" or boundary adjustment plats. The Plat and all duly approved amendments and supplements thereto, and all terms, provisions, notes, covenants, conditions, restrictions, reservations, easements, legal descriptions and certifications noted thereon are incorporated into this Declaration as if set forth verbatim.

2.19 Property. The term "Property" refers to all of the real property described in **Exhibit A** and Improvements thereon comprising the Village at Painted Pastures Subdivision.

2.20 Open Space. Means that portion of the Common Area depicted as the "Private Open Space" on the Plat.

2.20 Owner. Means and refers to any person or entity, including the Declarant, at any time owning a Lot, Unit, or Parcel.

2.20 Residence. Means the dwelling unit located on a Lot.

2.21 Residential Purpose. The term "Residential Purpose" shall mean the use of a Lot as a multi-family dwelling, together with any accessory dwellings or service buildings, , for purposes customarily incidental thereto. Rental of any Lot or improvements thereon shall be permissible but any and all leasehold rights in a Lot, or in any portion of the Property, granted to any person(s) or entity shall be subject to the terms and conditions of this Declaration and the Governing Documents.

2.22 Special Declarant Rights. "Special Declarant Rights" means the following rights, which rights are hereby reserved for the benefit of the Declarant, and which rights may be further described in this Declaration: to build and complete Improvements in the Property; to use easements through the Common Elements for the purpose of making Improvements within the Community; or to appoint or remove any officer of the Association or any Executive Board member during any Period of Declarant Control. Declarant may exercise any or all of these Special Declarant Rights at any time and from time to time. The intent of this provision is not to create or reserve any "development right" to the Declarant as that term is defined by the Act.

2.23 Town. The term "Town" shall mean the Town of Silt, Colorado.

ARTICLE III THE ASSOCIATION

3.1 Membership: Allocation of Voting Interests. Every Lot Owner is a Member of the Association for the duration of ownership. Membership is appurtenant to and is not severable from ownership of a Lot. Each Owner of a Lot in good standing is entitled to such voting share equal to the Allocated Interest associated with such Owner's Lot as set forth on **Exhibit B**. Whether a Lot is owned by one or more persons or entities, there shall be one vote per Lot on Association matters and such vote shall be weighted according to the Allocated Interest associated with such Owner's Lot as set forth on **Exhibit B**. Membership in the Association shall be of a single class only.

3.2 Authority. The business and affairs of the Community shall be managed by the Association acting through its Executive Board except for such matters as are expressly reserved to action by the Members of the Association pursuant to this Declaration or other Governing Documents.

3.3 Powers. The Association shall have all of the powers, authority and duties reasonably necessary and proper to carry out its functions, including but not limited to: (a) all powers an authority granted to the Association under this Declaration and the other Governing Documents; (b) all powers and authority granted to a nonprofit corporation under the Revised Colorado Nonprofit Corporations Act, Sections 7-121-101, *et seq.*, C.R.S. ("Nonprofit Act"), as it may be amended from time to time; (c) the authority to retain a managing agent for the Association on such terms and conditions as the Executive Board may determine and as governed by applicable law; (e) such other lawful power and authority as necessary or reasonable to carry out the functions and fulfill the purposes of the Association, including those applicable powers authorized by the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, *et seq.*

3.4 Declarant Control. The Declarant shall have all the powers reserved in Article XI below to appoint and remove the officers and members of the Executive Board of the Association during the Period of Declarant Control.

3.5 Annual and Special Meetings of the Members. An annual meeting of the Members shall be held in accordance with the provisions for annual meetings under the Nonprofit Act or as otherwise set forth in the bylaws of the Association. Special meetings of the Members may be called and held in accordance with the Nonprofit Act or as otherwise set forth in the bylaws of the Association.

3.6. Voting by Members. Voting by Members on Association matters reserved for action by the Members or otherwise coming before the Members shall be conducted as provided in the Nonprofit Act or as otherwise set forth in the bylaws of the Association.

3.7. Quorum. For the purposes of action at a meeting of the Members, a quorum is deemed present throughout any meeting of the Association if persons entitled to cast fifty percent of the votes which may be cast are present in person or by proxy at the beginning of the meeting.

3.8. Action By Members. A simple majority of the votes cast at a meeting at which a quorum is present shall constitute approval of the Members and shall be binding upon the Association, except for matters or actions requiring a higher percentage of votes for approval under the Governing Documents. Action by consent undertaken in accordance with the bylaws of the Association may be authorized by the written consent of the Members in lieu of a meeting. Action by written ballot may be undertaken as permitted by law.

3.9. Executive Board. Until the expiration of the Period of Declarant Control, the number of members of the Executive Board may be one (1) person appointed and designated in writing by the Declarant. After expiration of the Period of Declarant Control, the Executive Board shall consist of no less than one (1) and no more than three (3) members of the Association, as determined at the annual meeting of the Members of the Association, all of which directors shall be natural persons over the age of eighteen (18) years and Lot Owners, or a Lot Owner's designated representative. Co-Owners of the same Lot shall not serve as directors concurrently.

3.10. Election of Executive Board. Members of the Executive Board (also referred to as "directors") shall be elected at the annual meeting of the Members of the Association. Each director shall serve a one-year term, or until a successor is duly elected, whichever occurs later.

3.11 Purpose and Powers of Board. The Executive Board shall be the governing body of the Association with all authority necessary to exercise the powers of the Association except any matters expressly reserved to the Members by law or under the Governing Documents.

3.12. Annual, Regular and Special Meetings of the Executive Board. An annual meeting of the Executive Board shall be held immediately after each annual meeting of the Members of the Association in accordance with provisions set forth in the bylaws of the Association. Regular and special meetings of the Executive Board may be called and held in accordance with the provisions for regular and special meetings of the Executive Board as set forth in the bylaws of the Association.

3.13. Quorum. A quorum for the purposes of action at a meeting of the Executive Board shall require the presence of a majority of directors in person or by electronic or telephonic means under which all persons present are able to hear and be heard by the person(s) participating in the meeting.

3.14. Action By Executive Board. The vote of no less than a majority of directors at a meeting of the Executive Board at which a quorum is present shall be required to approve any matter coming before the Board

and shall be binding except where a higher percentage of votes is required for approval under the Governing Documents. Action by consent undertaken in accordance with the bylaws of the Association may be authorized by the directors in lieu of a meeting.

3.15. Governing Documents. To the fullest extent permitted by law, by the Code, and by the terms and conditions of recorded instruments setting forth the Town's conditions for approval for development of the Property, if a conflict or inconsistency arises between or amongst the terms and provisions of any Governing Documents, then this Declaration shall take precedence, followed in order of importance by the Plat (including supplement(s) or amendment thereto(s)), the PUD Agreement, the articles of incorporation of the Association, the bylaws of the Association, resolutions adopted by the Members at a lawful meeting of the Association, and resolutions duly-adopted by the Executive Board (including any rules and regulations adopted by the Executive Board).

