

**AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS, EASEMENTS, AND
RESTRICTIONS FOR
LOTS 1 THROUGH 15, INCLUSIVE, BLOCK 5 OF THE
KNOLLS SUBDIVISION, FILING 2,
LOTS 1 THROUGH 10, INCLUSIVE, BLOCK 3 OF THE
KNOLLS SUBDIVISION, FILING 3,
LOTS 1 THROUGH 16, INCLUSIVE, THE KNOLLS
SUBDIVISION, FILING 5,
LOT 5, THE KNOLLS SUBDIVISION FILING 5A, AND
LOT 13, THE KNOLLS SUBDIVISION, FILING 5B**

**THIS AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS, EASEMENTS, AND RESTRICTIONS for LOTS 1 THROUGH 15,
INCLUSIVE, BLOCK 5 OF THE KNOLLS SUBDIVISION, FILING 2, LOTS 1
THROUGH 10, INCLUSIVE, BLOCK 3 OF THE KNOLLS SUBDIVISION, FILING 3,
LOTS 1 THROUGH 16, INCLUSIVE, THE KNOLLS SUBDIVISION, FILING 5,
LOT 5, THE KNOLLS SUBDIVISION FILING 5A, AND LOT 13, THE KNOLLS
SUBDIVISION, FILING 5B (“Amended and Restated Declaration”) is executed this __ day of
10-20-2022 by RAVENNA HILLS HOMEOWNERS ASSOCIATION, INC., a
Colorado nonprofit corporation, hereafter the “Association.”**

RECITALS:

- A. On September 29, 1998, O.P. Development Company, LLC, as Declarant, executed the Declaration of Covenants, Conditions, and Easements of the Knolls Townhomes, recorded September 29, 1998, in Book 2493, Page 627. Reception # 1866500 of the Mesa County Clerk and Recorder’s Office, hereafter the “Declaration.”
- B. The Declaration has been amended by the following documents identified by the following reception numbers in the Mesa County Clerk and Recorder’s Office:
- | | |
|------------------------------------|---------------------|
| a. First Amendment | Reception # 1887597 |
| b. First Supplemental Amendment | Reception # 1887599 |
| c. Second Supplemental Declaration | Reception # 1983118 |
| d. Second Amendment | Reception # 2229920 |
| e. Amendment 2.5 | Reception # 2276419 |
| f. Third Amendment | Reception # 2276420 |
| g. Fourth Amendment | Reception # 2278015 |

- C. Lots 1 through 15, inclusive, Block 5 of the Knolls Subdivision, Filing 2; Lots 1 through 10, inclusive, Block 3; of the Knolls Subdivision, Filing 3; Lots 1 through 16, inclusive, the Knolls Subdivision, Filing 5; Lot 5, the Knolls Subdivision Filing 5A; and Lot 13, the Knolls Subdivision, Filing 5B, together with and including an undivided interest in and to all tracts and common areas designated, labeled, or reserved in the recorded Plats thereof shall be referred to as the "Property." The Property is now known as "Ravenna Hills Subdivision."
- D. The Property is a part of the Knolls Subdivision in Mesa County, Colorado. The Property was intended to be and has been developed, owned, occupied, and managed separately as Ravenna Hills Subdivision from the remaining single family detached residences comprising the Knolls Subdivision, Filings 1 through 7, inclusive.
- E. Not less than sixty-seven percent (67%) of the owners of Lots within the Property have voted to approve this Amended and Restated Declaration.

NOW THEREFORE, pursuant to § 38-33.3-217, C.R.S., the Association does hereby declare that the Property shall be, and the same hereby is, subject to following covenants, conditions, and restrictions:

- 1. Definitions. Unless otherwise defined in this Amended and Restated Declaration, or the context requires otherwise, the following terms shall have the following meanings when used herein regardless of whether such terms are capitalized or not:
 - a. "Act" or "CCIOA" shall mean and refer to the Colorado Common Interest Ownership Act, §38-33.3-101, *et seq.*, C.R.S., as presently existing or subsequently amended, including any successor statute.
 - b. "Allocated Interests" shall mean and refer to each Lot Owner's share of the assessment obligations for common and other expenses authorized by this Amended and Restated Declaration and, additionally, the Owner's vote in the Association as set forth in this Amended and Restated Declaration.
 - c. "Amended and Restated Declaration" shall mean and refer to this Amended and Restated Declaration for the Property.
 - d. "Architectural Control Committee" or "ACC" shall mean and refer to the Architectural Control Committee.
 - e. "Articles" shall mean and refer to the Amended and Restated Articles of Incorporation of Ravenna Hills Homeowners Association, Inc., a Colorado non-profit corporation.

