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**AMENDED AND RESTATED DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTIONS FOR
STANTON FARMS TOWNHOMES**

TABLE OF CONTENTS

ARTICLE 1.	NAME AND TYPE.....	1
ARTICLE 2.	DEFINITIONS.....	2
ARTICLE 3.	ASSOCIATION MEMBERSHIP, ALLOCATION OF VOTES, AND ALLOCATION OF LIABILITY FOR COMMON EXPENSES.....	3
SECTION 3.1	MEMBERSHIP	3
SECTION 3.2	VOTING	3
SECTION 3.3	ALLOCATION OF LIABILITY FOR COMMON EXPENSES.....	4
ARTICLE 4.	ASSESSMENTS	4
SECTION 4.1	PURPOSE OF ASSESSMENTS	4
SECTION 4.2	PERSONAL OBLIGATION FOR ASSESSMENTS	4
SECTION 4.3	LIEN.....	4
SECTION 4.4	PAYMENT OF ASSESSMENTS.....	4
SECTION 4.5	INDIVIDUAL LOT ASSESSMENTS	4
SECTION 4.6	DELINQUENT ASSESSMENTS.....	5
SECTION 4.7	COMPUTATION OF BUDGET AND ASSESSMENT	6
SECTION 4.8	SPECIAL ASSESSMENTS	6
SECTION 4.9	STATEMENT OF ACCOUNT	7
SECTION 4.10	SURPLUS FUNDS AND COMMON PROFITS.....	7
SECTION 4.11	BORROWING	7
ARTICLE 5.	MAINTENANCE RESPONSIBILITY	7
SECTION 5.1	BY THE OWNER.....	7
SECTION 5.2	ADDITIONAL OWNER RESPONSIBILITIES	8
SECTION 5.3	BY THE ASSOCIATION.....	9
SECTION 5.4	MEASURES RELATED TO INSURANCE COVERAGE	10
SECTION 5.5	FAILURE TO MAINTAIN.....	10
SECTION 5.6	MAINTENANCE STANDARDS AND INTERPRETATION	11
ARTICLE 6.	PARTY WALLS AND FENCES	11
SECTION 6.1	GENERAL RULES OF LAW TO APPLY	11
SECTION 6.2	SHARING OF REPAIR AND MAINTENANCE.....	11
SECTION 6.3	DAMAGE AND DESTRUCTION.....	11
SECTION 6.4	RIGHT TO CONTRIBUTION RUNS WITH LAND.....	11
SECTION 6.5	ARBITRATION	11
ARTICLE 7.	ARCHITECTURAL REVIEW.....	11
SECTION 7.1	ESTABLISHMENT OF ARCHITECTURAL REVIEW COMMITTEE	11
SECTION 7.2	AUTHORITY OF ASSOCIATION TO HIRE CONSULTANTS	11
SECTION 7.3	ARCHITECTURAL COVENANTS	12
SECTION 7.4	REQUIRED ACTION BY THE ASSOCIATION	12
SECTION 7.5	CONDITION OF APPROVAL	12
SECTION 7.6	LIMITATION OF LIABILITY.....	13
SECTION 7.7	NO WAIVER OF FUTURE APPROVALS.....	13
SECTION 7.8	COMMENCEMENT OF CONSTRUCTION	13
SECTION 7.9	VARIANCES.....	13
SECTION 7.10	RIGHT TO APPEAL	13
SECTION 7.11	ARCHITECTURAL GUIDELINES	13
SECTION 7.12	ENFORCEMENT	13
ARTICLE 8.	USE RESTRICTIONS	14
SECTION 8.1	USE OF LOTS	14
SECTION 8.2	LEASING	15
SECTION 8.3	USE OF COMMON AREAS	16
SECTION 8.4	USE OF PRIVATE STREETS	16
SECTION 8.5	USE OF PATIOS, DECKS AND PORCHES AND BALCONIES.....	16
SECTION 8.6	USE OF GARAGES	17

SECTION 8.7	PROHIBITION OF DAMAGE, NUISANCE AND NOISE	17
SECTION 8.8	NO DAMAGE OR WASTE.....	18
SECTION 8.9	PETS.....	18
SECTION 8.10	PARKING	19
SECTION 8.11	VEHICLE REPAIR AND POLISHING	20
SECTION 8.12	HEATING OF LOTS IN COLDER MONTHS	20
SECTION 8.13	WINDOW TREATMENTS	20
SECTION 8.14	WINDOW AIR CONDITIONERS.....	20
SECTION 8.15	SIGNS	20
SECTION 8.16	RUBBISH, TRASH, AND GARBAGE	20
SECTION 8.17	UNSIGHTLY, UNKEMPT AND HAZARDOUS CONDITIONS.....	21
SECTION 8.18	ANTENNAS AND SATELLITE DISHES	21
SECTION 8.19	GRILLING.....	21
SECTION 8.20	TEMPORARY STRUCTURES	21
SECTION 8.21	CLOTHESLINES AND STORAGE	21
SECTION 8.22	SOLAR PANELS	21
SECTION 8.23	RULES AND REGULATIONS.....	22
SECTION 8.24	USE OF THE WORDS STANTON FARMS TOWNHOMES, STANTON FARMS TOWNHOMES COMMUNITY, AND STANTON FARMS TOWNHOMES ASSOCIATION	22
ARTICLE 9.	INSURANCE	22
SECTION 9.1	ASSOCIATION'S PROPERTY INSURANCE	22
SECTION 9.2	OTHER ASSOCIATION INSURANCE	22
SECTION 9.3	STANDARDS FOR ASSOCIATION POLICIES.....	23
SECTION 9.4	INSURANCE DEDUCTIBLES	23
SECTION 9.5	OWNERS' INSURANCE	24
SECTION 9.6	OWNER'S RIGHT TO REVIEW ASSOCIATION INSURANCE POLICIES.....	24
SECTION 9.7	SOURCE AND ALLOCATION OF PROCEEDS	24
SECTION 9.8	REPAIR AND RECONSTRUCTION REQUIREMENTS.....	24
SECTION 9.9	CONSTRUCTION FUND	24
ARTICLE 10.	EASEMENTS	24
SECTION 10.1	EASEMENTS FOR USE AND ENJOYMENT	24
SECTION 10.2	EASEMENT FOR ENTRY	25
SECTION 10.3	SUPPORT	25
SECTION 10.4	ENCROACHMENTS	25
SECTION 10.5	UTILITIES.....	26
SECTION 10.6	PUBLIC IN GENERAL.....	26
ARTICLE 11.	AUTHORITY AND ENFORCEMENT	26
SECTION 11.1	COMPLIANCE WITH AND ENFORCEMENT OF GOVERNING DOCUMENTS	26
SECTION 11.2	FAILURE TO ENFORCE.....	27
ARTICLE 12.	AMENDMENTS.....	27
ARTICLE 13.	GENERAL PROVISIONS.....	27
SECTION 13.1	SECURITY.....	27
SECTION 13.2	IMPLIED RIGHTS	28
SECTION 13.3	ELECTRONIC RECORDS, NOTICES AND SIGNATURES	28
SECTION 13.4	DURATION	28
SECTION 13.5	SEVERABILITY	28
SECTION 13.6	REGISTRATION OF MAILING ADDRESS.....	28

EXHIBITS

LEGAL DESCRIPTION.....	"A"
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AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR STANTON FARMS TOWNHOMES

This Amended and Restated Declaration of Covenants, Conditions and Restrictions for Stanton Farms Townhomes ("Declaration") will be effective upon recording.

RECITALS

A. Parkbrook Construction Company, an Illinois Corporation, recorded a Declaration of Covenants, Conditions and Restrictions for Stanton Farms Townhomes on May 24, 1983, at Reception No. 83046748, Jefferson County Clerk and Recorder (hereinafter collectively referred to as the "Original Declaration").

B. Article XI, Section 8 of the Original Declaration provides that it may be amended with the prior written approval of at least 75% of the Members; however, C.R.S. § 38-33.3-217(1)(a) states that any provision in the Declaration that purports to specify a Member approval percentage larger than 67% is declared void as contrary to public policy and, until amended, such provision shall be deemed to specify a percentage of 67%.

C. Article XI, Section 8 of the Original Declaration also requires approval of 75% of the First Mortgagees (based upon one vote for each First Mortgage owned or held).

D. This Declaration does not alter the undivided interest of the Lots and does not terminate the Community.

E. The purposes of the amendments in this Amended and Restated Declaration include but are not limited to the following:

- to update the Original Declaration to comply with current state law;
- to clarify the allocation of maintenance responsibilities and insurance between the Association and the Owners;
- to delete declarant rights and responsibilities that are no longer applicable;
- to change restrictions in the Community;
- to update provisions so as to allow the Association to operate efficiently the Community and deal with Community concerns; and
- to add provisions that provide tools for the Association to effectively solve problems and enforce the Declaration, Bylaws and Rules and Regulations.

F. Owners holding at least 67% of the total Association vote and 75% of the first mortgage holders of all the Lots desire to amend the Original Declaration have approved this Amended and Restated Declaration and have determined this Declaration to be reasonable and not burdensome.

NOW, THEREFORE, the Original Declaration is replaced by the covenants, servitudes, easements and restrictions set forth below:

ARTICLE 1. NAME AND TYPE

The type of common interest community is a planned community. The name of the planned community is Stanton Farms Townhomes (hereafter referred to as "Stanton Farms Townhomes" or "Stanton Farms Townhomes Community"). The Association's name is Stanton Farms Townhomes Association.

ARTICLE 2. DEFINITIONS

Section 2.1 Generally terms used in this Declaration, the Bylaws, and the Articles of Incorporation shall reflect their normal, generally accepted meanings or the meanings given in the Colorado Common Interest Ownership Act or the Colorado Revised Nonprofit Corporation Act. Unless the context otherwise requires, certain terms used in this Declaration, the Bylaws and the Articles of Incorporation shall be defined as follows:

(a) **Act** means the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, *et seq.*, as such Act may be amended from time to time and as applicable to those common interest communities created prior to July 1, 1992.

(b) **Area of Common Responsibility** shall mean and refer to the Common Areas, together with those areas on the Lots and any other areas that by the terms of this Declaration or by contract or agreement with any other person or entity become the responsibility of the Association.

(c) **Articles** or **Articles of Incorporation** means the Articles of Incorporation of Stanton Farms Townhomes Association, as filed with the Secretary of State of the State of Colorado and as may be amended from time to time.

(d) **Association** means Stanton Farms Townhomes Association, a Colorado nonprofit corporation, its successors or assigns.

(e) **Board** or **Board of Directors** means the body responsible for management and operation of the Association.