ARTICLE IV EASEMENTS

In addition to all easements reserved or granted or otherwise created elsewhere in the Governing Documents, the following easements are hereby reserved to the Declarant, or granted by the Declarant, as the context indicates:

4.1 Platted Easements: Utility Distribution Easements.

(a) *Access.* Every Lot Owner shall have a perpetual and nonexclusive easement for access over, across and upon such Common Elements as are designated on the Plat for the purpose of pedestrian or vehicular access to and from such Owner's Lot, which easement shall be appurtenant to and pass with transfer of title to the Lot; provided, however, that such easement shall be subject to: (a) all provisions of the Governing Documents; and (b) the right of the Association to adopt, from time to time, rules and regulations for vehicular traffic, parking, pedestrian travel, and travel by any other motorized or non-motorized means upon and across Common Elements.

(b) *Platted Easements.* Nonexclusive easements and rights of way in perpetuity are hereby reserved by the Declarant for the benefit of the Association and the Lot Owners across, upon and through easements shown on the Plat for the purposes designated thereon.

(c) *Utility Distribution Easements.* Nonexclusive easements and rights of way in perpetuity are hereby reserved across, upon, through and under the Common Elements and Lots as reasonably required for distribution of utility services serving the Property. Such easements are reserved and granted for the benefit of the Town, the Association and authorized utility service providers, for the purposes of construction, installation, distribution, maintenance, repair, improvement and operation of wires, cables, pipes, fixtures, equipment, conduits and apparatus for the transmission of electrical current, telephone, telecommunications, television, radio and digital communication lines, water, natural gas, and other utility services, together with a reasonable right of entry for the purpose of installing, maintaining, repairing, replacing and improving utility services.

4.2 Easement for Emergency Services. A perpetual and nonexclusive access easement is hereby reserved for the benefit of the Town and any special district serving the Property, for the purpose of police, sheriff, fire protection, ambulance and similar emergency response services, and shall include all roadways, driveways, parking areas, Common Elements, Limited Common Elements and any portion of the Property or Lots for the specific purpose of providing and performing emergency services.

4.3 Maintenance & Repair Easement by Association. A perpetual and nonexclusive easement is hereby reserved by and for the Declarant and for the Association (and the Association's officers, directors, managers, employees, contractors and authorized agents) upon, across, over, in and under all Lots (excluding the interior of any building constructed on a Lot) and Common Elements (including Limited Common Elements), and a right to make such use of the Property or any portion thereof as may be necessary, to make repairs or improvements, or perform maintenance, or to perform the duties and functions for which the Association is responsible pursuant to the Governing Documents, including the right to enter upon any Lot for the purpose of performing maintenance or repairs that are reasonably within the scope of the Association's responsibility. Lot Owners shall permit the Association reasonable access to the interior of such Owner's Lot if reasonable and necessary.

ARTICLE V ASSESSMENTS

5.1 Creation of Association Lien and Personal Obligation to Pay Assessments. Declarant, for each Lot, hereby covenants, and each Owner by acceptance of a deed for a Lot (or a partial interest therein), whether it shall be so expressed in any such deed or not, is deemed to covenant and agree to pay assessments levied by the Association in accordance with this Declaration and all Governing Documents.

5.2 Allocated Interest in Common Expense Liabilities. To each Lot is allocated Common Expense Liability, meaning the obligation for payment of a proportionate share of the Common Expenses duly levied and assessed against all Lots by the Executive Board. The Common Expense Liability shall be equal to the Allocated Interest as set forth on Exhibit B.

5.3 Purpose of Assessments. Assessments may be levied for Common Expenses and any other lawful purpose. In general, the purpose of assessments is to provide revenue to pay Association expenses, including but not limited to those incurred to maintain, repair, replace, improve and otherwise affect the Common Elements; maintaining and replacing improvements, landscaping and/or vegetation; taxes; utility service charges and surcharges; insurance premiums; management fees; snow removal; maintaining clear access of roads and hydrant for emergency services, surface repair and replacement for roads, and pedestrian walkways; capital improvements; reserves; and all other costs and expenses incurred to perform the functions of the Association.

5.4. Annual Assessments: Budget. Assessments for Common Expenses shall be made on an annual basis against all Units and shall be based upon the Executive Board's advance estimate of revenue requirements for the Association to provide for the payment of Common Expenses arising from, or connected with, the purposes and functions of the Association as set forth in the Governing Documents, and any other expenses or liabilities which may be incurred by the Association for the benefit of the Community, together with projections for a reasonable capital reserve fund if deemed necessary by the Executive Board. Annual assessments based on the annual budget shall be levied each year in advance and shall be due on the first day of January of each calendar year and payable in twelve equal installments on the first day of each calendar month commencing January 1 of each year, or as otherwise determined by the Executive Board in its reasonable discretion based on the estimated annual budget. No Assessments shall be chargeable on a Lot until the Declarant conveys such Lot to an unrelated third party. The omission or failure of the Association to fix the annual assessments for any assessment period or to furnish periodic billing statements for assessments to any Lot Owner shall not be deemed a waiver, modification or release of any Lot Owner from the obligation to pay assessments. If the Executive Board fails or neglects to adopt an estimated annual budget for any calendar year in advance, the amount of assessments for such year shall be deemed the same as the immediately preceding year; nothing, however, shall prohibit the Executive Board from adopting a budget for the remainder of any such calendar year. The Association, acting through the Executive Board, shall have the right, but not the obligation, to make prorated refunds of any annual assessment revenue collected in excess of actual expenses incurred in any fiscal year. The Executive Board may earmark all or part of excess assessment revenue from year to year for reserve purposes for the Association.

5.5. Special Assessments; Assessments for Limited Common Elements. In addition to annual assessments authorized by this Article, the Executive Board may levy special assessments, payable over such a period as the Board may determine, for the purpose of defraying, in whole or in part, Common Expenses not otherwise anticipated at the time of adoption of the annual budget, including for capital improvement. Such special assessments may also be made for the purpose of assessing a specific Lot or Lots for expenses incurred or to be incurred (including capital improvements) with respect to Limited Common Elements appurtenant to the Lot or Units so assessed. The proportionate share of a Lot for expenses or capital improvements for one or more Limited Common Elements shall be computed by using a fraction, the numerator of which is one, and the denominator of which is the sum total all Lots to which such Limited Common Element(s) is/are appurtenant. Special assessments made for the benefit of all Lots in the Property shall be assessed in the same allocation as annual assessments under Section 5.4 above. Special assessments shall be due and payable by the responsible Lot Owner(s) on such reasonable terms and conditions as the Board determines.

5.6. Default Assessments; Monetary Fines. The Association, acting through the Executive Board, is entitled to reimbursement for any and all expenses incurred by the Association as a consequence of a Lot Owner's violation of, or failure to comply with, any of the provisions of the Governing Documents, or for damage or loss caused to the Association by or through the negligent, willful or reckless act or omission of a Lot Owner or such Owner's family member, guest, invitee, licensee, lessee, employee or agent. The Board is further authorized to assess monetary fines against a Lot Owner for acts or omissions constituting a violation of, or failure to comply with, any of the provisions of the Governing Documents by a Lot Owner or such Owner's family member, guest, invitee, licensee, lessee, employee or agent. The Executive Board shall provide the Lot Owner(s) with no less than thirty (30) days advance written notice of the proposed default assessment or fine, the amount and reasons therefore, before any fine is actually assessed. An amount determined due to the Association by a Lot Owner pursuant to this Section, constitutes a "default" assessment. Default assessments may be assessed against the Lot(s) owned by the responsible Lot Owner(s) by the Executive Board and shall become a lien against such Lot(s) which may be foreclosed or otherwise collected as provided in this Declaration for other assessments.