- f. "Association" shall mean and refer to the Ravenna Hills Homeowners Association, Inc., a Colorado nonprofit corporation, formed for the purpose of being and constituting the entity for the furtherance of the interests of the Owners of Lots in Ravenna Hills Subdivision and performing the duties and responsibilities and exercising the powers set forth in this Amended and Restated Declaration and the Act.
- g. "Board" shall mean and refer to the Executive Board of the Association.
- h. "Building" shall mean and refer to the residential Building situated on a Lot.
- i. "Bylaws" shall mean and refer to the Amended and Restated Bylaws of the Association.
- j. "Common Areas" shall mean and refer to the following tracts, common areas, and open spaces as depicted in the Final Plats for The Knolls Subdivision, Filings 2, 3, 5, 5A, and 5B, as follows:
 - i. Tracts A, B, C, D, and E, Final Plat of the Knolls Subdivision, Filing 2, recorded as Reception # 1832031 of the Mesa County Clerk and Record's Records.
 - ii. Tracts A and D, Final Plat of the Knolls Subdivision, Filing 3, recorded as Reception # 1887596 of the Mesa County Clerk and Record's Records.
 - iii. Tracts A and B, Final Plat of the Knolls Subdivision, Filing 5, recorded as Reception # 1883122 of the Mesa County Clerk and Record's Records.
 - iv. Any other tracts, common area or open space designated in the Final Plats for Filings 1 through 7, inclusive, for use by the owners of Lots in the Property.
- k. "Declarant" shall mean and refer to O.P. Development Company, LLC and its successors and assigns.
- l. "Declaration" shall mean and refer to the initial Declaration of Covenants, Conditions, and Easements of the Knolls Townhomes, recorded September 29, 1998, in Book 2493, Page 627. Reception # 1866500 of the Mesa County Clerk and Recorder's Office.

- m. "Development Rights" shall mean and refer to any right or combination of rights reserved by Declarant as set forth in the Declaration. All Development Rights have been exercised or have expired and are no longer in force or effect.
- n. "Improvements" shall mean, refer, and include, without limitation by enumeration, any and all structures, parking areas, fences, retaining walls, stairs, decks, hedges, plants, trees, shrubs, berms, ponds, irrigation facilities (including pumps, pipelines, drip lines and sprinklers), sidewalks, driveways, hardscape and any other structure or feature of every type and kind situated on the Property except Buildings.
- o. "Lease" shall mean the grant of an estate in real property for a specified period of time that gives rise to the relationship of property owner and tenant.
- p. "License" shall mean the permissive use of real property revocable at the will of the owner thereof.
- q. "Lot" shall mean and refer to the Lots within the Property as depicted in the Final Plats for the Knolls Subdivision, Filings 2, 3, 5, 5A, and 5B.
- r. "Member" shall mean and refer to a Person who is a member of the Association.
- s. "Mortgagee" shall mean and refer to any Person holding an interest in or to any Lot to secure the performance of an obligation, including deeds of trust and mortgages and second deeds of trust and mortgages.
- t. "Owner" shall mean and refer to the record owner(s) of fee simple title to any Lot, including contract sellers, but excluding those having a lien, deed of trust or mortgage to secure the performance of an obligation.
- u. "Notice" shall mean any form of written communication directed to an Owner and shall include and be effective as follows: (i) any electronic method of communication of general acceptance upon sending or delivery; (ii) hardcopy written communication upon depositing the same in the United States First Class Mail, postage prepaid; (iii) by posting the Notice on the Association's website; or (iv.) posting on the Association's notice board.
- v. "Person" shall include natural persons or a legal entity as the context requires.

- w. "Plat" or "Final Plat" shall mean and refer to the Final Plats identified in Section 1.j. above.
- x. "Property" shall mean and refer to Lots 1 through 15, inclusive, Block 5 of the Knolls Subdivision, Filing 2 recorded as Reception # 1832031 of the Mesa County Clerk and Recorder's Records; Lots 1 through 10, inclusive, Block 3, of the Knolls Subdivision, Filing 3 recorded as Reception # 1887596 of the Mesa County Clerk and Recorder's Records; Lots 1 through 16, inclusive, the Knolls Subdivision, Filing 5 recorded as Reception # 1983122 of the Mesa County Clerk and Recorder's Records; Lot 5, the Knolls Subdivision Filing 5A recorded as Reception # 2120099 of the Mesa County Clerk and Recorder's Records; and Lot 13, the Knolls Subdivision, Filing 5B recorded as Reception # 2411549 of the Mesa County Clerk and Recorder's Records, together with and including an undivided interest in and to all tracts and Common Areas designated or reserved in the Plats.
- y. "Rules" shall mean the written rules, policies, and regulations adopted by the Association pursuant to § 38-33.3-303(1)(a), C.R.S., as amended.
- z. "Shared Cost" shall mean those costs shared by agreement with The Knolls Master Association for the maintenance of all shared common areas.
- aa. "Subdivision" shall mean and refer to the Ravenna Hills Subdivision in Mesa County, Colorado, comprising the Property.