(f) **Bylaws** mean the Bylaws of Stanton Farms Townhomes Association, as may be amended from time to time.

(g) **Common Area** shall mean all real property owned by the Association for the common use and enjoyment of the Owners, together with all improvements located thereon and all common property owned by the Association but excluding the Lots.

(h) **Common Expenses** mean the expenses incurred or anticipated to be incurred by the Association for the general benefit of the Community including but not limited to those expenses incurred for maintaining, repairing, replacing, and operating the Common Areas and fulfilling the Association's responsibilities.

(i) **Community-Wide Standard** means the standard of conduct, maintenance, or other activity generally prevailing within the Stanton Farms Townhomes Community. Such standard may be more specifically determined by the Board of Directors.

(j) **Community** means all that property as more particularly described in the Original Declaration and/or Exhibit "A", that is attached hereto and incorporated herein by reference, which is submitted to the provisions of the Act by this Declaration.

(k) **Governing Documents** mean this Declaration and all exhibits hereto, the Association's Bylaws, Rules and Regulations and the plats of the Community, all as may be supplemented or amended from time to time.

(l) **Electronic Record** means information created, transmitted, received or stored by electronic means and retrievable in human perceivable form such as email, web pages, electronic documents, and facsimile transmission.

(m) **Lot** shall mean and refer to any of the separately numbered lots or plots shown upon any recorded subdivision Plat of the Property, together with all appurtenances thereto and improvements now or hereafter located thereon, with the exception of the Common Area and any public streets or rights-of-way.

(n) **Majority** means those eligible votes, Owners, or other group as the context may indicate totaling more than 50% of the total eligible number.

(o) **Mortgage** means any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation including but not limited to a transfer or conveyance of fee title for such purpose.

(p) **Mortgagee** or **Mortgage Holder** means the holder of any Mortgage.

(q) **Owner** shall mean the record titleholder of a Lot within the Community, including contract sellers but shall not include those having an interest merely as security for the performance of any obligation. For purposes hereof, the holder of a tax deed on a Lot shall be deemed the Owner thereof, notwithstanding the fact that there may exist a right of redemption on such Lot.

(r) **Person** means any individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity.

(s) **Plat** shall mean and refer to the plats of the Property and improvements that are subject to this Declaration and which are designated in the Plat recorded in the records of the Office of the Clerk and Recorder of Jefferson County. The term Plat shall collectively mean and refer to all plats and supplements thereto for the Property.

(t) **Property** shall mean and refer to real estate which was submitted to the Original Declaration and/or which is submitted to the provisions of this Declaration as described in Exhibit "A" attached hereto and incorporated herein by reference.

(u) **Resident** means any Person staying overnight in a residence on a Lot for a total of more than 30 days, either consecutive or nonconsecutive, in any calendar year, regardless of whether such Person is a tenant or the Owner of such Lot.

(v) **Rules and Regulations** means any instrument, however denominated, adopted by the Association, as allowed for under this Declaration and the Act for the regulation and management of the Community and/or Lots, including any amendments or revisions.

ARTICLE 3. ASSOCIATION MEMBERSHIP, ALLOCATION OF VOTES, AND ALLOCATION OF LIABILITY FOR COMMON EXPENSES

Section 3.1 **Membership**. All Lot Owners by virtue of their ownership of a fee or undivided fee interest in any Lot in the Community are members of the Stanton Farms Townhomes Association. Membership is not intended to include Persons who hold an interest merely as security for the performance of an obligation, but the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one membership per Lot owned.

Section 3.2 **Voting**. The Owner or collective Owners of a Lot shall be entitled to one equally weighted vote for such Lot. When more than one Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners determine among themselves and as more specifically stated in the Bylaws; otherwise the Lot's vote shall be suspended if more than one Person seeks to exercise it.

Section 3.3 Allocation of Liability for Common Expenses. Except as provided below or elsewhere in the Governing Documents, the amount of all Common Expenses shall be assessed equally among the Lots.

ARTICLE 4. ASSESSMENTS

Section 4.1 Purpose of Assessments. The Association has the power to levy assessments. The assessments for Common Expenses are used to fulfill the Association's obligations pursuant to this Declaration and to promote the common benefit and enjoyment of the Owners and Residents in the Community as may be more specifically defined and authorized from time to time by the Association.

Section 4.2 Personal Obligation For Assessments. Each Owner is deemed to covenant and agree to pay to the Association: (a) annual assessments or charges; (b) special assessments; and (c) individual Lot assessments which are established pursuant to the terms of this Declaration. These amounts are also the personal obligation of the Person who was the Owner of the Lot at the time when the assessments fell due. The personal obligation to pay any past due sums due the Association will not pass to a successor in title unless expressly assumed by the Owner.

Section 4.3 Lien. All assessments, together with charges, interest, costs, and reasonable attorneys' fees actually incurred (including post-judgment attorneys' fees, costs and expenses) up to the maximum amount permitted by law will be a charge on the Lot and a continuing lien upon the Lot against which each assessment is made. The Association has the authority to record a notice of lien in the Jefferson County, Colorado, real property records evidencing the lien created under this Declaration. The Association's lien under this article is not subject to the provision of any homestead exemption as allowed under state or federal law. The lien has the priority as set forth in the Act.

Section 4.4 Payment of Assessments. Assessments will be paid in the manner and on the dates as may be fixed by the Association. Unless otherwise provided by resolution, the annual assessments will be paid in equal monthly installments due on the first day of each calendar month. No Owner may be exempt from liability for or otherwise withhold payment of assessments for any reason whatsoever, including but not limited to nonuse of the Common Areas, the Association's failure to provide services or perform its obligations required hereunder, or inconvenience or discomfort arising from the Association's performance of its duties.

Section 4.5 Individual Lot Assessments. The Association has the power to levy individual Lot assessments against Lots pursuant to this section as it deems appropriate.

(a) Any expense or liability incurred by the Association as a result of the willful, negligent or wrongful act of an Owner, the Owner's family, guests or other Residents of the Lot, or any breach by any of these parties of any of the provisions of the Governing Documents, may result in an assessment against the Lot.

(b) Any expense benefiting fewer than all of the Lots or significantly disproportionately benefiting all Lots may be assessed equitably against those Lots benefited according to the benefit received. Except as provided in subsection (a) above, expenses incurred for the maintenance, repair or replacement of the Common Areas or Areas of Common Responsibility will not be assessed as an individual Lot assessment.

(c) Any expense related to utilities including but not limited to water, sewer, gas and electricity may be specifically assessed equitably among the Lots in proportion to use rather than equally if use can be reasonably determined or estimated through means such as but not limited to separate metering or evaluation by an independent entity with expertise in making these determinations.

(d) The Community is currently served by a common water meter. Subject to prior written notice and an opportunity for Owner comment, the Association shall have the authority to assess as an individual Lot assessment, individual Lot utility usage charges, based on either a "residential utility billing" system or sub-metering. If the Association chooses to impose a "residential utility billing" system, the Association will have the right to add a charge for the cost of overhead for such services. "Residential Utility Billing" systems base utility charges upon a residence's square footage as a percentage of the total square footage of all residences in the Community together with a factor based on the number of Residents for each Lot. If sub-meters are installed, the costs of doing so will be a Common Expense allocated equally among all Lots. Thereafter the Board will have the authority to assess individual Lot utility usage charges as specific special assessments based on readings of the sub-meters. In the alternative, the Board has the right to levy individual Lot assessments based upon reasonable estimates of utility usage charges with adjustments after periodic sub-meter readings. The Board also will have the right to add a charge for the overhead for such sub-metering and meter reading.

Section 4.6 **Delinquent Assessments.** All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default.

(a) If the annual assessment any part or installment thereof or any other fine, special assessment or charge is not paid in full within 30 days of the due date, or such later date as may be provided by the Board, the following actions may occur:

(i) a late charge in an amount determined by the Board and set forth in the Association's collection policy and administrative expenses may be imposed without further notice or warning to the delinquent Owner; and

(ii) interest at the rate determined by the Board and set forth in the Association's collection policy, not to exceed the maximum amount permitted by Colorado law may be imposed without further notice or warning to the delinquent Owner.

(b) If any assessment or installment thereof remains unpaid for 60 days, then upon written notice to the Owner, the Board may accelerate and declare immediately due all of that Owner's unpaid installments. Upon acceleration, that Owner shall lose the privilege of paying any and all assessments and charges in installments for that fiscal year, unless such privilege is otherwise reinstated in the Board's sole discretion.

(c) If assessments, fines or other charges, or any part thereof, remain unpaid more than 30 days after the assessment payments first become delinquent, the Owner's right to vote will be automatically suspended until all amounts owed are paid in full and the Association, acting through the Board of Directors, may institute suit to collect all amounts due pursuant to the provisions of the Declaration, the Bylaws, and Colorado law, including reasonable attorneys' fees actually incurred. Enforcement under this section is not dependent upon or related to other restrictions and/or other actions.

(d) If partial payment of assessments or other charges are made, the amount received may be applied first to post-judgment attorneys' fees, costs and expenses, then to costs and attorneys' fees not reduced to a judgment, then to interest, then to late charges, then to return check charges, then to fines and other charges permitted under this Declaration, then to delinquent assessments, then to current assessments and finally to amounts reduced to judgment.

(e) Further, the Association may bring an action at law or in equity, or both, against any Owner personally obligated to pay such overdue assessments or related charges, or monthly or other installments thereof, and may also proceed to foreclose its lien against such Owner's Lot. An action at law or in equity by the Association against an Owner to recover a money judgment for unpaid assessments or related charges, or monthly or other installments thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien.

(f) Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessment or related charges, or monthly or other installments thereof, which are not fully paid when due. The Association has the power and right to bid on or purchase any Lot at foreclosure or other legal sale, and to acquire and hold, lease, mortgage, convey or otherwise deal with the Lot. If a foreclosure action is filed to foreclose any assessment lien, and an Owner abandons or leaves vacant the Owner's Lot, the Board may take possession and rent the Lot or apply for the appointment of a receiver for the Lot without prior notice to the Owner. The rights of the Association are expressly subordinate to the rights of any holder of a first lien security interest as set forth in its deed of trust or mortgage (including any assignment of rents), to the extent permitted under the Act.