5.7. Notice of Assessments. The Association shall give written notice to each Lot Owner, mailed to said Owner's mailing address as it appears on the records of the Association, identifying the amount of each annual assessment on or before the date upon which the assessment shall be due and payable. It shall be the responsibility of each Lot Owner to notify the Association in writing of such Owner's mailing address and any change(s) in mailing address; in the absence of written notice from the Owner, the Association shall be entitled to rely on the mailing address of record with the county assessor. Successive monthly or quarterly notices of assessments due shall not be required. Failure of the Association to give timely notice of the annual assessment amount shall not release any Owner from liability to pay such assessment. Except as otherwise determined by the Executive Board, notice of special assessments shall be given in accordance with the procedures set forth herein for annual assessments or in accordance with such other reasonable procedures as may be determined by the Board. All unpaid assessments shall bear interest at the rate of eighteen percent (18%) per annum from the date due until paid, together with such reasonable and uniform late charges as the Executive Board adopts.

5.8. Enforcement of Assessments. Any assessment or portion thereof, whether an annual, special or default assessment, that is not paid within ten (10) business days after the date due is delinquent and as a consequence thereof the Lot Owner(s) shall be deemed in default of this Declaration. If an assessment or any portion thereof (including any installment payment) is delinquent, the Executive Board, in its discretion, may take any or all or lawful enforcement actions. Such lawful enforcement action shall include bringing an action at law or equity personally against any or all Lot Owner(s) obligated to pay the delinquent assessments. The pursuit of any course of action as a means of collecting or enforcing payment of assessments shall not be deemed to waive the right of the Association to pursue any other method, either at the same time or subsequently.

5.9 Lien for Assessments. Assessments chargeable to any Lot shall constitute a lien on such Lot from the date due to the fullest extent permitted by law. In any proceeding to collect delinquent assessments and/or to foreclose the Association's lien, the Owner(s) shall be liable for all costs and expenses, including but not limited to: the amount of all delinquent or past due assessments; late charges; interest; the Association's costs and expenses of collection; the Association's cost and expenses of recording any notice(s) of lien; the Association's reasonable attorneys' fees incurred in connection with filing notice(s) of lien, with collection of unpaid assessments and other amounts, and with enforcement of the Association's lien and other remedies. Multiple co-Owners of a Lot shall be jointly and severally liable for the full amount of assessments, charges and all other amounts due. The Association is expressly authorized to enforce any lien for assessments pursuant to the fullest extent permitted by law, including foreclosure, and including any method permitted by the Act, including C.R.S. § 38-33.3-316.

5.10. Personal Obligation of Lot Owner and Purchaser. All amounts assessed by the Association against a Lot, together with interest, late charges, reasonable attorney's fees and costs, if any, shall be the personal obligation of each Owner of the Lot (jointly and severally as to multiple Owners of a Lot).

5.11. Owner's Liability. In the event that the need for maintenance, repair, restoration or replacement of all or any portion of the Property or Improvements thereon is caused through or by the negligent, reckless or willful act or omission of one or more Lot Owner(s) or such Owner's family member, tenant, guest, invitee, licensee, employee, contractor or other agent, then all cost and expenses incurred by the Association for such maintenance, repair, restoration or replacement shall be the personal obligation of such responsible Lot Owner(s) (jointly and severally for multiple responsible Owners); and, if such Lot Owner(s) fails to reimburse the Association for all expenses incurred (including attorneys' fees) within thirty (30) days after written notice and demand to the Lot Owner(s) of the amount owed, then such failure shall constitute a default by all Owner(s) of such Lot under the provisions of this Declaration, and such expenses (together with reasonable attorneys' fees and costs incurred in seeking reimbursement) shall automatically become a default assessment determined and levied against the Lot or Lots owned by such responsible Lot Owner(s), enforceable by the Association in accordance with this Declaration.

5.12. Statement of Unpaid Assessments. The Association shall furnish to a Lot Owner or such Lot Owner's designated authorized agent, or to a holder of a security interest or its designee, upon written request, a statement setting forth the balance of unpaid assessments due and levied against such Owner's Lot within twenty (20) days of such request, but the Association's failure to do so shall not invalidate any outstanding unpaid assessments due by such Owner.

ARTICLE VI

GENERAL RESTRICTIONS

6.1 No Partition of Common Elements. No Lot Owner shall bring any action for partition or division of the Common Elements or any portion thereof. By acceptance of a deed or other instrument of conveyance or assignment, each Lot Owner shall be deemed to have specifically waived such Owner's rights to commence or maintain a partition action or any other action designed to cause a division of the Common Elements. This Declaration may be pleaded as a bar to any such action. Any Lot Owner who commences or maintains any such action shall be liable to the Association and shall reimburse the Association for its costs, expenses and reasonable attorneys' fees in defending any such action. The Association may adopt rules and regulations governing the use of the Common Elements, provided such rules and regulations do not discriminate against any particular Lot Owner, and which rules and regulations may be amended and/or supplemented from time to time to provide for such changes in use and operation as the Board deems necessary and appropriate. The Executive Board may designate parts of the Common Elements from time to time for temporary use by less than all of the Lot Owners for specified periods of time, and any such designation shall not constitute a sale or disposition of such portions of the Common Elements.

6.2 General Use Restriction. The Lots shall be used only for purposes authorized by the Village at Painted Pastures Planned Unit Development Zone District established and approved by the Town of Silt in Ordinance No. 4, Series of 2020. No Lot or Common Element shall be used for a purpose contrary to applicable PUD zoning regulations or insurance coverage.

6.3 Drainage. No Lot Owner shall do or allow any work, construct any Improvements, place any landscaping, or allow any condition that alters or interferes with the drainage pattern across the Property unless approved in writing by the Board.

6.4 Sanitation.

(a) No trash, ashes, garbage, rubbish, debris or other refuse shall be thrown, dumped or otherwise permitted to accumulate on the Property. There shall be no burning of refuse. All dwelling units and commercial units must be subscribed to trash collection services. No exterior trash receptacle or collection shall be permitted for the private use of any specific Lot Owner unless authorized in writing advance by the Executive Board, except for dumpster that are being actively used for construction or large scale cleaning operations. Each Lot and all Improvements thereon shall be kept in a sanitary condition, free of offensive odors, rodent and insect infestations. Composting shall be managed so as not to attract animals or cause a nuisance.

(b) Lot Owners and their family members, guests, tenants, invitees and others shall not deposit any material into a drain, toilet, water line or sewer system line that is not appropriate according to the nature of the line. No materials shall be deposited into the sewer system other than water, human waste toilet paper and food materials that have been ground in an in-sink garbage disposal. No materials shall be deposited down a sink, shower or bathtub drain that are not customarily intended for disposal in a drain used for residential purposes. No material of any kind deposited in Irrigation Ditch.

6.5 Outside Burning. No exterior fires shall be permitted on the Property except barbecue, brazier units, fire pits specifically manufactured and approved for such use or stone, brick or steel fire pits measuring 18 inches in height or more. No Lot Owner shall permit any condition which creates a fire hazard or violates local fire prevention regulations.