2. Statement of Intent.

- a. This Amended and Restated Declaration is intended to replace and supersede all previous declarations, amendments, and supplements containing any covenants, conditions or restrictions affecting the Property, all of which are deemed to have been merged herein and extinguished by this Amended and Restated Declaration.
- b. This Amended and Restated Declaration is intended to enhance, perfect, and preserve the value, desirability, and attractiveness of the Property and all of the Common Areas, Improvements and Buildings located therein in a manner beneficial to all Owners as a common interest planned community consisting of detached single-family residences.
- c. Except as is otherwise provided in this Amended and Restated Declaration regarding Common Area security, every Owner shall have a non-exclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the fee title to every Lot subject to the provisions of this Amended and Restated Declaration, the Articles and Bylaws of

the Association and any Rules promulgated by the Association. The use and enjoyment of the Common Area shall include the Owner and the occupants of the Owner's Lot.

3. Declaration of Covenants, Conditions, and Restrictions.

The Association hereby subjects the Property to the provisions of this Amended and Restated Declaration. All easements, restrictions, conditions, covenants, reservations, liens, charges, rights, benefits, and privileges which are granted, created, reserved or declared by this Amended and Restated Declaration shall be deemed to be covenants appurtenant to, touching and concerning and running with the Property and shall at all times inure to the benefit of, and be binding upon the Declarant and any Person having at any time any interest or estate in the Property, and their respective heirs, successors, representatives or assigns.

4. Restrictions on Use.

- a. All Buildings situated on the Lots shall be used solely for residential purposes. Only permanent residential Buildings and Improvements incidental to residential use of the Building shall be permitted on the Lots.
- b. No Lot may be subdivided by an Owner into smaller Lots, no Owner shall seek to change the zoning of such Owner's Lot, and no Lot may be combined with other Lots. There shall be no boundary line alteration or adjustment between any Lots such that the original configuration is modified or altered; provided, however, boundaries may be adjusted by an amendment to the Plats in the event there is an error in surveying or an error in the original construction of an Improvement that encroaches on the Common Area or fails to be within a designated Lot boundary.
- c. No animals shall be allowed other than domestic pets. Domestic pets shall be limited to a reasonable number and kept within an Owner's Lot. No domestic pet may be kept on any Lot which is a nuisance, annoyance, or is dangerous or hazardous to the other Owners or occupants of Lots. Household pets shall be contained within the Owner's Lot and not permitted to run loose or at large on the Property. The Association's Board shall have the authority to determine if any domestic pet is a nuisance, annoyance, or hazardous or whether the number of pets kept on any Lot is unreasonable in number. No horses, cows, pigs, chickens, or other types of livestock of any type shall be kept on the Property. Household pets must be under the control of their Owner at all times.
- d. No Lot shall be leased for a term less than six (6) months. All leases and lessee occupants are subject to the terms and conditions of the Declaration, Articles, Bylaws, and Rules subject to enforcement by the Association or any Owner.

