COUNTY OF LARIMER STATE OF COLORADO

AMENDMENT AND MODIFICATION OF DECLARATION OF PROTECTIVE COVENANTS

SWANSON & ASSOCIATES, INC., a Colorado corporation, (herein Grantor) as successor and assignee of Berry & Stark, a Colorado partnership, Grantor in that certain Declaration of Protective Covenants recorded in Book 1553 at Page 928 and re-recorded in Book 1554 at Page 518 in the records of the Clerk and Recorder of Larimer County, Colorado and the undersigned collectively with Swanson & Associates, Inc., being owners of more than 80% of the acreage of the Property and a majority in number of the owners of the Property, HEREBY AMEND, MODIFY AND REPLACE said Declaration of Protective Covenants as follows:

Grantor herein makes and declares the following limitations, restrictions, and uses upon all of the Property as restrictive and protective covenants running with the land and as binding upon grantor and upon all persons claiming under any grantor herein and upon all future owners of any part of the Property, so long as these restrictions and protective covenants shall remain in effect.

- 1. <u>General Purposes</u>: These covenants are made for the purpose of creating and keeping the Property, insofar as possible, desirable, attractive, beneficial and suitable in architectural design, materials, and appearance; and guarding against fires and unnecessary interference with the natural beauty of the Property; all for the mutual benefit and protection of the future owners of the Property.
- 2. <u>USES</u>: The Property shall be used only for agricultural or residential purposes subject to County regulations. Residences shall be limited to those approved pursuant to Section 3 of this Declaration; except for residences located on the Property on the date of recording of this Declaration. Auxiliary buildings shall reasonably conform to the general type of construction; materials and design of the main residences.
- 3. APPROVAL OF CONSTRUCTION PLANS: No building or other structure shall be constructed, erected or maintained on any land, nor shall any addition thereto or change alteration thereto be made, until the complete plans and specifications (including but not limited to, the floor plan, elevations, plot plan, grading plan and landscaping plans, the specifications of principal exterior materials and color, location, character and method of utilization of all utilities) have been submitted to Grantor and approved in writing. Structures existing on the Property on the date of this Declaration shall not require approval except for additions, changes or alterations thereto.

Each building or other structure shall be constructed, erected and maintained in strict accordance with the approved plans and specifications.

In passing upon all plans and specifications submitted, Grantor shall take into consideration the suitability of the proposed buildings, and structures including such factors as the size of the same if any residence proposed is less than 1200 square feet of living area exclusive of porches and garages and patios, the materials proposed to be used in all construction, the harmony thereof with the surrounding land, and improvements, and the effect of the proposed construction on the value of and the outlook from adjacent and neighboring areas. In recognition of the aesthetic quality of the Property, subdivision of any parcel is prohibited, except in the instance of a subdivision in which all parcels created by the subdivision would be at least 35 acres. No subdivision creating a parcel less than 35 acres is allowed.

Grantor agrees and promises to use reasonable judgment in passing upon all submitted plans and specifications, and to act within 30 days in approving or disapproving same. If no action is taken within such period, the submitted plans and specifications shall be deemed approved.

Grantor shall have the right to require a payment to Grantor with submission of plans and specifications, dependent upon the size of the construction and the amount of detail involved, but in no event in excess of fifty dollars per submission. Grantor shall not be liable to any person for Grantor's actions in connection with submitted plans and specifications, unless it be shown that Grantor acted with malice, wrongful intent, or gross negligence.

4. EASEMENTS: The Grantor hereby grants, bargains, sells, conveys, and quit claims to each owner of a parcel of the Property, and the Grantor reserves unto itself so long as it is an owner of a parcel of the Property, a nonexclusive, perpetual easement eighty (80) feet in width, forty (40) feet on each side of the centerline of the roads which are described and designated on Exhibit "B" attached hereto and incorporated herein by reference ("the Road and Utility Easements"). The Road and Utility Easements may not be separated from a parcel but may only be conveyed as an appurtenance to a parcel. Each owner of a parcel of the Property shall have a nonexclusive right to use the Road; provided, however, that no owner's use of the Road shall substantially interfere with the right of any other owner with respect thereto. Each owner of a parcel of the Property shall have a nonexclusive right to grant and convey utility easements to public or quasipublic entities providing utility services for the installation and maintenance of pipes, conduits, wires and lines under, over, and upon the Road and Utility Easements to provide water, sewer, gas, electric, telephone, television, or other utility services to parcels of the Property; provided, however, that installation of utility pipes, conduits, wires, or lines shall not interfere with any other utility lines previously installed within the Road and Utility Easements and provided further that any damage to the Road caused by the installation of such utility lines and systems shall be promptly repaired and the Road restored to its condition prior to the installation of such utility services and facilities. Utility poles may not be installed within fifteen (15) feet of the centerline of the Road.