6.6 Noise. No exterior horns, whistles, bells or other sound devices, except security devices, shall be utilized for any Lot or Common Elements. Lot Owners and occupants shall not permit any noise or disturbance in or around their Lot that is offensive, disturbing or intrusive to other Lot Owners and occupants, or occupants of neighboring properties. The Executive Board shall have the authority to determine whether a sound device, including that generated by a security device, is offensive, disturbing or otherwise intrusive.

6.7 Compliance With Laws. Subject to the rights of reasonable contest, each Lot Owner shall promptly comply with the provisions of all laws, regulations and ordinances applicable to the Property, including, without limitation, all applicable environmental laws and regulations.

6.8 Prohibition of Increases in Insurable Risks. Nothing shall be done or kept in any Lot, or on any portion of the Common Elements or Limited Common Elements, that would result in the cancellation of insurance on all or any part of the Property or the increase in the cost of the insurance on all or any part of the Property over the cost the Association would pay but for such activity.

6.9 Prohibition Against Damage or Waste. No damage to the Common Elements shall be committed by any Lot Owner or occupant (or their family member, pets, guests, tenants, invitees or licensees), and each Lot

Owner hereby indemnifies and holds the Association harmless against and shall be liable to the Association for any and all such damage or loss.

6.10 Obstructions. No obstruction of any Common Element (including Limited Common Elements) is permitted, or interference with the free use of the private roadway, the sidewalks and walkways, trails, and other Common Elements. No Lot Owner shall cause or permit the interference or obstruction of a shared Limited Common Element. The Executive Board may take such action as may be necessary to abate or enjoin any interference with or obstruction of Common Elements (including Limited Common Elements). The Association shall have a right of entry on any part of a Lot for the purpose of enforcing this Section. Any costs incurred by the Association in enforcement hereof shall constitute a default assessment against the Owner responsible for such interference and assessable against their Lot.

6.11 Discharge of Firearms. The discharge of firearms within any part of the Property is strictly prohibited.

6.12 Underground Utility Lines. All utility pipes and lines within the limits of the Property shall be buried underground and shall be located within easement areas designated on the Plat for utilities. Utilities lines may not be carried on overhead poles nor above the surface of the ground.

6.13 No Mining or Drilling. No portion of the Property shall be used for the purpose of mining; quarrying; drilling, boring or exploring for any material, including oil, gas or other hydrocarbons, minerals, rocks, stones, gravel or earth. The Declarant, its assigns, successors or designees, the Association and the Association's assigns and designees may remove rock, stone, gravel and earth from any portion of the Property in connection with the construction, installation, repair and maintenance of Common Elements. Additionally, each Lot Owner may remove rock, stone, gravel and earth from any portion of such Owner's Lot in connection with the construction, installation, repair and maintenance of Residences and other allowed structures. Drilling and excavation for geotechnical investigations and geothermal wells are allowed.

6.14 Excavation or Fill. No excavation or fill shall be made except for Improvements allowed as provided in this Declaration. For purposes of this Section, "excavation" shall mean any disturbance of the surface of the land (except to the extent reasonably necessary for approved landscape installation) which results in the removal of soil, rock or other substance to a depth of more than eighteen (18) inches below the natural surface of the Property. For the purposes of this Section, "fill" shall mean any importation and placement of soil, rock or other substance to a height of more than eighteen (18) inches above the normal surface of the Property.

6.15 Raw Water Irrigation System. The raw water irrigation system shall be owned and operated by the Association. Irrigation within the Property shall be limited to no more than 6 acres. In operating the raw water system, the Association shall comply with all regulations of the Lower Cactus Valley Ditch Company and with all regulations enacted by the Town pursuant to Silt Town Code Section 13.02.060, as the same may be amended from time to time. Landscaping on the Property, including on a Lot or Common Area, shall be irrigated only with raw ditch water through the Association managed raw water system, except that if the raw water irrigation system is malfunctioning, newly planted landscaping or newly planted vegetation required for soil stabilization may be watered by other water sources, including potable, and such irrigation system shall be repair expeditiously. All irrigation systems within the Property should be maintained in good repair by the Association.

6.16 Use of Open Space. All Lot owners, their tenants and permittees are granted easement for use of the Open Space for recreational uses and no other uses. The areas depicted on the Final Plat as trails, sidewalks, and "Active Park Space" shall at all times be open to the public. The Association may enact reasonable rules and regulations regarding the public's use of such Active Park Space, including the ability to limit public use to daylight hours only. All use of the Open Space, including the Active Park Space, is at the sole risk and responsibility of such user. Each Lot Owner utilizing, or authorizing or allowing the use of the Open Space by a

guest, permittee or invitee of such Lot Owner shall indemnify, defend and hold harmless the Association and the other Lot Owners for any and all claims, liabilities, losses, damages, fees, costs, or expenses of any kind, including without limitation attorneys' fees and disbursements, arising out of or related to such Lot Owner or such Lot Owner's guest, permittee or invitee's use of the Open Space. No use of the Open Space shall be allowed other than by Lot Owners, their guests, permittees and invitees, except the Active Park Space as set forth herein. The Association shall maintain appropriate insurance covering the authorized use of the Open Space described in this section, with limits of not less than \$1M per occurrence of coverage or such higher amount as may be determined by the Executive Board. Uses shall be suspended for residents who demonstrate unruly, careless, reckless, unsafe or injurious behavior in this area. Uses that endanger any user of this Open Space are not allowed. All persons using the Open Space must clean up after themselves and their pets. Any failure to leave the area in a clean and orderly fashion will result in suspension of use rights for such person.

6.17 Leasing; Occupancy by Other(s) than Owner(s). A Lot may not be subject to a time-sharing arrangement as described in C.R.S. §§ 38-33-110–113. A Lot Owner may lease their Lot or any residence or apartment constructed thereon for residential purposes subject to the provisions of this Declaration and all other Governing Documents, and specifically subject to the conditions and restrictions set forth below in this Section.

ARTICLE VII ARCHITECTURAL CONTROL

7.1 Architectural Approval.

(a) Architectural Control. It is the intention of Declarant that all buildings, signs, landscaping, driveways, sidewalks, and all related improvements located within the Project be constructed so as to be consistent with the standards of first-class mixed-use development. Accordingly, site layout (including parking layout and specifications of each parking lot on a Parcel) and all buildings, signs, landscaping, driveways, sidewalks and all related improvements upon each Parcel, including initial construction and any subsequent exterior alterations and additions or reconstruction (except for any reconstruction pursuant to plans previously approved by Declarant) shall be performed only in accordance with the Design Guidelines and in accordance with plans approved by the ARC as provided herein, each of which shall conform to the terms, conditions, restrictions and limitations set forth herein and of applicable Laws.

(b) Establishment of Architectural Control Review Committee. In order to maintain the physical appearance and image of the Project, an Architectural Review Committee (the "ARC") will be established. The ARC shall be empowered to adopt and promulgate from time to time minimum rules, guidelines and/or standards which are referred to herein as the "**Design Guidelines**" for architectural control, architectural design and maintenance of the physical appearance of the entire Project. Prior to undertaking any construction, construction preparation, improvements, landscaping, development activities, alterations, equipment staging, or modifications of or to a Parcel or improvements located thereon, the Owner must first obtain written approval from the ARC in accordance with the procedures set forth herein and in the Design Guidelines.