- e. No recreational vehicles, boats, trailers, trucks or other vehicles or equipment may be parked or stored on the driveway of an Owner's Lot except cars or pickup trucks owned by the Owner or the Owner's guests, or invitees are permitted. Nothing contained herein shall limit service or emergency vehicles providing services to Owners or occupants of a Lot to park on the streets on a temporary basis or the parking of an Owner's or occupant's vehicle on the Owner's driveway if the vehicle is required to be available at designated periods at the Owner's or occupant's residence as a condition of employment and the vehicle meets the criteria set forth in § 38-33.3-106.5 (1)(d), C.R.S.
- f. No Lot or the Common Area shall be used for any purpose which would be in violation of any federal, state, or local law.
- g. No obnoxious, offensive, or other activity which would constitute a public or private nuisance or annoyance to the Owners or occupants of the Property shall be permitted. The Association's Board shall have the authority to determine, in their sole and exclusive discretion, if an activity conducted by any Owner or occupant of a Lot is obnoxious, offensive or a nuisance or annoyance to the Owners or occupants of the Property.
- h. No activity shall be conducted on the Property which is unsafe or hazardous to any Person or any Buildings or Improvements.
- i. No sign, poster, billboard or advertising device of any kind shall be allowed to be displayed on any Lot excepting signs that may be required by legal proceedings; signs as may be required for traffic control; "for sale" or "for rent" signs not exceeding six (6) square feet in connection with the sale or lease of a Lot; and address identification signage affixed to the exterior of a Building or painted on the curb; provided, however, nothing contained in this Section shall prohibit the display of the American flag, a service flag bearing a star denoting service in the military, political signs, signs displaying a religious item, and other signage permitted under the Act.
- j. The Owners shall not modify, alter, or visually change the exterior of the Building and other Improvements situated within any Lot without the written approval of the ACC. The Owners shall not modify any portion of the Common Area or install any Building or other Improvement on or within the Common Area without the written approval of the ACC.
- k. Persons who Lease or License the use or occupancy of any Lot shall be subject to and bound by the terms and conditions of this Amended and Restated Declaration, and the Articles, Bylaws, and Rules of the Association whether stated in the Lease or License, or not. The Association is deemed to be a third-party beneficiary of

any Lease or License of a Lot to the extent of any violation of the Amended and Restated Declaration, and the Articles, Bylaws, and Rules of the Association, and may enforce any such violation against the Owner, lessee, or licensee as a default pursuant to the terms of any Lease or License.

- l. No garbage, rubbish or trash shall be allowed to accumulate on any Lot. All garbage and trash including recycle material shall be kept in covered containers behind the front of the Building on a Lot screened from view except to make the same available during regular trash and recycle collection days.
- m. No Lot or Common Area (without Board approval) may be used for commercial purposes except Lots may be used for home occupations. "Home occupations" shall mean an occupation by the Owner or occupant that is conducted entirely within the Building on a Lot that does not entail the employment of third Persons on the Lot, the delivery of goods or services to customers upon the Lot and does not entail visits by customers to the Lot. By illustration and not by way of limitation, an insurance agent or consultant may use a residence as a personal home office so long as customers or clients are not permitted to come to the residence; however, the establishment of a barber shop or hair salon would be prohibited.
- n. Only low-level exterior lighting shall be permitted with exterior light fixtures not exceeding 60 watts or 800 lumens per fixture; provided, however, nothing contained herein is intended to prevent the use of security cameras and motion detectors so long as they do not exceed the lumen limitations. No lighting or light emitting source or device may be aimed toward or directed at another Lot or its occupants.
- o. The use of exterior generators is limited to generators which do not exceed maximum decibel levels for residential properties established by the City of Grand Junction ordinances; provided, however, generators that exceed such decibel levels may be operated (1) for periodic testing to determine the function of the generator but not to exceed thirty (30) minutes in continuous duration during hours between 9:00 a.m. and 6:00 p.m., and (2) during the period of power outages or public emergency.
- p. Street parking on Sparrow Court shall not obstruct ingress and egress of emergency or service vehicles.
- q. The Association may borrow money to improve the Common Areas and to mortgage said Common Areas as security for any such loan; provided, however, that the Association may not subject any portion of the Common Areas to a security Interest unless such is approved by Owners to which at least eighty

percent (80%) of the votes in the Association are allocated, including eighty percent (80%) of the votes allocated to the Lots not owned by the Declarant as more fully set forth in §38-33.3-312, C.R.S. of the Act