(g) If a Lot is rented by its Owner, the rent is hereby pledged and assigned to the Association as security for the payment of all assessments due by that Owner to the Association. If the assessments owed by the Owner of a rented Lot are more than 60 days delinquent, the Board may collect, and the occupant or lessee shall pay to the Board, the rent for any Lot owned by the delinquent Owner, or that portion of the rent equal to the amount due to the Association; provided, however, the lessee need not make such payments to the Association in excess of or prior to the due date for monthly rental payments unpaid at the time of the Board's request. The Association shall send notice to the Owner by any reasonable means at least 10 days prior to initiating the collection of rent from the Owner's Resident or lessee. The Resident and/or lessee shall not have the right to question the Board's demand for payment. Payment by the Resident or lessee to the Association will satisfy and discharge the Resident or lessee's duty of payment to the Owner for rent, to the extent of the amount paid to the Association. No demand or acceptance of rent under this section shall be deemed to be a consent or approval of the Lot rental or a waiver of the Owner's obligations as provided in the Declaration. The Board shall not exercise this power where a receiver has been appointed with respect to a Lot or Owner or in derogation of the exercise of any rights to rents by the holder of a first lien security interest of a Lot. If an occupant or lessee fails or refuses to pay rent to the Association as provided for in this section, the Association shall have the right to bring an action for unlawful detainer for non-payment of rent under Colorado statutes, and the costs and attorney fees incurred by the Association in connection with that action shall be collectable from the occupant or lessee in that action and from the Owner of the Lot in the same manner as any other assessment under this Declaration.

Section 4.7 Computation of Budget and Assessment. Prior to the beginning of each fiscal year, the Board will prepare a budget covering the estimated costs of operating the Community during the coming year, including an annual reserve contribution for replacement of improvements that are the Association's responsibility, and the Board will establish the annual assessment or installments for the coming year. If the budget is 10% higher than the budget for the prior year or exceeds the increase in the cost of living index for the City of Denver titled "All Items" prepared by the Bureau of Labor Statistics for the prior year, whichever is greater, any increase in excess of 10% must be approved by two-thirds of the Owners present and voting in person or by proxy at a duly called meeting and the budget will be limited to 10% above the prior year's budget.

If the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget has been determined as provided herein, the budget in effect for the current year will continue for the succeeding year. In such case, the Board may propose a new budget at any time during the year. The approval procedure set forth in this section for budgets will also apply to a new budget proposed by the Board.

The budget does not operate as a limitation on expenditures by the Board, but, rather, the budget is merely an estimate of Common Expenses on which the Board may base the annual assessments.

Section 4.8 Special Assessments. In addition to the annual assessment provided for above, the Board may at any time, and in addition to any other rights it may have propose a special assessment against all Owners in accordance with the meeting and notice procedures set forth in Section 4.7 above. In order to be effective, any special assessment (except as provided in Section 4.5 of this article regarding the authority to impose individual Lot assessments and Article 9, Section 9.7 regarding

repair or reconstruction of casualty damage to or destruction of all or part of the Community) shall become effective unless disapproved at a duly called Association meeting by a vote of a majority of the total Association membership; however, if a quorum is not obtained at such meeting, the special assessment shall become effective even though a vote to disapprove the special assessment could not be called at this meeting.

Section 4.9 Statement of Account. The Association will furnish to an Owner or the Owner's designee or to a holder of a security interest or its designee a statement setting forth the amount of unpaid assessments then levied against the Lot in which the Owner, designee or holder of a security interest has an interest. The Association will deliver the statement personally or by certified mail, first class postage prepaid, return receipt requested, to the inquiring party within 14 calendar days after the Association's registered agent receives the request by personal delivery or by certified mail, first class postage prepaid, return receipt requested. The information contained in the statement, when signed by the treasurer of the Association or managing agent, if any, will bind the Association, the Board, and every Owner as to the person or persons to whom the statement is issued and who rely on it in good faith. The Association may establish a reasonable fee relating to the statement, which may incorporate any fees imposed by a managing agent.

Section 4.10 Surplus Funds and Common Profits. Common profits from whatever source will be applied to the payment of Common Expenses. Any surplus funds remaining after the application will at the option of the Board of Directors be: (a) added to the Association's capital reserve account; (b) distributed to the Owners equally; or (c) credited to the next assessment chargeable to the Owners in proportion to the liability for Common Expenses attributable to each Lot.

Section 4.11 Borrowing. The Association has the power to assign its right to borrow money and assign future income, including the right to assign its right to receive Common Expense assessments, but only upon the affirmative vote of 67% of the Owners present and voting in person or by proxy at a duly constituted meeting called for that purpose or by ballot in lieu of a meeting as provided for in the Bylaws.

ARTICLE 5. MAINTENANCE RESPONSIBILITY

Section 5.1 By the Owner. Each Owner shall have the obligation to maintain and keep in good repair all portions of the Owner's Lot, including the residence and all improvements made by the Owner to the Lot except any portion of a Lot which is expressly made the maintenance obligation of the Association as set forth in Section 5.3 below (Area of Common Responsibility). This maintenance responsibility shall include but not be limited to the following:

- (a) all glass surfaces (including exterior cleaning);
- (b) windows, window frames (except for periodic painting of the exterior window frames), casings and locks (including caulking of windows except that the Association will caulk windows during regular repair/paint cycles), and window screens;
- (c) all doors, doorways, door frames, and hardware that are part of the entry system to the residence on the Lot (except for periodic painting of the exterior surface of entry doors and door frames);
- (d) all pipes, lines, ducts, conduits, or other apparatus from the point that the equipment enters the Lot (including all electricity, water, or sewer pipes, lines, ducts, conduits, or other apparatus serving only the Lot);
- (e) any fireplace (including the chimney, flue and firebox, but excluding chimney caps which will be an Association responsibility) that serves only the Lot;

(f) stained concrete patios and stained walkways, decks, ramps, paver walkways and patios, balconies made with manmade material, and anything currently in or that has ever been in fenced areas;

(g) all foundations;

(h) exterior lights and light fixtures, including light bulbs, on the Lot;

(i) window wells appurtenant to the residence (must be maintained to a height that allows for proper drainage away from the building);

(j) hose bibs/water faucets on the exterior of the residence;

(k) all communications, television, telephone, cable and electrical lines, receptacles and boxes serving only the Lot, whether located within or outside the Lot boundaries;

(l) any portion of the heating and air conditioning systems including the furnace, air conditioning compressor and fan coil serving the Lot, whether located within or outside the boundaries of the Lot;

(m) fences and gates enclosing Lots, patios, decks or balconies (all fences must have gates), including staining or using other preservative on fences to a standard equal to the Association standard for painting buildings;

(n) the garage serving the Lot, the garage door (except painting the exterior surface of garage door) and garage door openers;

(o) any exterior improvements made to the Lot (even if the improvement extends into Common Area) by an Owner or the Owner's predecessor in title, including but not limited to patio extensions and modifications to the concrete patios originally installed;

(p) skylights; and

(q) hot water heaters and other in home appliances using water.

Section 5.2 **Additional Owner Responsibilities.** In addition, each Lot Owner shall have the responsibility:

(a) To keep the Lot in a neat, clean and sanitary condition, including keeping the steps, porch and patio on the Lot free and clear of snow, ice, and any accumulation of water or other debris. (All snow removal on the Lot is the Owner's responsibility.)

(b) To perform the Owner's responsibility in such manner so as not to unreasonably disturb other persons in other Lots.

(c) To report promptly to the Association or its agent any defect or need for repairs, for which the Association is responsible.

Subject to the maintenance responsibilities herein provided, if an Owner or Resident performs maintenance or repair performed on or to the Common Area or Area of Common Responsibility without prior written approval of the Association, the cost of the maintenance or repair will be the sole expense of such Owner or Resident, and the Owner or Resident is not entitled to reimbursement from the Association even if the Association accepts the maintenance or repair.

Section 5.3 **By the Association.** The Association shall maintain and keep in good repair as a Common Expense all Common Areas and the portions of the Lot as identified below (collectively, the Areas of Common Responsibility):

- (a) paint, maintain, repair and replace siding on the exterior of the residences;
- (b) maintain, repair and replace roofs and roof decking, gutters, and downspouts of the residences;
- (c) maintain, repair and replace trees, shrubs, bushes, grass and other Association installed landscaping on the Lots;
- (d) repair and replace chimney caps;
- (e) paint the exterior surface of window frames, including caulking of window frames during regular paint/repair cycles, doors and door frames and garage doors;
- (f) repair and replace unstained concrete sidewalks and front stoops to front doors;
- (g) maintain, repair and replace original wooden balconies and original concrete patios during routine maintenance cycles unless such areas are damaged by an Owner or Resident;
- (h) maintain, repair and replace all pipes, lines, ducts, conduits, or other apparatus serving more than one Lot;
- (i) maintain, repair and replace all pipes, lines, ducts, conduits, or other apparatus serving only the Lot, whether located within or outside the boundaries of the Lot (including all electricity, water, or sewer pipes, lines, ducts, conduits, or other apparatus serving only the Lot); provided that the cost of such maintenance shall be an individual Lot assessment to be collected as provided for in this Declaration and the Association's collection policy;
- (j) maintain, repair and replace all communications, television, telephone, cable and electrical lines, receptacles and boxes on the Common Areas that serve more than one Lot;
- (k) maintain, repair and replace all drainage systems on the Common Areas and drainage systems installed by the Association on Lots. The Association is not responsible for drainage on the Lots unless the Association alters drainage patterns on the Lots; and
- (l) maintain, repair and replace all paving and concrete located on the Common Areas and Lots, including the private streets, sidewalks, driveways, curbs, gutters and storm drains.

The foregoing maintenance shall be performed consistent with the Community-Wide Standard.

If, during the course of performing its maintenance responsibilities, the Association discovers that maintenance, repair or replacement is required of an item which is the Owner's responsibility, and such maintenance, repair or replacement must be performed for the Association to properly complete its maintenance project, then the Association may perform such work on behalf of the Owner and at the Owner's sole expense without prior notice to the Owner, such being deemed an emergency situation.

If the Board determines that the need for maintenance or repair of the Area of Common Responsibility is caused through the willful or negligent act of any Owner, or Resident or their family, guests, lessees, or invitees, then the Association may assess the cost of any such maintenance, repair, or replacement against the Owner's Lot, and such cost will become the personal obligation of the Owner,

a lien against the Lot to be collected as provided in this Declaration and the Association's collection policy for the collection of assessments.

The Association will repair incidental damage to any Lot resulting from performance of work that is the responsibility of the Association. The Association is not liable for injury or damage to person or property caused by the Areas of Common Responsibility or by the Owner of any Lot or any other person or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Areas or Area of Common Responsibility or from any pipe, drain, conduit, appliance or equipment that the Association is responsible to maintain except for injuries or damages arising after the Owner of a Lot has put the Association on notice of a specific leak or flow from any portion of the Common Areas or Areas of Common Responsibility, and the Association has failed to exercise due care to correct the leak or flow within a reasonable time thereafter. The Association is not liable to any Owner, or any Owner's Resident, guest or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this article where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

Section 5.4 Measures Related to Insurance Coverage.