(c) Architectural Review Committee. The ARC shall consist of three (3) individuals. Until the end of the Period of Declarant Control, each member of the ARC shall be appointed by Declarant and shall hold office until such time as such member has resigned or has been removed by Declarant, and Declarant has appointed a successor. The individuals shall include at least one currently licensed architect, civil engineer or other consultant. This notwithstanding, prior to the end of Declarant Control, Declarant shall be entitled to appoint an experienced real estate developer or builder in lieu of the licensed architect, civil engineer or other consultant. The membership may otherwise include any persons that the Declarant may deem sufficiently qualified to render an opinion as to architectural

control, architectural design and/or minimum standards. Members of the ARC need not be Members of the Association, Owners, Permittees or members of the Board. The Declarant's right to appoint the members of the ARC shall cede to the Board upon the earlier of: (i) the end of the Period of Declarant Control; or, (ii) at any time prior to that date at the election of Declarant (which election shall be evidenced by a written instrument signed by the Declarant).

- (i) The Declarant or the Board may, at their option, pay reasonable compensation to any or all members of the ARC, which shall not exceed a reasonable amount per member of the ARC on an as needed basis without the approval of the majority of the Members. Such costs shall be part of the Common Expense Liability.
- (ii) Members of the ARC cannot and shall not be held responsible, or be liable to any person whomsoever, in any manner whatsoever, for any loss or damages arising out or resulting from the approval, the failure or refusal to approve, or the disapproval of, any plans and specifications or site plans, or for any errors in structure, design or any non-conformance with applicable building codes or local laws or regulations in the plans and specifications or site plan, nor for any defect in design or construction of any Building, structure or improvement constructed in accordance with any such plans, specifications or site plan.

(d) Site Plan Approval. Prior to the commencement of any work covered by 7.1(a) on any Parcel, the Owner of the Parcel shall deliver to ARC, as applicable to the work, a site plan, scaled elevations, exterior design concepts, material selection and color for the exterior surfaces of the proposed improvements, signage plans, lighting plans and landscaping and irrigation plans and a review fee, all as provided for in the Design Guidelines and the Architectural Submittal Process published by the ARC. The ARC shall either approve or disapprove with recommendations for changes in such plans within sixty (60) days or (thirty (30) days for plans re-submitted following the initial review by ARC) after the receipt thereof. Failure to approve or disapprove with recommendations for changes within the applicable period shall constitute an approval of such plans as submitted. Any disapproval shall specify with particularity the reason(s) therefor. Upon any disapproval, the ARC shall consult with the Owner to establish approved plans for the proposed work. The ARC shall exercise its discretion with respect to approval or disapproval of any such plans in a reasonable manner, to the end that the Project shall be developed as an integrated, functionally and aesthetically compatible and complementary development, however the Association is given plenary authority and discretion to establish and amend the Design Guidelines and the Architectural Submittal Process and to review, evaluate and accept or reject any such plans and specifications, including, without limitation, on the basis of aesthetics and subjective analysis. Once such plans have been approved by the ARC, the subject construction or other work shall be implemented substantially in accordance with the approved plans and applicable Laws. The approval of any plans hereunder by ARC shall not impose any liability or responsibility whatsoever upon Declarant, the ARC or the Association with respect to the compliance or non-compliance of any such plans, or any improvements erected or installed in accordance therewith, with applicable Laws or the terms and conditions of this Declaration. Declarant, the ARC and the Association shall have no liability in connection with any approval or disapproval of any plans by reason of mistake in judgment, negligence, misfeasance or nonfeasance arising out of or in connection with the approval or disapproval unless each such respective party has acted in bad faith. Each Person submitting plans for architectural approval agrees, by submission of such documents, and every Owner and Permittee of any Parcel agrees, by acquiring title thereto or any interest or rights therein, to irrevocably waive such Person's right to bring any legal or equitable action or proceeding relating to such approval or disapproval against Declarant, the Association, its Members, the Board or the ARC. Subsequent to the end of the Period of Declarant Control, all rights of Declarant under this Article 7 shall

automatically transfer and be vested in the Association, or a committee designated by the Association for such purpose. In the event any work is commenced prior to the Owner receiving the requisite approval of the ARC, it shall be a violation of the Owner's obligations and duties under this Declaration, and the ARC, the Declarant and the Association shall have the right, but not the duty, to take such action and any other remedies as may be prescribed by law or allowed by this Declaration.

ARTICLE VIII MAINTENANCE

8.1 Association's Maintenance Responsibility. The Association shall maintain and keep the Common Elements in good, clean, attractive and sanitary condition and repair, the costs and expenses of which shall be Common Expenses. Without limiting the foregoing, the Association shall be responsible for maintaining and operating the following in good condition consistent with an upscale residential development:

- (i) All internal roads, trails, sidewalks, and walkways within the Community, including the roadway surface, shoulder, footpaths and their asphalt, concrete or gravel driving surface or walking surface.
- (ii) Landscaping, vegetation or grass within the Open Space Parcel, and within any other Common Element;
- (iii) Playground and other infrastructure constructed within the Open Space Parcel and Active Park Areas;
- (iv) The raw water irrigation system serving the Community, including the irrigation lines and associated trenches; irrigation pump(s), its pedestal, housing, vault, ditch turnout, controllers, control wiring, other associated electronics, and power supply; and all other irrigation features / items equipment used to irrigate the Community;
- (v) All stormwater and drainage infrastructure located on the Property;
- (vi) All landscaping upon the Property;
- (vii) Common utilities installations including associated trenches and pedestals, but not feeder lines that serve individual Lots, which are the individual Lot Owner's responsibility;
- (viii) Fencing;
- (ix) Signs.

The Association will also be responsible for keeping all roads, parking areas, sidewalks and access ways reasonably free of snow, ice, debris and other obstructions, maintaining clear access on the access drive for emergency vehicles and clear access to the fire hydrants, and maintaining the landscaping within an Common Areas.

- (a) The cost of repairing, restoring or replacing any portion of, or appurtenance to, a Common Element, a Limited Common Element, or other area for which the Association is responsible for repair and maintenance, and which repair, restoration or replacement is necessitated by the negligent, willful or reckless act or omission of a Lot Owner (or occupant, family member, guest, tenant, invitee or licensee thereof) shall be fully reimbursed by such Owner to the Association upon written demand, including but not limited to insurance deductibles and reasonable attorneys' fees and costs. Such costs may be assessed as a default assessment against the Lot Owner's Lot if not paid upon demand.

(b) Installing, maintaining and paying for any improvements or features to bring into or maintain compliance with the Village at Painted Pastures Planned Unit Development Guide, applicable Land Use Regulations, any requirement imposed by the Village at Painted Pastures Subdivision Development Agreement or any applicable regulations of all agencies that have jurisdiction of this PUD including but not limited the Town, Colorado River Fire District, River Valley Metropolitan District, and the Town of Silt Police Department.

8.2 Lot Owner's Maintenance Responsibility. Except as provided otherwise in this Declaration or by written agreement with the Association, all maintenance of individual Lots including, without limitation, all exterior and interior surfaces, structural and nonstructural members, utility systems, utility lines from the point of departure from a shared usage, glazing, doors, patios, decks, balconies and other fixtures designed to serve a single Lot, shall be the sole responsibility of the respective Lot Owners. Each Lot shall be maintained in a good, clean, attractive and sanitary condition and repair. Additionally, a Lot Owner shall be fully responsible for all damage and the cost of repair and restoration of service for utility lines or connections outside the boundaries of such Owner's Lot if the Owner or his family members, tenants, guests, invitees, licensees or agents caused such damage or the necessity of repair.