5. Maintenance of Lots, Buildings and Common Areas.

- a. Each Owner shall keep and maintain in good repair and appearance the exterior of any Building and the Improvements within the boundary of the Owner's Lot as depicted on the Plats including, but not limited by enumeration to, the foundation, exterior walls, windows, roof, decks, patios, gutters and downspouts, exterior lighting, antennas or dishes, and any ornamental landscape features including, but not limited to, plants, trees, shrubs, lawn curbing and edging. In addition, each Owner shall keep, maintain, and repair the driveway and walkways from the Building on Owner's Lot providing access to the public street or public sidewalk adjacent to the Lot, and any hardscape Improvement outside of a Lot including courtyards, walls, bricks, pavers, stone, wood, concrete, rock, or stucco.
- b. In the event any Owner fails to keep, maintain, or repair the Owner's Building and Improvements as provided herein, then the Association shall be authorized, but shall not be obligated, to conduct such maintenance, repairs or restoration and assess the cost thereof to the Owner(s) on whose Lot where such maintenance or repairs were conducted as a reimbursement assessment pursuant to this Amended and Restated Declaration.
- c. The Association shall keep, maintain, repair, and cultivate the Common Area and the Improvements situated thereon. Excepted from the Association's obligation to keep and maintain the Common Area are Tracts A, B and C, The Knolls Subdivision, Filing 2, and Tract A, The Knolls Subdivision, Filing 3. The Association may enter into formal or informal agreements with The Knolls Master Association for the maintenance of the irrigation and storm water detention ponds and other Common Area features as the Association may agree.
- d. In order to protect and preserve the privacy and security of the Lot Owners, access to the Common Areas consisting of Tracts D and E, The Knolls Subdivision, Filing 2 and Tract A, The Knolls Subdivision, Filing 5 is restricted as follows:
 - i. The privacy and security areas are defined to encompass: (1) the area from the front of a Building to the adjacent public sidewalk, (2) the area from the rear of a Building to the boundary of the Common area situated to the rear of the Building, and (3) one half of the area from the side of each Building to the side of the adjacent Building, hereafter the "Security and Privacy Area."

- ii. Notwithstanding anything to the contrary herein, no Owner or Person shall enter or remain upon the Common Area comprising the Security and Privacy Area of any Lot without the permission of the Lot Owner.
- iii. Each Owner may elect to maintain such Owner's Security and Privacy Area at such Owner's expense; provided, however, notwithstanding an Owner's election to provide such maintenance, the Owner's obligation to pay for the Owner's share of the cost of landscape maintenance provided by the Association will not be reduced. Any landscaping maintenance beyond the scope of that contracted by the Association shall be the Owner's separate cost and expense.
- e. The Association is authorized to adopt rules and regulations regarding the Security and Privacy Area, including methods of enforcement of the restrictions contained herein.

6. The Association.

- a. The Association shall be and constitute the "Association" to further the mutual interests of the Owners pursuant to this Amended and Restated Declaration, the Articles, Bylaws, Rules of the Association and the Act, including, without limitation, performing the administrative duties and responsibilities of the Association; repairing and maintaining the Common Areas and the Improvements thereon as provided herein; contracting for basic landscaping, irrigation and snow removal services to the Owners and the Common Area shared with the Knolls Master Association; and the determination of budgets and the levying and collecting of assessments to defray the cost and expenses of the Association's exercise of its duties and responsibilities hereunder: provided, however, in the event the cost to contract for basic landscape, irrigation or snow removal service becomes too costly or difficult to obtain, the Board may cease to provide these services. The Association shall have and may exercise all of the express and implied powers and duties of a Colorado corporation formed under the Colorado Revised Nonprofit Corporation Act and expressly stated or implied in the Act.
- b. The affairs of the Association shall be managed by an Executive Board of a minimum of three (3) directors and a maximum of five (5) directors. Directors shall meet the qualifications described in the Bylaws.
- c. Neither the Association, any member of the Board, any officer of the Association, any member of the ACC, nor any agent or employee of the Association, shall be liable to any Owner or any third party for any action or any failure to act with respect to any matter, provided the action taken or failure to act was in good faith and without willful or intentional misconduct. The Association shall indemnify and hold harmless any member of the Board, any member of the ACC, any officer

of the Association or any agent or employee of the Association from any and all reasonable costs, damages charges, liabilities, obligations, fines, penalties and claims, demands, or judgments and any and all expenses, including, without limitation, attorneys' fees, incurred in the defense or settlement of any action arising out of or claimed on account of any act, omission, error or negligence of the Association, the Board, the ACC or any committee of the Association, provided that such Person has acted in good faith and without willful or intentional misconduct.

- d. Notwithstanding the duty of the Association to maintain and repair the Common Area and contract for basic landscaping and irrigation services for the Common Area, the common area shared with the Knolls Master Association, and other portions of the Property as authorized in the Amended and Restated Declaration, the Association shall not be liable for bodily injury, property damage or death to any Person caused by any hazardous or dangerous condition of the Common Area which is not known, or would not be known in the exercise of reasonable diligence, by the Association. The Association shall have no liability for the acts or omissions of an Owner or any third party causing bodily injury, property damages, or death. The Association shall have no liability to any trespasser for bodily injury, property damage or death on or within the Common Area or any Lot.
- e. The Association shall purchase and maintain insurance, to the extent reasonably available, as follows:
 - i. Property insurance on the Common Area for broad form covered causes of loss; except that the total amount of insurance must be not less than the full insurable replacement cost of the insured property less applicable deductibles at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from property policies.
 - ii. Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, or management of the Common Area in an amount deemed sufficient in the judgment of the Board, insuring the Board, the Association, the management agent, and their respective employees, agents, and all Persons acting as agents. The Owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use, or management of the Common Area. The insurance shall cover claims of one or more insured parties against other insured parties.
 - iii. Liability insurance for the Board, the Association officers, and the members of the ACC for acts or omissions in the conduct of their duties in an amount the Board deems sufficient.