- **5. <u>DRIVEWAYS</u>:** Any landowner building a driveway shall put in a concrete or metal culvert of at least ten inches inside diameter inside diameter at the road entrance to the land so as to provide for water drainage along the side of the road.
- **6. <u>SIGNS</u>:** No billboards or other advertising structure of any kind shall be erected, constructed or maintained for any purpose whatsoever; except such signs as maybe necessary to provide property identification as to the owner thereof or signs advertising the sale of a parcel or lot.
- 7. <u>CHIMNEYS AND FIREPLACES</u>: All chimneys and fireplaces shall have a protective screen wire for the chimney near or on the top adequate to prevent any burning particles from escaping said chimney, thereby minimizing the danger of fire to surroundings.
- **8.** WATER SUPPLY AND SEWAGE DISPOSAL: Each home builder shall provide and maintain a sewage disposal system designed to meet the local and state requirements for construction and operation and must not adversely affect any property beyond the boundaries of the lot or parcel of said home builder. Both the water supply system and the sewage disposal system must be in full and complete operation and must have the written approval of all governing authorities before any residence is occupied.
- 9. SCREENING: To eliminate visual pollution, no automobile, snow mobile, motorized or unmotorized vehicle of any type, camping trailer, boat trailer, any vehicle trailer, hauling trailer of any type, running gear, or boat or accessories thereto, truck of any type or van shall be stored or maintained on any parcel of land, including the roads adjoining such land, unless the same is stored or maintained wholly within a natural or man-made screened area. This restriction shall apply to the possessions of the owner of the land and is not intended to apply to the parking of commercial or other vehicles used in making business, service, or delivery calls, not to contractors engaged in construction work, nor to visitors, where parking outside of screened areas is in no sense more than temporary for the intended use and need.
- 10. <u>LIVESTOCK</u>: No feedlots or large commercial livestock ventures shall be conducted on the premises. The maintenance of any animals or livestock shall be in such numbers that they shall not create a noise or odor pollution upon any lot or tract. In no event shall livestock be kept on the premises in such a manner as to result in overgrazing of the property.
- 11. FENCES: Fences, walks or other structures used to enclose residences shall be submitted and considered for approval as part of the plans and specifications for the erection, construction, enlarging, remodeling or altering of the main structure. The plans and specifications for all fences shall be submitted to the above Grantor for approval prior to construction. Barbed wire fences shall be allowed only in connection with agricultural purposes.

- 12. OIL AND MINING OPERATIONS: No oil drilling, oil development operations, oil refining, quarrying, mining operations, oil wells, tanks tunnels, mineral excavations or shafts shall be permitted upon any of the land and no derricks or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any of the land except upon written approval of the Grantor prior to construction. In considering any application, Grantor shall take into consideration the effect of the proposed construction and operation on the remaining land in the Property specifically including such factors as visual impact, increase in traffic, air and water pollution and the overall environment impact.
- 13. <u>CLEARING OF TREES</u>: Each and every purchaser agrees that all the trees cleared by him will be disposed of in such a way that all areas, whether vacant or occupied by dwellings, shall be kept free of accumulations of brush, trash and other materials which may constitute a fire hazard or render an area unsightly; provided, however that this shall not operate or restrict land owner from storing fireplace wood in neat stacks on their lands. Trees and limbs within ten feet of any chimney are to be removed. No commercial logging or timbering of any trees shall be permitted on the Property without the permission of the Grantor, its successors or assigns.
- 14. <u>SET BACK REQUIREMENTS</u>: There shall be no general rule for the location of improvements with relation to property lines, but all actual construction sites shall receive the advance approval of Grantor. Grantor may require set backs up to 100 feet in all cases. Setbacks will be in compliance with the County regulations.
- **15.** <u>LANDSCAPING</u>: All surface areas disturbed by construction of residences shall be returned promptly, as near as practical, to their natural condition or adequately landscaped.
- 16. TEMPORARY STRUCTURES: No temporary structure, excavation, basement shall be permitted except as may be determined to be necessary during construction and specifically authorized in writing by Grantor but in no event to exceed one (1) year in duration. Camping trailers or tents shall be permitted provided such trailer or tent shall not be located on any premises for a period in excess of ninety (90) days per year.
- 17. <u>CONTINUITY OF CONSTRUCTION</u>: All structures commenced upon any land shall be prosecuted diligently to completion and shall be completed within eighteen (18) months of commencement unless some exception is granted in writing by Grantor.
- **18.** <u>NUISANCE</u>: No noxious nor offensive activity shall exist or be maintained upon any land; nor shall anything be done or permitted which shall constitute a public nuisance thereon.
- 19. <u>TRASH</u>: No trash, ashes or other refuse shall be thrown or dumped on any land. Each property owner shall provide suitable receptacles for the temporary storage of trash, keeping said receptacle screened from view and protected from disturbance. Each tract at all times shall be kept in a clean, lightly and wholesome condition. No trash,

litter, junk, boxes, containers, bottles, cans, implements, machinery, inoperable cars, lumber or other building materials shall be permitted to remain exposed on any land so as to be visible to any neighboring land or road, except as is necessary during periods of construction.