(a) The Board of Directors upon resolution shall have the authority to require all or any Lot Owner(s) to do any act or perform any work involving portions of the Community which are the maintenance responsibility of the Lot Owner, that will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Community, reduce the insurance premium or limit increased insurance premiums paid by the Association for any insurance coverage or otherwise as may be recommended by the Association's insurer, and assist the Board in procuring or maintaining such insurance coverage. This authority shall include such measures as the Board may reasonably require so long as the cost of such work does not exceed three times the monthly assessment per Lot in any 12 month period.

(b) In addition to any other rights the Association may have, if a Lot Owner does not comply with any requirement made by the Association pursuant to subsection 5.4(a), the Association, upon 15 days written notice (during which period the Lot Owner may perform the required act or work without further liability), may perform the required act or work at the Lot Owner's sole cost. Such cost will be an assessment that is the personal obligation of the Owner and a lien on the Owner's Lot. Any such assessment will be collected as provided in Article 4 of this Declaration.

Section 5.5 Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly the Owner's obligation with regard to the maintenance, repair, or replacement of items of which he or she is responsible hereunder, then, the Association will give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's sole cost and expense. The notice will set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors.

Unless the Board of Directors determines that an emergency exists, the Owner shall have ten days to complete maintenance, repair, or replacement; however, if it is not possible for the maintenance, repair, or replacement to be completed within ten days, the Owner must at least commence maintenance, repair or replacement during those ten days. If the Board determines that: (a) an emergency exists or (b) that an Owner has not complied with the demand given by the Association as herein provided, then the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs will be added to and become a part of the assessment to which such Owner is

subject and will become and be the personal obligation of the Owner and a lien against the Lot to be collected as provided for in this Declaration and in the Association's collection policy.

Section 5.6 **Maintenance Standards and Interpretation.** The maintenance standards and the enforcement thereof and the interpretation of maintenance obligations under this Declaration may vary from one term of the Board to another term of the Board. These variances shall not constitute a waiver by the Board of the right to adopt and enforce maintenance standards under this article. No decision or interpretation by the Board will constitute a binding precedent with respect to subsequent decisions or interpretations of the Board.

ARTICLE 6. PARTY WALLS AND FENCES

Section 6.1 **General Rules of Law to Apply.** Each wall and fence built as a part of the original construction of the residences or Lots which serves and separates any two adjoining Lots or residences constitutes a party wall or fence and, to the extent not inconsistent with the provisions of this article, the general rules of law regarding party walls and fences and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 6.2 **Sharing of Repair and Maintenance.** The cost of reasonable repair and maintenance of a party wall or fence will be shared by the Owners who make use of the wall or fence in equal proportions.

Section 6.3 **Damage and Destruction.** If a party wall or fence is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has benefited by the wall or fence may restore it, and the other Owner or Owners thereafter who are benefited by the wall or fence must contribute to the cost of restoration of the wall or fence in equal proportions, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 6.4 **Right to Contribution Runs With Land.** The right of any Owner to contribution from any other Owner under this article is appurtenant to the land and will pass to such Owner's successors-in-title.

Section 6.5 **Arbitration.** In the event of any dispute arising concerning a party wall or fence each party will provide one arbitrator under the provisions article. Should any party refuse to appoint an arbitrator within 10 days after written request to do so by the Board, the Board will appoint an arbitrator for the refusing party. The arbitrators appointed will appoint one additional arbitrator, and the decision by a majority of all three arbitrators will be binding upon the parties. Compliance with this section is a condition precedent to any right of legal action that either party may have against the other in a dispute arising under the provisions of this article.

ARTICLE 7. ARCHITECTURAL REVIEW

Section 7.1 **Establishment of Architectural Review Committee.** The Architectural Review Committee ("Committee") shall consist of a minimum of 3 members appointed by the Board. If no Committee is appointed, the Board shall act as the Committee. The Board has the authority to remove any members of the Committee at its sole discretion.

Section 7.2 **Authority of Association to Hire Consultants.** If after review of an application with the Owner the Committee determines that a professional consultant is required to assist in the decision to approve or deny the request, the Association has the authority to select and employ professional consultants to assist the Committee. If the Committee determines that consultants are necessary, the Committee will notify the Owner of the cost of such consultants in advance of incurring any expense. The cost of such consultants shall be paid by the Owner of any Lot for which plans and

specifications have been submitted for approval. The Owner of any such Lot shall be responsible for paying the full cost of each review whether or not submitted plans and specifications are approved by the Committee, and the Committee may require payment of all such costs prior to approval of plans and specifications. The Committee also may charge reasonable fees to cover the cost of review or inspections performed hereunder, and any such fees shall be published in the design standards.

Section 7.3 Architectural Covenants. Except as otherwise provided herein, no Owner, Resident, or any other person may without first obtaining written approval of the Committee:

- (a) make any encroachment onto the Common Areas or other Lots;
- (b) make any exterior change, alteration, improvement or construction (including fences and landscaping) to the Lot or structures on the Lot;
- (c) make any interior alterations or additions that would affect the structural engineering of the residence or the residence on a neighboring Lot; and
- (d) except as provided for herein or by Colorado law, erect, place or post any object, sign, clothesline, storage area, speaker, light, storm door or window, fountain, flag, or other items on the exterior of the building or in any windows (other than standard window treatments visible from the exterior as provided herein) on any Lot.

However, a standard residential size American flag may be placed on a flag staff attached to the door frame of a residence.

Section 7.4 Required Action by the Association. Applications for approval of any exterior modification must be in writing and provide such information as the Committee may reasonably require. The Committee is the sole arbiter of such application and may withhold approval for any reason including purely aesthetic considerations, subject to the approval procedure provided below and provided no decision of the Committee may be arbitrary or capricious. The Association will be entitled to stop any construction that does not conform to the approved plans.

The standard for approval of exterior modifications or improvements includes but is not limited to (a) aesthetic consideration; (b) materials to be used; (c) compliance with the Community-Wide Standard, this Declaration or the architectural guidelines which may be adopted by the Board, if any; (d) harmony with the external design of the existing building, Lots and structures and the location in relation to surrounding structures and topography; and (e) any other matter deemed to be relevant or appropriate by the Committee.

If the Committee fails to approve or to disapprove such application within 60 days after the application and all information as the Committee may reasonably require have been submitted, then the Owner submitting the application shall issue written notice, via certified mail, to the Association President, informing the President of the Owner's intent to proceed with the modification as identified in the application. Unless the Association issues a written disapproval of the application within ten days of receipt of the Owner's notice, the approval will not be required and this section will be deemed complied with as to the items specifically identified in the application; however, even if the requirements of this section are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Declaration, the Bylaws, or the Rules and Regulations of the Association or of any applicable zoning or other laws.

Section 7.5 Condition of Approval. As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on the Owner's behalf and the Owner's successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance of such change, modification, addition, or alteration unless otherwise agreed to in writing by the Board. It is the responsibility of every Lot Owner to determine for on the Owner's behalf what

architectural modifications have been made to the Owner's Lot by any predecessor-in-interest. In the discretion of the Board, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner on behalf of the Owner and all successors-in-interest.

Section 7.6 Limitation of Liability. Review and approval of any application pursuant to this article may be made on any basis including solely the basis of aesthetic considerations, and neither the Committee nor the Board of Directors shall bear any responsibility for ensuring the design, quality, structural integrity or soundness of approved construction or modifications nor for ensuring compliance with building codes, zoning regulations, and other governmental requirements. Neither the Association, the Board of Directors, the Committee nor any member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner, design, or quality of approved construction on or modifications to any Lot, nor may any action be brought against the Association, the Board of Directors, the Committee or any member thereof for any such injury, damage or loss.

Section 7.7 No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board of Directors and the Committee will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. Each Owner further acknowledges that the Board of Directors may adopt different architectural standards for different parts of the Community based on street visibility and location of the proposed modification in the building. The approval of the Committee of any proposals, plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the Board of Directors, shall not constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

Section 7.8 Commencement of Construction. All changes, modifications and improvements approved by the Committee hereunder must be commenced within six months from the date of approval. If not commenced within such time, then such approval will be deemed revoked unless the Committee gives a written extension for commencing the work. All work approved by the Committee hereunder shall be completed in its entirety within 90 days from the date of commencement unless otherwise agreed in writing by the Committee. All approved changes, modifications, and improvements must be completed in their entirety. .

Section 7.9 Variances. The Committee may grant reasonable variances or adjustments from any conditions and restrictions imposed by this Declaration in order to overcome practical difficulties and unnecessary hardships arising by reason of the application of the conditions and restrictions contained in this Declaration or in architectural guidelines adopted by the Board. Such variances or adjustments may not be materially detrimental or injurious to other property or improvements in the Community.

Section 7.10 Right to Appeal. If the Board is not acting as the Committee, an Owner whose plans have been disapproved or conditionally approved may appeal any decision of the Committee to the Board within 30 days of the decision. The Board will review the decision of the Committee pursuant to the criteria set forth in this article and the architectural guidelines, if any. Any decision of the Committee may be overruled and reversed by a majority of the directors by a written decision setting forth the reasons for the reversal when the directors conclude that the Committee's decision was inconsistent with the criteria set forth in this article and/or the guidelines.

Section 7.11 Architectural Guidelines. The Committee may propose architectural guidelines from time to time, which guidelines may be approved by the Board and included in or with any Rules and Regulations of the Association. Board approval is necessary to affect any proposed architectural guidelines.

Section 7.12 Enforcement. Any construction, alteration or other work performed in violation of this article, any other provision of this Declaration, the architectural guidelines or any applicable zoning regulation will be deemed to be nonconforming. Upon written request from the Board,

a violating Owner must at the Owner's own cost and expense remove such nonconforming construction, alteration or other work and restore the Lot to substantially the same condition as existed prior to such construction, alteration or work. If the Owner fails to do so, the Association or its designees will have the right, in addition to all other available remedies to enter the Lot, remove the violation and restore the property; and any such expenses will be a specific assessment against the Lot to be collected as provided for in Article 4 of this Declaration and in the Association's collection policy. Alternatively, the Association may impose fines after reasonable notice and an opportunity for hearing.

The Association also has the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this article and its decisions. Furthermore, the Association has the authority to record in the Jefferson County records a notice of noncompliance with the provisions of this article. The Association may seek attorney fees incurred in enforcing the provisions of this article.