- iv. Such other insurance as the Board determines to be reasonable or necessary in the sole and absolute discretion of the Board or as may be required by the Act including, but not limited to, workers compensation and unemployment insurance to the extent required by law, and fidelity insurance.
- v. To the extent available, insurance policies should provide that:
 1. Each Owner is an insured person under the policy with respect to liability arising out of such Owner's interest in the Common Area or membership in the Association.
 2. The insurer waives its rights to subrogation under the policy against any Owner or member of his household.
 3. No act or omission by any Owner, unless acting within the scope of such Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.
 4. If, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

The Association is appointed as the attorney-in-fact to deal with the Common Area for damage, destruction, condemnation, and obsolescence. The acceptance of any interest in a Lot shall be deemed the Owner's appointment of the Association as their attorney-in-fact for the purposes stated in this paragraph.

7. Membership and Voting.

- a. Each Owner of a Lot shall be a Member of the Association. A membership shall be appurtenant to and may not be separated from the ownership of any Lot.
- b. The Association shall have one class of voting membership with each Lot being allocated one vote upon matters subject to vote by the Members. A vote by each Lot may be exercised as the Owner or Owners may determine, but in no event shall more than one vote be cast with respect to any Lot and there shall be no fractional votes. If only one of the multiple Owners of a Lot is present at a meeting of the Association, such Owner is entitled to cast the vote allocated to that Lot. If more than one of the multiple Owners are present, the vote allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the Owners. There is majority agreement if any one of the multiple

Owners casts the vote allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot.

- c. Twenty percent (20%) of the votes entitled to be cast at any meeting of the Association shall constitute a quorum of the Members.
- d. Members shall be entitled to validly cast their votes pursuant to a validly executed proxy.

8. Assessments and Budget.

- a. Each Owner agrees to pay to the Association all of the assessments levied against the Owner's Lot, to be fixed and levied from time to time by the Association as provided in this Amended and Restated Declaration, and the Articles, Bylaws and Rules. Such assessments, together with interest accruing thereon at three percent (3%) above the prime rate of the bank in which the Association deposits its funds and the costs of collection including attorney's fees in the event of a delinquency of payment, shall be the personal obligation of the Owner. Each Owner is liable for assessments made against such Owner's Lot during the period of ownership of such Lot. No Owner may be exempt from liability for payment of the assessments by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Lot against which the assessments are made.
- b. Prior to the commencement of each fiscal year, the Board shall propose/approve the budget, to include income, common expenses (Association costs and shared costs with The Knolls Master Association on a percentage basis) and any allocation of funds to reserve account(s) set aside for capital improvements to be incurred by the Association during the next fiscal year. The adjustment of any excess/shortfall of the amounts budgeted for shared costs with The Knolls Master Association two years prior to the year being budgeted for compared to the actual expenses incurred two years prior will be included in the shared cost calculation for the upcoming fiscal year. The resulting amount shall be the common expense assessment. The common expense assessment may include, but is not limited to, the expenses of the administration and management of the Property; landscape maintenance provided to owners; snow removal from sidewalks and driveways; cost of operating, maintenance and repair of the irrigation system; payment of special assessments; payment of premiums for all insurance which the Association is required or permitted to maintain; costs and expenses of the maintenance and repair of the Common Area; payment of legal, accounting and consulting fees; management fees, any surplus/deficit remaining from previous assessments; the creation of a reasonable contingency or other reserve or surplus fund; and any other expenses and liabilities which may be incurred by the Association in the performance of its duties and responsibilities.