ARTICLE VIX INSURANCE

9.1 General Insurance Provisions. The Association shall maintain such insurance coverage as the Executive Board considers necessary, appropriate, or advisable, in its reasonable discretion. Additionally, the Association shall maintain appropriate insurance covering the authorized use of the Open Space described in this section, with limits of not less than \$1M per occurrence of coverage or such higher amount as may be determined by the Executive Board.

9.2. Insurance Obligation of Lot Owners. Insurance issued to the Association does not obviate the need for Lot Owners to obtain insurance for their own benefit. Each Lot Owner shall be responsible to obtain at their own expense property insurance coverage for all purposes.

9.3 Notice to First Mortgagee. The Association shall notify all affected First Mortgagees in the event of condemnation or casualty loss that affects either a material portion of the Community or the Lot securing a specific First Mortgage.

ARTICLE X ENFORCEMENT

10.1 Violation Deemed Nuisance. Every instance of violation and/or failure to comply with the terms and provisions of this Declaration or any other Governing Document is declared and deemed to be a nuisance. All public and private remedies available at law and equity against a person violating or failing to comply with this Declaration, or any provision hereof, shall be available. Each day that a violation or failure to comply continues shall be deemed a separate violation.

10.2 Compliance. Each Lot Owner, every member of a Lot Owner's family, and every guest, licensee, tenant, invitee, employee, contractor, and agent of a Lot Owner shall comply with the provisions of this Declaration and the Governing Documents (including but not limited to all rules and regulations adopted pursuant thereto), as the same may be amended or supplemented from time to time. Failure to comply with any provisions of the Governing Documents shall be grounds for the imposition of such remedies as permitted by law, in addition to an action to recover damages or for injunctive relief, or both. Each Lot Owner shall be responsible for the conduct of the Lot Owner's family, guests, invitees, tenants, employees, contractors, agents and licensees, regardless of whether the Lot Owner resides in their Lot or elsewhere.

10.3 Who May Enforce. Any action to enforce any provision of this Declaration, or the Governing Documents or duly adopted rules and regulations may be brought by the Declarant during the period of Declarant Control, or by the Association in the name of the Association on behalf of the Lot Owners as Members of the Association. If, after a written request from an aggrieved Lot Owner, the Association fails to commence an action to enforce any provision of this Declaration, then the aggrieved Lot Owner may bring such an action. The Town, as a third party beneficiary of this Declaration, shall have the right, but not the obligation, to investigate and enforce any violation of the provisions and restrictions set forth herein, which enforcement rights shall be co-extensive with the enforcement right of the Association and any other Lot Owner.

10.4 Cumulative Remedies. Subject to the provisions for alternative dispute resolution set forth in Article X, all remedies set forth in the Governing Documents are cumulative and not exclusive.

10.5 Non-liability. Neither the Declarant, nor any Lot Owner, nor any Member, officer, director, employee or agent of the Association shall be liable to any Lot Owner or other person or entity for failure to enforce any provision of this Declaration or other portion of the Governing Documents or rules and regulations of the Association at any time.

10.6 Recovery of Costs and Fees. If legal counsel is obtained by the Association to enforce any provision of the Governing Documents, for damages or for the enforcement of this Declaration or duly adopted rules and regulations, or for the restraint of violations hereof, whether suit is filed or not, the Association shall be entitled to reimbursement of its reasonable attorneys' fees and costs. The Association need not file suit as a precondition to demand and recovery thereof. In the event of litigation in court, the prevailing party shall be entitled to an award of all costs incurred, including reasonable attorneys' fees.

ARTICLE XI

SPECIAL DECLARANT RIGHTS

11.1 Special Declarant Rights. The Declarant reserves the following Special Declarant Rights for the maximum period allowed by law, which rights shall be fully transferable by the Declarant to any successor-in-interest as such:

- (a) The right to complete or make improvements for the construction of the PUD, including the Common Elements and Limited Common Elements as indicated on the Plat and as otherwise approved by the Town, including the right to prepare and record amended, supplemental or "as built" plats approved by the Town;
- (b) The right to maintain signs on the Common Elements and Lots to advertise the Lots;
- (c) The right to use, and permit others to use, easements through the Common Elements and as reserved to the Declarant and/or established for the Association under this Declaration and the Governing Documents as may be reasonably necessary to discharge the Declarant's rights and obligations under the Governing Documents, under the Town Code, and under any development agreement or instrument relating to PUD or subdivision approval for the PUD by the Town; this right shall include additionally a temporary construction easement through each Lot as reasonably necessary to complete construction activity for the community.
- (d) The right to appoint or remove the officers and members of the Executive Board for the period of Declarant Control, or to delegate such right to persons designated by the Declarant;

(e) The right to amend this Declaration and/or the Plat and/or any other Governing Document to correct any clerical, typographical or technical errors;

ARTICLE XII RIGHTS OF FIRST MORTGAGEES

12.1 Rights to Cure Defaults. A First Mortgagee of a Lot may pay taxes or other charges which are in default and which may or have become a charge against any of the Common Elements or Improvements thereon, and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy. Any and all First Mortgagees proposing to advance payment on behalf of the Association as contemplated in this paragraph shall furnish the Association with written notice of such intent no less than fifteen (15) days prior to advancing any payment. First Mortgagees making such payments after proper written notice to the Association shall be entitled to immediate reimbursement from the Association.

ARTICLE XIII GENERAL PROVISIONS

13.1 Servitudes to Run with Land. To the fullest extent permitted by law, the benefits, burdens and all other provisions contained in this Declaration and all other Governing Documents shall be covenants (servitudes) running with and binding upon the Property and any portion thereof, including all real property and Improvements which are now or hereafter become a part thereof. The benefits, burdens and all other provisions contained in this Declaration and the Governing Documents shall be binding upon, and inure to the benefit of the Declarant, the Association and all Lot Owners, and upon and to their respective grantees, heirs, personal representatives, successors and assigns. This Declaration shall continue to be binding upon all Lot Owners and the Association until terminated in accordance with this Declaration.

13.2 Benefit of All. The provisions contained in this Declaration are for the benefit of and shall be binding upon the Declarant and its successors and assigns as such, and the purchasers, grantees and subsequent Owners of each Lot. Each purchaser of a Lot, by acceptance of a deed, shall be subject to each and all of the restrictions, conditions, covenants, reservations, easements and agreements contained herein and all Governing Documents, and to the jurisdiction, right and power of the Declarant and the Association. By acceptance hereof by each Owner, such Owner shall, for himself, his heirs, personal representatives, successors and assigns, covenant and agree and consent to and with the grantees and subsequent Owners of each Lot, to keep, observe, comply with and perform said restrictions, covenants, conditions, reservations, easements and agreements contained herein.

13.3 Indemnification. The Association shall be obligated to and shall indemnify and defend Declarant and hold it harmless from all liability, loss, cost, damage and expense, including without limitation attorneys' fees and disbursements, arising with respect to any operations of the Association or the Association's obligations, including any liability associated with a Common Element, such as the Open Space. To the fullest extent permitted by law, the Association shall indemnify, defend and hold harmless all past and present officers, directors, employees and authorized agents of the Association as may be provided in the bylaws and/or other Governing Documents.