ARTICLE 8. USE RESTRICTIONS

Each Owner of a Lot shall be responsible for ensuring that the Owner's family, guests, tenants and Residents comply with all provisions of the Governing Documents and the Rules and Regulations of the Association. Furthermore, each Owner and Resident shall always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Owner's family, guests, tenants or Residents as a result of such person's violation of the Governing Documents, the Association may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the Owner's family, guests, tenants or Residents.

In addition to the following use restrictions, the Board of Directors may adopt Rules and Regulations in accordance with the terms hereof and as specified in the Bylaws.

Section 8.1 Use of Lots.

(a) Residential /Business Use. Each Lot shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Lot or any part of the Community except that the Owner or Resident residing in a Lot may conduct ancillary business activities or home occupations within the Lot so long as:

(i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside of the Lot;

(ii) the business activity does not involve visitation of the Lot by clients, customers, suppliers or other business invitees in greater volume than would normally be expected for guest visitation to a residential Lot without business activity and the business activity does not have more than one employee;

(iii) the business activity is legal and conforms to all zoning requirements for the Community, is clearly secondary to the residential use of the Lot, does not occupy more than 25% of the residence square footage or 900 square feet that shall include incidental storage areas, and does not have any exterior storage visible from the street or other residences;

(iv) the business activity does not increase traffic in the Community in excess of what would normally be expected for residential Lots in the Community without business activity (other than by a reasonable number of deliveries by couriers, express mail carriers, parcel delivery services and other such similar delivery services);

(v) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the Association's ability to obtain insurance coverage;

(vi) the business activity is consistent with the residential character of the Community and does not constitute a nuisance or a hazardous or offensive use or threaten the security or safety of other residents of the Community, as determined in the Board's discretion;

(vii) the business activity does not result in a materially greater use of Common Areas or Association services, including water usage (unless separately metered); and

(viii) the Owner of a Lot with an ancillary business activity in compliance with this section shall notify the Association in writing of the name and nature of the business immediately after receiving a permit from Jefferson County for a home based business.

Permitted home occupations include the following: craft work (such as the making of pottery and jewelry); garment work (such as tailoring dressmaking, ironing and garment repair); office facilities for sales representatives, professional consultants and professional services; repair services for small electronic, electrical and mechanical appliances; tutoring, music lessons and similar specialized tutorial or instructional endeavors, provided no more than two students are present at a time; and artistic endeavors (such as art studios, portrait studios, photography studios, writing and lithography).

The following home occupations are excluded: motor vehicle body or mechanical repair, modification or painting of motor vehicles and repair of internal combustion engines; animal hospitals or kennels; medical/dental facilities other than office consultation services; health care facilities providing residential services; restaurants; and day care businesses.

The terms "business" and "trade," as used herein, shall have their ordinary, generally accepted meanings and shall include without limitation any occupation, work, or activity undertaken on an ongoing basis that involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor.

The Association, its directors, officers and agents have no liability for any in-home occupation. Owners and Residents are required to comply with permitting requirements and any other requirements of Jefferson County.

(b) **Occupancy.** If an Owner of a Lot is a corporation, partnership, trust or other legal entity not being a natural person, the entity shall designate in writing to the Board the name(s) of the person(s) who will occupy the Lot. The designated person(s) to occupy the Lot may not be changed more frequently than once every six months without the express written consent of the Board as determined in the Board's sole discretion.

Section 8.2 Leasing. The Stanton Farms Townhomes Community is intended to be an owner-occupied community. However, any Owner shall have the right to lease or allow occupancy of a Lot upon such terms and conditions as the Owner may deem advisable, subject to restrictions of this Declaration, subject to restrictions of record, and subject to the following:

(a) "Leasing" or "Renting" for the purposes of this Declaration is defined as regular exclusive occupancy of a Lot by any person other than the Owner. If an Owner occupies a Lot as the Owner's primary residence, occupancy by an Owner's roommate will not be considered leasing.

(b) Short term occupancies and rentals shall not be less than six months in duration without prior written consent of the Board, provided that no lease term may be for less than 30 days.

(c) All leases or rental agreements shall be in writing and shall provide that the leases or rental agreements are subject to all terms of the Governing Documents. The Association shall

have the authority to require a particular lease form or addendum to implement the provisions of this section. Owners are required to provide tenants with copies of the current Declaration and any Rules and Regulations of the Association.

(d) Each Owner who leases the Owner's Lot will provide the Association, upon request, a copy of the current lease and tenant information including the names of all occupants, vehicle descriptions including license plate numbers, and any other information reasonably requested by the Association or its agents (rent amount may be redacted).

(e) Each Owner is strongly encouraged to conduct full background checks including credit and criminal reports for each lease applicant.

(f) All occupancies, leases and rental agreements of Lots shall state that the failure of the tenant, lessee, renter or their guests to comply with the terms of the Governing Documents shall constitute a default of the occupancy, lease or rental agreement and of this Declaration and such default shall be enforceable by either the Association or the landlord or by both of them.

(g) All occupancies of Lots shall be subject to the right of the Association to remove and/or evict the occupant for failure to comply with the terms of the Declaration, the Bylaws of the Association, the Articles of Incorporation or the Rules and Regulations of the Association. If the Association requests that the Owner evict the Owner's tenant based on the terms of this Declaration, and the Owner fails to commence such action within 30 days of the date of the Association's request and notice, the Association may commence eviction proceedings. Upon failure by the Owner to comply with the Association's request to evict, the Owner delegates and assigns to the Association, acting through the Board, the power and authority to evict the lessee as attorney-in-fact on behalf of and for the benefit of the Owner. If the Association evicts the lessee, any costs including, but not limited to reasonable attorney fees actually incurred and court costs associated with the eviction shall be an Assessment and lien against the Lot.

(h) Leases shall be for or of the entire Lot.

(i) All Owners who reside at a place other than the Lot shall provide to the Association an address and phone number(s) where the Owner can be reached in the case of emergency or other Association business. It is the Owner's sole responsibility to keep this information current.

(j) The Association shall have the authority to adopt Rules and Regulations regarding leasing including the implementation of this restriction and as allowed by law.

Section 8.3 Use of Common Areas. There will be no obstruction of the Common Areas, nor will anything be kept, parked, or stored on or removed from any part of the Common Areas without the Association's prior written consent, except as specifically provided for in the Governing Documents. The Association will not be liable to the Owner or the Owner's Residents, guests, family members and invitees, for loss or damage, by theft or otherwise, of any property that may be stored in or upon any of the Common Areas.

Section 8.4 Use of Private Streets. All streets in the Community are Common Areas and are designated as fire lanes unless otherwise marked. No dirt bikes, ATV's or any other similar types of unlicensed gas or electric powered recreational vehicles or toys are allowed on the Community's private streets. Properly licensed motor vehicles and bicycles are permitted on the private streets.

Section 8.5 Use of Patios, Decks and Porches and Balconies. Front porches and sidewalks shall remain clean and unobstructed. Objects over 42 inches in height, laundry garments and objects other than potted plants and patio furniture, except as may be authorized by the Board or as set forth in the Rules and Regulations, are prohibited from being placed on a patio, deck, balcony or porch. No wood piles or other objects may be placed against the siding. Objects may not hang over or be

attached to any fence or otherwise protrude outside the vertical plane formed by the exterior surface of the fence.

Section 8.6 Use of Garages. Garages will be used solely for the purpose of storing vehicles and any other personal property belonging to the Owner or Resident. No Owner or Resident may store any explosives or any flammable, odorous, noxious, corrosive, hazardous or pollutant materials or any other goods in the garage that would cause danger or nuisance to the Community. Garages may not be used for any purposes unlawful or contrary to any ordinance, regulation, fire code, or health code. If hazardous substances are stored, used, generated or disposed of in the garage, or if the garage becomes contaminated in any manner for which the Owner or Resident thereof is legally liable, Owner or Resident will indemnify and hold harmless the Association and Board of Directors from any and all claims, damages, fines, judgments, penalties, costs, liabilities or losses and any and all sums paid from settlement of claims, attorney's fees, consultant and expert fees, arising as a result of that contamination by Owner or Resident.

Section 8.7 Prohibition of Damage, Nuisance and Noise. Without the prior written consent of the Board of Directors, nothing shall be done or kept on the Property or any part thereof that would increase the rate of insurance on the Property or any Lot or part thereof, that would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body or which would increase the Common Expenses.

The residences on the Lots in the Community are built in close proximity to one another, resulting in the sharing of common walls. As a result, noise and vibration may be detectable between Lots. Therefore, an Owner or Resident shall not conduct activities within a Lot or use a Lot in a manner that interferes with or causes disruption to the use and quiet enjoyment of another Lot by its respective Owner and Resident.

Noxious, destructive, offensive or unsanitary activity may not be carried out upon the Property. No Owner or Resident may use or allow the use of the Lot or any portion of the Property at any time in any way that may endanger the health or property of other Residents, or unreasonably annoy, disturb or cause embarrassment or discomfort to other Owners or Residents, or, in the Board's discretion, constitute a nuisance. The intention of this provision is to grant the Association and aggrieved Owners and Residents a right of redress for actions, activities or conduct that unreasonably disturbs or impairs the peaceful and safe enjoyment of the residences.

Nothing in this section will be construed to affect the rights of an aggrieved Owner or Resident to proceed individually against a violator hereof for relief from interference with the Owner's property or personal rights, and the Board may, in its discretion, require aggrieved individuals to seek redress personally for interference with their individual rights before the Association intervenes and commences enforcement action hereunder. No claim for any loss, damage or otherwise will exist by an aggrieved Owner or Resident against the Association for failure to enforce the provisions hereof if the aggrieved Owner or Resident has not personally pursued all available remedies against the violator for redress provided under Colorado law.

Specific unauthorized and unreasonable annoyances or disturbances shall include but not be limited to the following:

(a) any fighting, screaming, shouting, excessively loud talking, loud playing of music or television, raucous behavior or insobriety either outside of a Lot at any time or within a Lot if such conduct can be heard in the normal course of activities in any other Lot(s);

(b) the use of any alarm, equipment, or device, mechanical or otherwise, that creates or produces excessively loud sounds or any vibrations either outside of a Lot at any time or within a Lot if such sounds can be heard or vibrations felt in the normal course of activities in any other Lot(s), except for residence or car alarms that will turn off in a maximum of 15 minutes;

(c) any threatening or intimidating conduct towards any Resident, guest or pet in the Community;

(d) any conduct which in the Board's reasonable discretion creates any danger or risk of injury to others or damage to property in the Community or which creates any threat to health or safety of any other Resident or pet;

(e) any excessively loud play activities either outside of a Lot at any time or within a Lot if such conduct can be heard in the normal course of activities in any other Lot(s);

(f) any conduct which creates any noxious or offensive odor either outside of a Lot at any time or within a Lot if such odors can be detected in the normal course of activities in any other Lot(s);

(g) any incessant or excessive pet noises including dog barking if such conduct can be heard in the normal course of activities in any other Lot(s);

(h) any construction or similar activities in a Lot that can be heard in other Lots between the hours of 9:00 p.m. and 7:30 a.m.; and

(i) using or allowing the use of the Lot or the Common Areas in any manner which creates noise between the hours of 10:00 p.m. and 7:30 a.m. which can be heard by persons in another Lot that will in the Board's sole discretion unreasonably interfere with the rights, comfort or convenience of any other Owner, members of the Owner's family, guests, invitees, or Residents.