- c. Within sixty (60) days after the adoption of the budget, the Board shall mail by first class, or otherwise deliver a summary of the budget and common expense assessment to all Owners and shall set a date for a meeting of the Owners to consider the budget and common expense assessment not less than fourteen (14) nor more than sixty (60) days following the mailing of the summary.
- d. The budget and common expense assessment proposed by the Board shall be submitted to the Owners at a meeting called for such purposes. The budget shall be deemed to be approved by the Owners upon the affirmative vote of a majority of a quorum of the Owners present at such meeting. If the proposed budget and common expense assessment is vetoed by a majority of all Owners, the budget and common expense assessment for the current fiscal year shall be continued until a subsequent budget and assessment proposed by the Board is not vetoed by the Owners.
- e. Within the North area, an assessment for the Street Reserve shall be allocated equally among the Lots on Sparrow Court.
- f. Landscape maintenance expenses shall be allocated 55% to Lots 1 through 15, inclusive, Block 5 of the Knolls Subdivision, Filing 2, Lots 1 through 10, inclusive, Block 3, of the Knolls Subdivision, Filing 3, and 45% to Lots 1 through 16, inclusive, the Knolls Subdivision, Filing 5, Lot 5, the Knolls Subdivision Filing 5A, and Lot 13, the Knolls Subdivision, Filing 5B. The Board shall allocate Common Area landscape costs based on the size of each Owner's Lot according to the areas established by the Plats. Subject to other provisions of the Declaration, all other common expense assessments shall be assessed to each Lot equally; provided, however, the Association may allocate any common expense assessment that exclusively benefits fewer than all of the Lots to the Lots benefited.
- g. If any common expense is caused by the misconduct of any Owner or group of Owners, then the Association may assess that expense exclusively against such Owner or Owners' Lots.
- h. If at any time during the fiscal year the common expense assessment proves inadequate for any reason, including nonpayment of any Owner's share thereof, the Board may levy a special assessment in the amount of such actual or estimated inadequacy. Special assessments shall be assessed to each Lot equally; provided however, special assessments may be allocated to those Lots exclusively benefitted by the special assessment or to those Lots whose Owner causes an expense resulting in a special assessment. Special assessments shall be paid in one (1) or more installments and be due on such date(s) as the Association shall determine.

- i. The Association may levy a special assessment against any Owner or combination of Owners to pay for or reimburse the Association for any cost, expense or fee paid or incurred by the Association, including attorney's fees, as a result of (i) such Owner's failure to repair or maintain the Building and Improvements on such Owner's Lot; (ii) damage to the Common Area caused by an Owner; or (iii) actions taken by the Association to enforce the Amended and Restated Declaration against any Owner violating the Declaration. Such assessment shall be for the purpose of reimbursing the Association for its actual costs and expenses paid or incurred for such purposes and shall be due and payable to the Association when levied, or at such time or times as the Association shall determine.
- j. In addition to common expense assessments and special assessments, the Association may levy, in any assessment year, a special assessment for the purposes of defraying in whole or in part the cost of any capital improvement upon the Common Area, including fixtures, landscape Improvements, and personal property, provided that such assessment shall be approved by a majority of votes allocated to the Lots.
- k. Any surplus funds remaining at the end of the fiscal year after payment of the Association's expenses and provision for reserves shall be retained by the Association as unallocated reserves.
- l. Each Owner shall make a non-refundable onetime contribution to the Association's general fund at the time the Owner acquires his or her Lot in the amount established by the Board from time to time. Such payment shall not be counted toward or be considered as a prepayment or advance of the Owner's regular common expense assessment.
- m. The Association may enforce payment of assessments by the assertion of a lien, foreclosure and/or the collection remedies pursuant to §38-33.3-316, C.R.S. subject to the limitations on collections set forth in § 38-33.3-316.3, C.R.S.

9. Architectural Control Committee.

- a. The Association may establish rules, procedures, standards, guidelines, and requirements, including design standards and guidelines, governing the review and approval of any alterations to existing improvements within the Subdivision consistent with this Declaration. These policies, rules and regulations shall be set forth in the Rules of the Association and may be amended from time to time as the Board deems reasonable or necessary.

If no Rules are adopted by the Board, then all maintenance, repair, restoration, or replacement of the improvements shall be in substantial conformity with their original installation, construction, and appearance

- b. The Association Board may establish and maintain an ACC (Architectural Control Committee) consisting of three (3) members each appointed or removed by the Board from time to time at its direction. The purpose of the ACC shall be to administer, under the guidance of the Board, the rules, procedures, guidelines, and requirements including the design standards or alterations thereof to all existing improvements within the Association.

The ACC and the members thereof shall not be liable for damage to any Person submitting request for approval or to any Owner within the Property by reason of any act, omission, approval, disapproval, or failure to approve or disapprove any request.