13.4 No Representations, Warranties, Guarantees. No representations, warranties or guarantees of any kind, express or implied, shall be deemed to have been given or made by Declarant, the Association, the Executive Board, or by any of their officers, directors, members, partners, agents or employees, in connection with any portion of the Property, or any Improvement, including, without limitation on, in or about the Open Space, its or their 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 shall be specifically set forth in writing. The release and waiver set forth in Section 13.7 (Waiver) shall apply to this Section.

13.5 Limitation of Liability of Association. NOTWITHSTANDING THE DUTY OF THE ASSOCIATION TO MAINTAIN AND REPAIR THE COMMON ELEMENTS AND TO CARRY INSURANCE AS SET FORTH IN THIS DECLARATION, AND EXCEPT TO THE EXTENT COVERED BY ASSOCIATION INSURANCE AS DESCRIBED IN ARTICLE VII, NEITHER THE DECLARANT NOR THE ASSOCIATION SHALL BE LIABLE TO LOT OWNERS OR THEIR FAMILY MEMBERS, GUESTS, TENANTS, LICENSEES, INVITEES, EMPLOYEES, AGENTS, GRANTEES, SUCCESSORS OR ASSIGNS FOR BODILY INJURY, DEATH OR PROPERTY DAMAGE CAUSED BY ANY LATENT OR PATENT CONDITION ON THE PROPERTY OR CAUSED BY THE ELEMENTS OR OTHER OWNERS OR PERSONS. THE ASSOCIATION, THE EXECUTIVE BOARD, THE DECLARANT, AND THE OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES OF THE SAME, SHALL NOT BE LIABLE TO ANY PERSON FOR ANY ACTION OR FOR ANY OMISSION TO ACT UNLESS THE ACTION OR OMISSION TO ACT WAS NOT IN GOOD FAITH AND WAS DONE OR WITHHELD WITH MALICE. THE RELEASE AND WAIVER SET FORTH IN SECTION 13.6 (WAIVER) SHALL APPLY TO THIS SECTION.

13.6. Waiver. By acceptance of a deed to a Lot, each Owner hereby releases, waives, and discharges the Declarant, the Association, the Executive Board, 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, including without limitation, those contained in this Article.

13.7. Notices. Except for specific requirements regarding notice of assessments, all notices to Lot Owners required or permitted hereunder for matters affecting the Property shall be given by one of the following alternative methods: (a) first class United States Mail, postage prepaid, addressed to each Lot Owner at their mailing address as it appears on the records of the Association; or (b) electronic means such as electronic mail ("email") or facsimile ("fax") delivery if a Lot Owner has furnished to the Association in writing an email address or fax number. In all instances, it is the Lot Owner's responsibility to assure that the Association is provided all changes or corrections of mailing address for such Owner.

13.8. Amendments. After the Period of Declarant Control, the covenants, conditions and restrictions herein contained may be amended, changed, supplemented, terminated or otherwise modified (hereinafter. "amended" or "amendment") by approval of not less than sixty-seven percent (67%) of all votes in the Association entitled to be cast thereon by Lot Owners, as evidenced by signatures obtained at an annual or special meeting of the Members of the Association. The original signatures of the Members who voted to approve such amendment shall be retained on file by the Association and may be recorded if the Executive Board so determines. During the Period of Declarant Control, this Declaration may be amended upon unanimous consent of all Members, including the Declarant.

13.9 Matters Affecting Title. Known matters affecting title to the Property as of the date of adoption of this Declaration are set forth on **Exhibit C** attached hereto and incorporated herein by this reference.

13.10. Headings: Gender. The Article, Section and subsection headings in this Declaration are for convenience of reference only and do not constitute a part of this Declaration nor in any way define, describe or limit the scope or intent of this Declaration or any of the provisions hereof. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular and the use of any gender shall be applicable to all genders.

13.11. Severability. In the event any one or more of the provisions, conditions, restrictions or covenants contained herein or in any of the Governing Documents shall be held by any court of competent jurisdiction to be null and void, all remaining restrictions and covenants herein set forth shall remain in full force and effect.

IN WITNESS WHEREOF, the Declarant has executed this Declaration this 25th day of November, 2020.

DECLARANT:

Raley Ranch Project, LLC
A Colorado Limited Liability Company

By: 
John Tallichet, as Manager

STATE OF COLORADO)
) ss.
COUNTY OF GARFIELD)

The foregoing Declaration of Covenants, Conditions, Restrictions, Reservations and Easements for the Village at Painted Pastures Subdivision was subscribed and sworn to before me this _____ day of _____, 2020, by _____ in his capacity as _____ of Raley Ranch Project, LLC, the Declarant.

My Commission expires: _____. Witness my hand and official seal.

Notary Public

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On November 25, 2020 before me, Tammy L. Hutcheson, Notary Public, personally appeared John Tallichet - as manager, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Tammy L. Hutcheson

This area for official notarial seal.

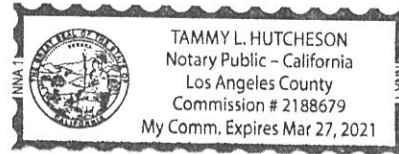


EXHIBIT A
to
DECLARATION
FOR
the Village at Painted Pastures Subdivision

A PARCEL OF LAND SITUATED IN GOVERNMENT LOTS 2 AND 3 OF SECTION 11, TOWNSHIP 6 SOUTH, RANGE 92 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO; SAID PARCEL BEING THE SAME AS THAT PROPERTY DESCRIBED IN THOSE DOCUMENTS RECORDED AS RECEPTION NOS. 914118 AND 914119 OF THE GARFIELD COUNTY RECORDS; SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH QUARTER CORNER OF SECTION 11, A GARFIELD COUNTY SURVEYOR BRASS CAP IN PLACE; THENCE SOUTH 42°15'00" EAST A DISTANCE OF 1243.83 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF HIGHWAY 6 & 24, THE POINT OF BEGINNING (WITH ALL BEARINGS HEREIN BEING RELATIVE TO A BEARING OF S85°59'46"E ALONG THE SOUTHERLY RIGHT OF WAY LINE OF STATE HIGHWAY NO. 6 AND 24, FROM THAT FOUND CONCRETE RIGHT-OF-WAY POST ON THE ANGLE POINT OF SAID SOUTHERLY LINE TO THE FOUND NO. 5 REBAR AND 1.25" PLASTIC CAP (BROKEN) STAMPED "L.S. 29030" FOR THE NORTHEAST CORNER OF SUBJECT PROPERTY);

THENCE S85°57'20"E ALONG SAID SOUTHERLY RIGHT-OF-WAY A DISTANCE OF 445.07 FEET TO A POINT ON THE EAST LINE OF SAID GOVERNMENT LOT 2 OF SECTION 11; THENCE LEAVING SAID SOUTHERLY RIGHT-OF-WAY S00°08'48"W ALONG SAID EAST LINE A DISTANCE OF 147.98 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF THE UNION PACIFIC RAILROAD; THENCE LEAVING SAID EAST LINE S81°38'38"W ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF THE UNION PACIFIC RAILROAD A DISTANCE OF 1305.59 FEET TO A POINT ON THE WEST LINE OF SAID GOVERNMENT LOT 2; THENCE LEAVING SAID NORTHERLY RIGHT-OF-WAY LINE N00°33'16"E ALONG SAID WEST LINE A DISTANCE OF 94.23 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY ON THE NORTHERLY SIDE OF THE CACTUS VALLEY DITCH; THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY ON THE NORTHERLY SIDE OF THE CACTUS VALLEY DITCH THE FOLLOWING SEVEN (7) COURSES:

- 1) N87°59'33"W A DISTANCE OF 106.71 FEET;
- 2) N71°24'06"W A DISTANCE OF 66.86 FEET;
- 3) N58°12'07"W A DISTANCE OF 93.99 FEET;
- 4) N78°56'55"W A DISTANCE OF 91.49 FEET;
- 5) N56°49'50"W A DISTANCE OF 97.90 FEET;
- 6) N36°51'32"W A DISTANCE OF 86.40 FEET;
- 7) N49°36'09"W A DISTANCE OF 173.85 FEET TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF COLORADO STATE HIGHWAY 6&24;

THENCE LEAVING SAID NORTHERLY RIGHT-OF-WAY S85°57'20"E ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 607.28 FEET TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY LINE, SAID POINT BEING THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN THAT DEED RECORDED AS RECEPTION NO. 760876 OF THE GARFIELD COUNTY RECORDS; THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE AND THE BOUNDARY OF SAID RECEPTION NO. 760876 N49°08'56"E A DISTANCE OF 70.84 FEET TO THE NORTHEAST CORNER OF SAID RECEPTION NO. 760876; THENCE LEAVING SAID BOUNDARY OF SAID

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RECEPTION NO. 760876 AND CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE
S85°57'20"E A DISTANCE OF 795.73 FEET TO THE POINT OF BEGINNING.

CONTAINING 488,931 SQUARE FEET OR 11.224 ACRES, MORE OR LESS

DESCRIPTION PREPARED NOVEMBER 2, 2020 BY SOPRIS ENGINEERING LLC
502 MAIN STREET, SUTIE A-3, CARBONDALE, COLORADO 81623

EXHIBIT B
to
DECLARATION
FOR
VILLAGE AT PAINTED PASTURES SUBDIVISION

<u>Lot No.</u>	<u>Lot Size</u>	<u>Membership Percentage</u>
Lot 1	2.298 Acres	20.47%
Lot 2	5.905 Acres	52.61%
Lot 3	3.022 Acres	26.92%
Total:	11.225 Acres	100.00%

EXHIBIT C
to
DECLARATION
FOR
the Village at Painted Pastures Subdivision

Matters affecting title to the Property described in Exhibit A:

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, as reserved in United States Patents recorded April 27, 1892 in Book 12 at Page 142 as Reception No. 13862; recorded January 5, 1903 in Book 56 at Page 467 as Reception No. 27430; and recorded February 27, 1896 in Book 12 at Page 410 as Reception No. 19109.

Right of way for ditches or canals constructed by the authority of the United States, as reserved in United States Patents recorded April 27, 1892 in Book 12 at Page 142 as Reception No. 13862; recorded January 5, 1903 in Book 56 at Page 467 as Reception No. 27430; and recorded February 27, 1896 in Book 12 at Page 410 as Reception No. 19109.

Waste Water Agreement recorded January 22, 1921 in Book 130 at Page 209 as Reception No. 74081.

Matters disclosed in Quit Claim Deed recorded May 19, 1931 in Book 159 at Page 249 as Reception No. 109975.

Matters disclosed in Deed recorded November 9, 1951 in Book 260 at Page 606 as Reception No. 177614, and any and all assignments of record, or otherwise, thereof, or interests therein.

Public Service Company Easement recorded February 15, 1967 in Book 382 at Page 276 as Reception No. 237188.

Road Easement recorded May 1, 1967 in Book 384 at Page 117 as Reception No. 237792.

Department of Highway Deeds recorded January 29, 1969 in Book 399 at Page 173 as Reception No. 242606 and recorded January 29, 1969 in Book 399 at Page 175 as Reception No. 242607.

Matters disclosed in Claim Deed recorded March 3, 1971 in Book 417 at Page 395 as Reception No. 249130.

Matters disclosed in Special Warranty Deed recorded March 11, 1980 in Book 545 at Page 64 as Reception No. 302258.

Resolution No. 94-101 recorded September 7, 1994 in Book 915 at Page 56 as Reception No. 468124.

Grant of Easement recorded November 8, 1995 in Book 958 at Page 169 as Reception No. 485232.

Easement recorded November 8, 1995 in Book 958 at Page 170 as Reception No. 485233.

Public Service Company Easement recorded November 8, 1995 in Book 958 at Page 172 as Reception No. 485235.

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Quit Claim Deed of Easement recorded December 12, 1995 in Book 960 at Page 781 as Reception No. 486291.

Easement and Right of Way for Highway 6 and 24.

Any matters disclosed on the Land Survey Plat dated September 14, 1999 by River City Surveys, L.L.C. as Job No. 97191.

Affidavit Re: Boundary Line Adjustment recorded August 23, 2006 in Book 1834 at Page 656 as Reception No. 704983.

Rights and reservations in Warranty Deed recorded November 17, 2006 in Book 1864 at Page 807 as Reception No. 711354, and any and all assignments of record, or otherwise, thereof, or interests therein.

Oil and Gas Lease recorded March 20, 2008 as Reception No. 744929, and any and all assignments of record, or otherwise, thereof, or interests therein, and other Oil and Gas Leases of record, and any and all assignments of record, or otherwise, thereof, or interests therein.

Painted Pastures Subdivision Cost Recovery Agreement recorded May 15, 2008 as Reception No. 748627.

Easement Deed and Agreement recorded January 20, 2010 as Reception No. 780819.

Easement Deed recorded August 9, 2010 as Reception No. 789716.

Easement Deed recorded August 9, 2010 as Reception No. 789717.

Easements and rights of way for ditches and ditch rights.

Reservations or exceptions contained in U.S. Patents, or in Acts authorizing the issuance thereof, recorded January 5, 1903 in Book 12 at Page 467 as Reception No. 20502 reserving 1) Rights of the proprietor of a vein or lode to extract and remove his ore therefrom and 2) rights of way for ditches and canals constructed under the authority of the United States.

All ditches and ditch rights, and the enlargements and extensions thereof, and all laterals, flumes and headgates used in connection therewith.

Easement and right of way for ditch right of way purposes granted in Quit Claim Deed recorded on August 16, 1910, in Book 62 at Page 454 as Reception No. 40089.

Easement and right of way for right of way purposes granted recorded September 20, 1965 in Book 369 at Page 507 as Reception No. 231654 and Correction recorded May 1, 1967 in Book 384 at Page 117 as Reception No. 237792.

Public Service Company Easement recorded November 8, 1995 in Book 958 at Page 172 as Reception No. 485235.

Affidavit Re: Boundary Line Adjustment recorded August 23, 2006 in Book 1834 at Page 656 as Reception No. 704983.

All matters shown on the plat of Lot Boundary Adjustment Map recorded August 24, 2006 in Book 1834 at Page 907 as Reception No. 705026.

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Any rights, interests or easements in favor of the State of Colorado, the United States of America, or the general public, which exist or are claimed to exist in, over, under and/or across the waters and present and past bed and banks of the Cactus Valley Ditch.