Section 8.8 No Damage or Waste. No Owner, Resident or agent of either may do any work that would jeopardize the soundness or safety of any structure within the Community or would impair any easement or other interest in the Community without prior written consent of all Association Members and their first Mortgagees.

No damage to or waste of the Common Areas or services including use of water will be permitted by any Owner or any Resident, guest, family member or invitee of any Owner. Each Owner and Resident will indemnify and hold the Association and the other Owners harmless against all loss to the Association or other Owners resulting from any such damage or waste caused by the Owner or Resident or the Owner's or Resident's guest, family member or invitee. Violations of water restrictions may be assessed to the violator for use of additional water

Section 8.9 Pets. Owners and Residents may not keep any animals other than two generally recognized household pets on any portion of the Property outside their residences. Notwithstanding the limitation on the number of pets, if an Owner or Resident has more than two pets, the pets on the Lot as of the date of this Amended and Restated Declaration are grandfathered, but when such pets die or are otherwise removed from the Lot, they may not be replaced.

No pot-bellied pigs, chickens, venomous snakes, serval cats, wolf hybrids or other animals determined by the Board's sole discretion to be dangerous animals may be brought into or kept in the Community at any time. The Board of Directors may adopt Rules and Regulations further implementing this section, including but not limited to Rules and Regulations defining generally recognized household pets and prohibiting certain breeds of dogs that are deemed to be dangerous by the Board's discretion.

No Owner or Resident may keep, breed or maintain any pet for any commercial purpose. No structure for the care, housing, or confinement of any pet shall be constructed or maintained on any part of the Common Areas or the Lots without the prior written approval of the Association. Dogs staked on a Lot must be kept on a leash or other restraint not longer than seven feet. Except for dogs that are staked on a Lot as permitted herein or that are confined within a Lot by a fence, dogs must be kept on a leash not to exceed seven feet in length and be under the physical control of a responsible person at all times

while outside of the residence. Feces left by pets upon the Common Areas or on Lots including the pet owner's Lot, must be removed promptly by the owner of the pet or the person responsible for the pet. Owners will be responsible for the cost of any damage caused by pets residing in their Lot and such amounts will be collected as provided for in this Declaration and the Association's collection policy.

The Board may require that any pet that in the Board's opinion endangers the health of any Owner or Resident or creates a nuisance or unreasonable disturbance, be permanently removed from the Community upon ten days written notice. If the Owner or Resident fails to comply with such notice, the Board may remove the pet or obtain a court order requiring the Owner or Resident to do so.

Any Owner or Resident who keeps or maintains any pet in the Community is deemed to have agreed to indemnify and hold the Association, its directors, officers, and agents free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Community.

Section 8.10 Parking.

(a) General. Each Lot is entitled to one parking space. If a Lot has a garage, the parking space will be in the garage. If a Lot does not have a garage, the Association may assign a parking space to the Lot. Parking is subject to the Rules and Regulations adopted by the Board. Vehicles may only be parked in designated parking areas. All other portions of the roads are designated as emergency vehicle access lanes, and parking in such areas is prohibited. Vehicles may not be parked on sidewalks or on landscape areas.

(b) Prohibited Vehicles. Boats, trailers, jet-skis and trailers for same, oversized trailers, hauling trailers, pickup trucks over $\frac{3}{4}$ ton, panel trucks, buses, vans (excluding vans used by handicapped persons, mini-vans or sport utility vehicles used as passenger vehicles), recreational vehicles (as defined in the Rules and Regulations) are prohibited unless parked wholly within a garage if they can be enclosed with the garage door closed. Emergency vehicles, as defined in the Act, are permitted in the Community. Notwithstanding the above, otherwise prohibited vehicles are allowed temporarily on the Common Areas during normal business hours for the purpose of serving any Lot or the Common Areas; however, no such vehicle may remain on the Common Areas overnight or for any other purpose unless prior written consent of the Board is first obtained. Recreational vehicles in the process of being loaded or unloaded before or after use may be parked in parking areas for a maximum of 48 hours within any 30 day period.

(c) No unlicensed, stored, abandoned or inoperable vehicles may be parked in the Community outside of a garage. No stored or abandoned or inoperable vehicles of any kind may be stored or parked on the Common Areas. An "abandoned or inoperable vehicle" is defined as any passenger car, truck, motorcycle, boat, trailer, camper house trailer, self-contained motorized recreational vehicle, or other similar vehicle that for a period of two days or longer does not have an operable propulsion system installed therein, has one or more flat tires or has another condition preventing the regular and normal operation and movement of the vehicle. A vehicle will be considered "stored" if it remains in the same location in the Community for 14 consecutive days or longer without prior written Board permission.

(d) Enforcement. If any vehicle is parked on any portion of the Community in violation of this section or in violation of the Rules and Regulations, the Board or agent of the Association may place a notice on the vehicle specifying the nature of the violation and stating that after 24 hours the vehicle may be towed. The notice will include the name and telephone number of the person or entity that will do the towing and the name and telephone number of a person to contact regarding the alleged violation. If 24 hours after such notice is placed on the vehicle the violation continues or occurs again within six months of such notice, the Board or agent of the Association may have the vehicle towed in accordance with the notice without further notice to the vehicle owner or user.

If a vehicle located in the Community is blocking another vehicle or access to another Owner's parking space or garage, is obstructing the flow of traffic, is parked on any grassy area, is parked within 30 feet of US Postal Service mailboxes, or otherwise creates a hazardous condition, no notice will be required, and the vehicle may be towed immediately in accordance with the governmental regulations.

If a vehicle is towed in accordance with this section, neither the Association nor any director, officer or agent of the Association will be liable to any person for any claim of damage as a result of the towing. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions rather than exercise its authority to tow.

Section 8.11 Vehicle Repair and Polishing. Maintenance, repair, rebuilding, dismantling, repainting, or any kind of servicing of vehicles, trailers or boats may not be performed or conducted in the Community unless done within a completely enclosed garage that screens the sight and sound of the activity from the street and from adjoining property. Washing vehicles in the Community is prohibited. This restriction does not prohibit polishing of any motor vehicle except recreational and commercial vehicles together with those activities normally incident and necessary to polishing.

Section 8.12 Heating of Lots in Colder Months. To prevent breakage of water pipes during colder months of the year resulting in damage to the Community, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the residences on the Lots shall be maintained with the heat in an "on" position and at a minimum temperature setting of 55° Fahrenheit (except during power failures or periods when heating equipment is being repaired) whenever the temperature is forecasted to or does reach 32° Fahrenheit or below. Owners and Residents of Lots shall take all reasonable steps on a timely basis to keep heating equipment including, but not limited to the thermostat in good working order and repair.

Section 8.13 Window Treatments. Unless otherwise approved in writing by the Board, all windows in residences must have standard window treatments that include blinds, shades, draperies, and/or curtains.

Section 8.14 Window Air Conditioners. Subject to the Association's Rules and Regulations, window air conditioners are permitted, but no window air conditioner supports attached to the outside of a building are permitted.

Section 8.15 Signs. Except as may be provided in this Declaration or the Rules and Regulations or as may be required by state law or legal proceedings, no signs, advertising posters, political placards or billboards of any kind shall be erected, placed, or permitted to remain in the Community without the prior written consent of the Board or its designee except as follows: (a) one professional security sign not to exceed six inches by six inches in size may be displayed from within a residence on a Lot and one professional security sign not larger than one foot by one foot may be placed outside the residence on a Lot as long as no damage is done to irrigation lines; (b) one professionally lettered "For Rent" or "For Sale" sign not to exceed five square feet in size may be displayed in a window of the residence of the Lot being offered for sale or lease; and (c) political signs as permitted by Colorado law. No signs, except professional security signs, may be placed in turf areas on a Lot or the Common Areas. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association.

Section 8.16 Rubbish, Trash, and Garbage. All rubbish, trash, and garbage shall be regularly removed from the Lot and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the Common Area or outside the residence on a Lot, temporarily or otherwise, except in trash cans with tops that are secured to keep animals and birds out. Rubbish, trash, and garbage shall be disposed of in appropriate sealed bags and either placed in the trash cans or placed (without a trash can) for collection or removal from the Community. Trash cans stored on a Lot must be concealed from view of the street except from the evening on the day before collection to midnight on the day of collection.

Section 8.17 Unightly, Unkempt and Hazardous Conditions. The pursuit of activities that might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Common Areas or on the Lots. Clothing, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the residence on the Lot. No activities are permitted that are or may be unsafe or hazardous to any person or property. Without limiting the generality of this restriction, no firearms may be discharged in the Community and no open fires are permitted on the Common Areas and are only permitted on Lots if in a contained barbecue unit that complies with local ordinances.

Section 8.18 Antennas and Satellite Dishes. Except as provided below, no satellite dish, antenna or other device for the transmission or reception of television signals, radio signals or any form of electromagnetic wave or radiation shall be erected, used or maintained on any portion of the Community including the Lot; however, the Association shall have the right to erect, construct and maintain such devices. The following shall apply to all Lot Owners:

(a) No transmission antenna of any kind may be erected anywhere in the Community including the Lots without written approval of the Board of Directors.

(b) No direct broadcast satellite (DBS) antenna or broadband radio service (BRS) antenna larger than one meter in diameter shall be placed, allowed or maintained upon a Lot.

(c) DBS and BRS satellite dishes or antennas one meter or less in diameter and television broadcast service antennas may only be installed in accordance with Federal Communication Commission (FCC) rules and this Declaration and the Association's Rules and Regulations, both as may be amended from time to time. Such items shall be installed in the least conspicuous location available on the Lot that permits reception of an acceptable signal. Such items installed on a residence must be attached to the fascia or trim of the residence. If installed on any other Area of Common Responsibility, including the roof or siding, the Lot Owner will be responsible for the cost of the Association removing and replacing the dish or antenna to allow the Association to perform its maintenance obligations and for the cost of repairing any damage to the roof or siding. Any cable for a satellite dish or antenna must be concealed from view to the extent feasible.