- c. The ACC shall establish processes for the implementation of any or all changes to the structure of any Building or Common area landscape prior to the Owner's commencement of work.
- d. Any Owner proposing to make any improvement(s) or alteration(s) to their building shall submit such plans, designs, drawings, specifications and/or samples as the ACC shall require. This may include, but is not necessarily limited, to the following: construction plans and specifications, including floor plan and exterior elevations, site plan of the improvement; samples of roof shingle; landscape plan(s), including sprinkler system, drainage and grading, stucco repair and/or replacement, or window and/or door replacement. Applications for ACC approval shall be required for any alteration of the exterior paint, shingles, or gutters.

All plans submitted to the ACC shall contain sufficient detail to fully advise the ACC as to the nature of the proposed improvement. The ACC may request additional detail, drawings, or other documentation at its discretion and may seek professional consultation in the event of requests outside of its scope of knowledge.

ACC members may be reimbursed or compensated for reasonable expenses incurred pursuant to this Declaration with the discretion of the Board

The ACC may elect to develop rules or regulations that minimize the need for such changes should they be consistent with the present design, color, or external conditions of the existing structure and/or common area landscape.

- e. The ACC shall meet as often as necessary to review applications and such meetings shall be held at such locations, times and dates determined by the ACC.

The ACC shall conduct such meetings in accordance with the rules or regulations as adopted by the ACC and the Owner/Applicant shall have the right to attend such a meeting.

The ACC shall approve any plans submitted if it determines, in its discretion, that such plans comply with any adopted rules, procedures, guidelines and requirements and with the legal requirements of the Plat, City and State. If such Plans are approved, the ACC shall sign both sets and return one set to the Owner/Applicant and retain one set for its records

Decisions of the ACC shall be conclusively binding upon the Owner/Applicant. However, decisions of the ACC may be appealed to the Board of the Association. Appeals to the Board must be made by written Notice of Appeal provided to the Board on or before fourteen (14) days after the date of the ACC decision.

The appeal must be accompanied by a written statement as to the basis of the appeal and include any relevant supporting documentation. The appeal may be decided on the Notice of Appeal and any documents submitted to the Board with or without a hearing in the Board's discretion. If the Board's decision is not issued within thirty (30) days of filing the appeal, then the decision of the ACC shall be deemed affirmed by the Board.

10. Irrigation Water.

- a. All irrigation water to be furnished to the Common Area and Lots shall be controlled and administered by the Association. The Association shall have the right to regulate the use of irrigation water provided to the Lots and may institute and enforce rules and regulations regarding which days and which times irrigation water may be used for any Lot.
- b. The irrigation facilities owned by the Association consist of its shared use with The Knolls Master Association of the irrigation ponds and all pipelines, pumps, electrical connections, and distribution facilities delivering water to the irrigated portions of the Common Area. The irrigation facilities also include all pipelines, sprinklers, and related facilities to deliver water throughout the irrigated portions of the Common Area and service lines to the boundary of the Lots. The Association shall maintain the irrigation facilities, irrigation lines, sprinklers, and drip lines within an Owners Lot.

11. Association Agreements. Any agreement for professional management of the Property or any part thereof must be approved by the Board for a period of time deemed appropriate by the Board. The Board must approve any termination of the agreement consistent with the terms of the agreement and be deemed in the best interest of the Association.

12. General Provisions.

- a. The provisions of this Amended and Restated Declaration may be enforced by the Association or any Owner as a result of the violation of the terms of the Amended and Restated Declaration, the Bylaws or the Act including the recovery of costs and attorney's fees, with or without commencing legal proceedings. The failure by the Association or any Owner to enforce any covenant or restriction herein contained shall not be or constitute a waiver of, or the estoppel from, the right to enforce this Amended and Restated Declaration, or a waiver of or estoppel from the same or any other or subsequent breach of any covenant, condition or restriction herein contained.
- b. Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions which shall remain in full force and effect.
- c. This Amended and Restated Declaration may be amended at any time and for any purpose and in such manner as is provided in the Act. This Amended and Restated Declaration may also be amended by the affirmative vote or agreement of the Owners of Lots having at least sixty-seven percent (67%) of the votes in the Association. Amendments must be recorded.
- d. Notice of matters affecting Lot Owners may be given to such Owners by mailing such Notice by first class mail to the last address provided by the Owner to the Association or by electronic means as provided herein. If no address has been provided by Owner, such Notice shall be mailed to the address of Owner's Lot.
- e. This Amended and Restated Declaration shall control and govern any conflicting provision of the Act, except to the extent that such conflicting provision in the Act is mandatory according to the terms of the Act. This Amended and Restated Declaration shall further control any conflicting term in the Articles, Bylaws, and Rules.

DATED the year and date first written above.

SIGNATURE ON THE FOLLOWING PAGE