- **20.** EFFECT AND DURATION OF COVENANTS: The conditions, restrictions, stipulations, agreements and covenants contained herein shall be for the benefit of and binding upon each part of the area covered by these covenants, and upon each owner of property therein, his successors, representatives and assigns, and shall continue in full force and effect until January 1, 1999 at which time they will be automatically extended for five successive terms often (10) years each.
- **21. AMENDMENT:** Grantor may from time to time amend or revoke any restrictive covenants, but only upon the written consent of owners of not less than 60% of the acreage of the Property and a majority in number of the owners of the Property.
- **22. ENFORCEMENT**: If any person shall violate or threaten to violate any of the provisions of this instrument, it shall be lawful for any person or persons owning real property in the area covered by these covenants to institute proceedings at law or in equity to enforce the provisions of this instrument, to restrain the person violating or threatening to violate them, and to recover damages, actual and punitive, together with reasonable attorney's fees, for such violations.
- **23. SEVERABILITY:** Invalidation of any one of the provisions of this instrument by Judgment or court order or decree shall in no wise affect any of the other provisions, which shall remain in full force and effect.
- **24. ASSIGNMENT BY GRANTOR:** The above Grantor may assign all of his rights and duties herein to an association formed by and comprised of a group of landowners who own not less than 60% of the Property, and such assignee shall thereafter exercise the rights and privileges and perform the duties herein called for by the above Grantor. If a subdivision under the laws upon some part of the land, additional covenants and restrictions in the use of the area within the subdivision may be imposed by the then owner of the area subdivided, but the foregoing covenants shall continue in force and effect.
- 25. IT IS FURTHER COVENANTED that Grantor has caused to be formed a nonprofit corporation under the laws of the State of Colorado known as Redstone Canyon Association. The parties hereto by execution hereof agree to become, and shall be members and all grantees of subsequent parcels by accepting an instrument of conveyance agree to become and shall be members of said Association. Membership of the Association shall be limited to purchasers and owners of lots developed within the Property. Membership shall be mandatory for all owners of property described and controlled by the within covenants. The Articles of Incorporation of such Association shall specify, among the purposes and duties of such Association, the enforcement of all the restrictions, covenants, and conditions contained in the within declaration and the

maintenance, preservation and improvements of the Property and the keeping and the maintaining of the roads and other common area in a clear, clean, and usable and sanitary condition, and the transaction of such other business as may be permitted by law. Members of the Association agree to pay dues or assessments for such purposes, the amounts of which maybe fixed by the Association's By-Laws or by a lawful act of its board of directors. Unpaid dues or assessments shall, after 30 days of notice and demand, become a charge and lien upon the subject property, and the Association may collect said sums, in addition to statutory interest, costs and attorney's fees by any and all laws under the State of Colorado.

IT IS UNDERSTOOD AND AGREED that the Articles of Incorporation and By-Laws of such Association shall provide that each purchaser or owner of a lot or parcel shall for this specific purpose be defined as a 40 acres tract or more or less or such smaller tract, as approved as a building parcel or lot by a governmental agency or by these Declarations of Protective Covenants as the same may be amended from time to time, shall be entitled to one (1) vote at all elections and on other matters that may come before the meeting of members, subject to a provision of disenfranchisement, if any member not be in good standing. If any member of such Association shall be the purchaser or owner of more than one lot, he shall be entitled to as many votes as the number of lots purchased or owned by him.

Grantor shall be entitled to, and obligated to accept, membership in such Association, and shall have the benefit and bear the burden of such membership with respect to the unsold lots as may be agreed upon between Grantor and Association.

Grantor further agrees that it will convey to such Association all of it right, title and interest in the Property heretofore reserved, conveyed, arising or that may arise out of the restrictions and conditions herein expressed.

SWANSON & ASSOCIATES, INC., a Colorado corporation.

Covenants were recorded February 5, 1982. There were two subsequent Amendments to that filing. Those two Amendments noted below were recorded later and are part of the current, certified document as written above.

First Amendment: <u>Section 4. EASEMENTS</u>: Amended by the RCA membership and recorded in 1994.

Second Amendment: <u>Section 3. APPROVAL OF CONSTRUCTION</u> <u>PLANS</u>: Amended by RCA membership and recorded in 2007.

These two amendments as written and recorded above completely replaced the original <u>Sections 3 and 4.</u>