If a Lot including a satellite dish or antenna is transferred, the grantee shall assume all responsibility for the satellite dish or antenna and/or removal of such dish or antenna and shall comply with this Declaration and the Rules and Regulations regarding satellite dishes and antennas including, but not limited to those requirements relating to maintenance and removal of satellite dish or antenna.

Section 8.19 Grilling. The use of outdoor grills on any portion of the Community shall be governed by applicable state laws and local ordinances having jurisdiction over the Community.

Section 8.20 Temporary Structures. No outbuilding or temporary structure including sheds, trailers, mobile homes, tents, or detached garages or carports, are allowed on any Lot unless approved in writing by the Committee. Further, no outbuilding or temporary structure may be used on any Lot at any time for residential purposes either temporarily or permanently.

Section 8.21 Clotheslines and Storage. No clotheslines, dog runs, drying areas, service yards, or storage areas shall be located so as to be visible from a Lot or the Common Area except that retractable clotheslines that are retracted when not in use may be used on a Lot in accordance with Colorado law.

Section 8.22 Solar Panels. Upon prior written approval of the Association, an Owner may install solar panels on the Lot to the rear of the residence. The Association may adopt additional guidelines regarding solar panel installation and maintenance.

Section 8.23 Rules and Regulations. The Board of Directors may adopt, amend and repeal Rules and Regulations concerning and governing the Community in furtherance of the provisions of this Declaration and the general plan of development. The Board of Directors may also establish and enforce penalties for infractions of the rules including, but not limited to fines.

Section 8.24 Use of the Words Stanton Farms Townhomes, Stanton Farms Townhomes Community, and Stanton Farms Townhomes Association. No resident or Owner shall use the words Stanton Farms Townhomes, Stanton Farms Townhomes Community or Stanton Farms Townhomes Association or the logo of the Community or Association, if any, or any derivative thereof, in connection with any goods, materials or services, the use of which is likely to cause confusion, mistake or deception as to the source or origin of such goods, materials or services without the prior written consent of the Association.

ARTICLE 9. INSURANCE

Section 9.1 Association's Property Insurance. The Association will obtain and maintain at all times, as a Common Expense property insurance as required herein. The Association will use reasonable efforts to secure a blanket hazard insurance policy providing "special form" coverage in an amount equal to full replacement cost before application of deductibles. If "special form" coverage is not reasonably available at reasonable cost, the Association shall obtain at a minimum broad form covered causes of loss in like amounts.

The Association's insurance will cover the Common Areas and the exterior structures of the buildings. The Association's insurance policy will cover any of the following types of property contained within a residence as originally installed: (a) fixtures originally installed that are part of the building or structure; and (b) appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping. The Association's policy does not cover betterments and improvements made by Owners or Owners' predecessors-in-title.

All property insurance purchased by the Association will run to the benefit of the Association, the Board of Directors, officers, all agents and employees of the Association, the Owners and their respective Mortgagees, and all other persons entitled to occupy any Lot as their interests may appear.

All insurance coverage for the Association will be written in the name of the Association as first named insured and each of the Owners as additional insureds. The Association will periodically review the insurance to determine if the policy in force is adequate to meet its needs.

Section 9.2 Other Association Insurance. In addition to the insurance required above, the Association will obtain as a Common Expense:

(a) Workers' compensation insurance if and to the extent necessary to meet the requirements of law;

(b) General liability insurance in amounts no less than \$1,000,000.00, and directors' and officers' liability insurance in such amounts as the Board may determine. The general liability insurance shall contain a cross liability endorsement;

(c) Directors and officers liability insurance covering monetary and non-monetary claims.

(d) Fidelity insurance if reasonably available covering officers, directors, employees, and other persons who handle or are responsible for handling Association funds in an amount as required by law, or in the lack of such requirements, consistent with the best business judgment of the Board of Directors;

(e) Flood insurance on any portion of the Community in a designated Special Flood Hazard Area which will provide coverage equivalent to that provided under the National Flood Insurance Program; and

(f) Such other insurance as the Board of Directors may determine to be necessary or desirable.

Section 9.3 Standards for Association Policies.

(a) The Association will use reasonable efforts to obtain policies that will provide the following:

(i) Each Owner is an insured person under the policy with respect to liability arising out of such Owner's interest in the Common Areas or membership in the Association;

(ii) The insurer waives its rights of subrogation of any claims against directors, officers, the managing agent, the individual Owners and their respective household members;

(iii) No act or omission by any Owner not under the control of the Association will void the policy or be a condition to recovery under the policy;

(iv) Ordinance or law coverage, demolition cost coverage and increased cost of construction coverage;

(v) Any "other insurance" clause contained in the master policy will expressly exclude individual Lot Owners' policies from its operation;

(vi) The master policy may not be canceled, substantially modified, or subjected to non-renewal without at least 30 days prior notice in writing to the Association and all Mortgagees of Lots except in instances of nonpayment of premiums, which will require at least ten days prior written notice; and

(vii) All insurance policies of the Association will be primary if there is other insurance in the name of the Owner.

(b) All policies of insurance will be written with a company licensed to do business in the State of Colorado. The company will provide insurance certificates to each Owner and each Mortgagee upon request. Exclusive authority to adjust losses under the Association's policies will be vested in the Association's Board of Directors; however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(c) Insurance carried by the Association as a Common Expense shall not be required to include: (i) any part of a Lot that is not depicted on the Plat; or (ii) any part of a Lot that was not included as part of the collateral for the initial loan made for the initial purchase of the Lot; nor shall the Association include public liability insurance for individual Owners for liability arising within the Lot.

Section 9.4 Insurance Deductibles. Unless otherwise specified in guidelines or a resolution adopted by the Board in writing, any required deductible on the Association's policy will be a maintenance expense to be paid by the person or persons who would be responsible for the repair or maintenance of such loss in the absence of insurance. If the loss affects more than one Lot or a Lot and the Common Areas, the cost of the deductible may be apportioned equitably by the Board among the parties suffering loss in proportion to the total cost of repair. Notwithstanding this, if the insurance policy provides that the deductible will apply to each Lot separately or to each occurrence, each Owner will be responsible for paying the deductible pertaining to the Owner's Lot, if any. If any Owner or Owners fail to

pay the deductible when required under this section, then the Association may pay the deductible and assess the cost to the Owner or Owners pursuant to Article 4 of this Declaration.

Section 9.5 Owners' Insurance. Every Lot Owner is obligated to obtain and maintain at all times insurance covering those portions of the Owner's Lot to the extent not insured by policies maintained by the Association including, but not limited to insurance on betterments and improvements made by Owner or Owner's predecessors-in-interest. Each Lot Owner is also responsible for obtaining insurance covering the Owner's personal property and coverage for liability arising within the Lot. The Association shall have no liability for the failure of any Lot Owner to maintain required insurance. Upon request by the Board, the Lot Owner shall furnish a copy of such insurance policy or policies to the Association.

Section 9.6 Owner's Right to Review Association Insurance Policies. The Association will make a copy of its insurance policies available for review by Owners to allow Owners to assess their personal insurance needs. Each Owner has the right to obtain additional coverage at the Owner's expense.

Section 9.7 Source and Allocation of Proceeds. If the proceeds of insurance are not sufficient to defray the costs of reconstruction and repair due to failure of the Association to maintain coverage as provided in this Declaration, the additional cost will be a Common Expense. If, for any other reason, the proceeds of insurance are not sufficient to defray the costs of reconstruction and repair as determined by the Association, the additional costs will be assessed against the Owners of the Lot(s) damaged in proportion to the damage to the Lot as an individual Lot assessment or against all Owners, in the case of insufficient funds to cover damage to the Common Areas or Areas of Common Responsibility. This assessment will not be considered a special assessment as provided in this Declaration. If there are surplus funds after repair and reconstruction is completed, those funds will be common funds of the Association to be used as directed by the Association.

Section 9.8 Repair and Reconstruction Requirements. In the event of damage to or destruction of all or any part of the Community as a result of fire or other casualty, the Association will arrange for and supervise the prompt repair and restoration of the structure unless Owners holding at least 67% of the total Association vote, including the Owner(s) of any damaged Lot(s) and Mortgage Holders that represent at least 51% of the votes of Lots that are subject to mortgages held by Mortgage Holders, vote not to proceed with the reconstruction and repair of the structure. In the event of substantial damage or destruction, each holder of a first Mortgage will be entitled to written notice of the damage, and nothing in these documents is to be construed to afford a priority to any Owner with respect to the distribution of proceeds to any such Lot.

Section 9.9 Construction Fund. The net proceeds of the insurance collected on account of a casualty and the funds collected by the Association from assessments against Owners on account of the casualty will constitute a construction fund that will be disbursed in payment of the cost of reconstruction and repair in the manner set forth in this Declaration to be disbursed by the Association in appropriate progress payments to the contractor(s), supplier(s), and personnel performing the work or supplying materials or services for the repair and reconstruction of the buildings as are designated by the Association.

ARTICLE 10. EASEMENTS

Section 10.1 Easements for Use and Enjoyment. Every Lot Owner and Resident shall have a right and non-exclusive easement of ingress and egress, use and enjoyment in and to the Common Area that are appurtenant to and pass with the title to the Owner's Lot, subject to the following provisions:

(a) the right of the Association to have access to the Lots to discharge its rights and obligations under the Governing Documents including without limitation the maintenance responsibility of the Association;

(b) the right of the Association to suspend the voting rights of an Owner for any period during which any assessment or charge against the Owner's Lot which is provided for herein remains unpaid and for a reasonable period of time for an infraction of the Declaration, Bylaws, or Rules and Regulations;

(c) the right of the Association to borrow money as set forth in Article 4 of this Declaration; however, the lien and encumbrance of any such security interest given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for any Lot or Lot Owner or the holder of any Mortgage, irrespective of when executed, encumbering any Lot (any provision in this Declaration or in any such security interest given by the Association to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default thereunder shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of any Lot or Lot Owner or the holder of any Mortgage, irrespective of when executed, encumbering any Lot.);

(d) the right of the Association to grant easements, leases and licenses across the Common Area;

(e) the right of the Association to adopt Rules and Regulations regarding the use of Common Area;

(f) the right of the Association to dedicate or transfer all or any portion of the Common Area subject to approval of Owners holding 67% of the total Association vote, provided that the Board shall have the right to enter into agreements with any public authority for purposes necessary and beneficial in the Board's discretion to achieve the goals of the Association; and

(g) Any Lot Owner may delegate the Owner's right to use and enjoy the Common Areas and facilities to members of the Owner's family, tenants and guests. If a Lot is leased, the Lot Owner will be deemed to have made a delegation of all such rights to the Residents of the Owner's Lot.

Section 10.2 **Easement for Entry.** The Association has an easement to enter onto Lots, for maintenance, emergency, or safety purposes. Entry of a residence on a Lot shall be only during reasonable hours and after reasonable notice to the Owner or Resident of the Lot. No one exercising the rights granted in this section shall be liable for trespass, damages, or in any other manner by virtue of exercising such rights. The failure to exercise the rights herein or to exercise said rights in a timely manner shall not create liability to any of the above-referenced parties, it being agreed that no duty to enter a Lot shall exist.

Each Owner will also afford to other Owners and to their agents or employees, access over the Owner's Lot (but not the residence) reasonably necessary to allow other Owners to fulfill their respective maintenance, repair and replacement obligations.

If damage is inflicted or a strong likelihood exists that it will be inflicted on the Common Area or any Lot through which access is taken, the party responsible for the damage is liable for the expense to avoid damage or the cost of prompt repair.

Section 10.3 **Support.** Every portion of a Lot contributing to the support of an abutting Lot shall be burdened with a non-exclusive easement of support for the benefit of such abutting Lot.

Section 10.4 **Encroachments.** To the extent that any Lot or Common Area encroaches on any other Lot or Common Area, a valid easement for the encroachment exists. The easement does not relieve a Lot Owner of liability in case of willful misconduct.

Section 10.5 Utilities. To the extent that any utility line, pipe, wire, or conduit serving any Lot, Lots or the Common Areas lies wholly or partially within the boundaries of another Lot or the Common Areas, such other Lot, Lots, or the Common Areas shall be burdened with a non-exclusive easement for the use, maintenance, repair and replacement of such utility line, pipe, wire or conduit, such non-exclusive easement to be in favor of the Lot, Lots, or Common Areas served by the same and the Association.

Section 10.6 Public in General. The easements and rights created in this article do not are not intended to and shall not be construed to create any easements or rights in or for the benefit of the general public; however, nothing set forth herein shall in any way limit or restrict any existing easements or rights already granted to the public as such easements or rights are previously recorded in the Jefferson County, Colorado records.

ARTICLE 11. AUTHORITY AND ENFORCEMENT

Section 11.1 Compliance With and Enforcement of Governing Documents.

(a) Compliance Required. Every Owner and Resident will comply with the applicable provisions of the Governing Documents. Any aggrieved Owner has the right to take action to enforce the terms of the Governing Documents against another Owner.

(b) Association Remedies. The Association may enforce all applicable provisions of the Governing Documents and may impose sanctions for violation thereof. Sanctions may include, without limitation:

(i) imposition of reasonable monetary fines after notice and opportunity for a hearing, which fines will be a lien upon the violator's Lot;

(ii) suspension of the right to vote;

(iii) suspension of any services provided by the Association to an Owner or the Owner's Lot if the Owner is more than 30 days delinquent in paying any Assessment or other charge owed to the Association;

(iv) exercise of self-help or action to abate any violation of the Governing Documents in a non-emergency situation, subject to any requirements as may be set forth in this Declaration including those related to maintenance, repair or replacement;

(v) requiring an Owner at the Owner's expense to remove any structure or improvement on the Lot or the Common Area in violation of the Governing Documents and to restore the Lot or the Common Area to its previous condition and, upon failure of the Owner to do so, the Association will have the right to enter the Lot/Common Area, remove the violation and restore the Lot/Common Area to substantially the same condition as previously existed, and any action will not be deemed a trespass;

(vi) record in the Jefferson County real property records a notice of violation identifying any uncured violation of the Governing Documents; and

(vii) other remedies provided for in this Declaration or by applicable law.

(c) Emergencies and Legal Action. In addition, the Association may take the following enforcement procedures to seek compliance with the Governing Documents:

(i) exercise self-help in any emergency situation (specifically including but not limited to towing vehicles that are in violation of any parking Rules and Regulations); and/or

(ii) institute any civil action to enjoin any violation or to recover monetary damages or both.

(d) **Remedies Are Cumulative.** All remedies set forth in the Governing Documents will be cumulative of any remedies available at law or in equity.

(e) **Costs Incurred By Association.** If the Association exercises any of its rights pursuant to this section, all costs will be assessed against the violating Owner or Resident and will be a lien against the Lot. Additionally, subject to the Act, the Association will also be entitled to reasonable attorney fees actually incurred, which will be collected as an assessment.

Section 11.2 Failure to Enforce. The decision to pursue enforcement action in any particular case will be left to the Association's discretion but the Association may not be arbitrary and capricious in taking enforcement action. The Association's failure to enforce any provision of the Declaration, Bylaws or Rules and Regulations is not deemed a waiver of its right to do so thereafter. No claim or right of action exists against the Association for failure of enforcement where: (a) the Association determines that its position is not strong enough to justify taking enforcement action; (b) a particular violation is not of such a material nature as to be objectionable to a reasonable person or justify the expense and resources to pursue; or (c) the Owner or party asserting a failure of enforcement possesses an independent right to bring an enforcement action at law or in equity and has failed to do so.

ARTICLE 12. AMENDMENTS

Except where a higher vote is required for action under any other provision of this Declaration or by the Act, in which case such higher vote shall be necessary to amend such provision, this Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the Owners holding at least 67% of the total Association vote.

Notice of any meeting at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and recorded in the Jefferson County, Colorado real property records.

Notwithstanding the foregoing, the Board of Directors without the necessity of a vote from the Owners may amend this Declaration to correct any scrivener's errors, comply with any applicable state, city or federal law, and/or to bring the Community into compliance with applicable Rules and Regulations of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA") pursuant to federal law.

Any action to challenge the validity of an amendment adopted under this article must be brought within one year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.

ARTICLE 13. GENERAL PROVISIONS

Section 13.1 Security. THE ASSOCIATION MAY BUT SHALL NOT BE REQUIRED TO FROM TIME TO TIME, PROVIDE MEASURES OR TAKE ACTIONS WHICH DIRECTLY OR INDIRECTLY IMPROVE SECURITY IN THE COMMUNITY; HOWEVER, EACH OWNER, FOR THE OWNER AND THE OWNER'S TENANTS, GUESTS, LICENSEES, AND INVITEES, ACKNOWLEDGE AND AGREE THAT THE ASSOCIATION IS NOT A PROVIDER OF SECURITY AND THE ASSOCIATION SHALL NOT HAVE A DUTY TO PROVIDE SECURITY IN THE COMMUNITY. FURTHERMORE, THE ASSOCIATION DOES NOT GUARANTY THAT NON-OWNERS AND NON-OCCUPANTS WILL NOT GAIN ACCESS TO THE COMMUNITY AND COMMIT CRIMINAL ACTS IN THE COMMUNITY; NOR DOES THE ASSOCIATION GUARANTEE THAT CRIMINAL ACTS IN THE COMMUNITY WILL NOT BE COMMITTED BY OTHER OWNERS OR OCCUPANTS. IT SHALL BE THE

RESPONSIBILITY OF EACH OWNER TO PROTECT THE OWNER'S PERSON AND PROPERTY AND ALL RESPONSIBILITY TO PROVIDE SUCH SECURITY SHALL LIE SOLELY WITH EACH OWNER. THE ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF MEASURES UNDERTAKEN.

Section 13.2 **Implied Rights.** The Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

Section 13.3 **Electronic Records, Notices and Signatures.** Notwithstanding any other portion of this Declaration, records, signatures and notices shall not be denied validity or effectiveness hereunder solely on the grounds that they are transmitted, stored, made or presented electronically. The relevant provisions of the Bylaws shall govern the giving of all notices required by this Declaration.

Section 13.4 **Duration.** The covenants and restrictions of this Declaration shall run with and bind the Property perpetually unless otherwise terminated as provided herein.

Section 13.5 **Severability.** Invalidity of any one of these covenants or restrictions by judgment or court order or otherwise shall in no way affect the application of such provision to other circumstances or affect any other provision(s), which shall remain in full force and effect.

Section 13.6 **Registration of Mailing Address.** Each Owner shall register the Owner's mailing address with the Association. All notices to be sent to the Owner shall be sent by regular U.S. mail addressed in the name of the Owner at the registered mailing address. If the Owner does not register a mailing address with the Association, all notices shall be sent to the Lot address.

[Signature on following page]

IN WITNESS WHEREOF, the undersigned officers of Stanton Farms Townhomes Association hereby certify that this Amended and Restated Declaration was adopted by the Members of the Association.

This 14th day of January, 2015.

STANTON FARM TOWNHOMES ASSOCIATION,
a Colorado Nonprofit Corporation

By: Sherry McManus

STATE OF COLORADO)
COUNTY OF Harrison) ss.

The foregoing Declaration was acknowledged before me by Sherry McManus
Secretary of the Association, on this 14th day of January, 2015.

Linda K Hepler
Notary Public
My commission expires: 02-05-2018

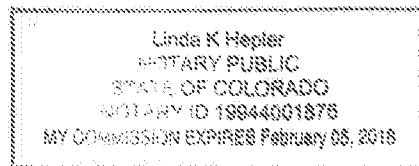


EXHIBIT "A"
LEGAL DESCRIPTION OF PROPERTY

Blocks 1 to 4 and Tract F as platted in Stanton Farms Subdivision as recorded in the Jefferson County Records under Reception No. 82068846, County of Jefferson, State of Colorado, being more particularly described as follows:

A parcel of land in the NE $\frac{1}{4}$ of Section 21, Township 5 South, Range 69 West of the 6th Principal Meridian, County of Jefferson, State of Colorado, more particularly described as follows:

Commencing at the Northwest corner of the NE $\frac{1}{4}$ of said Section 21; thence S 00°37'09" W, along the West line of said NE $\frac{1}{4}$, a distance of 2028.03 feet; thence S 89°22'51" E, a distance of 17.40 feet to a point of curve, said point lying on the Centerline of West Fair Avenue; thence along said curve to the right, having a central angle of 14°01'39", a radius of 833.00 feet, an arc distance of 203.94 feet to a point of tangent; thence S 75°21'12" E, along said tangent, a distance of 160.00 feet, to a point of curve; thence along said curve to the left, having a central angle of 33°00'00", a radius of 633.00 feet, an arc distance of 364.58 feet to a point of tangent; thence N 71°38'48" E, along said tangent, a distance of 151.03 feet, to a point of curve; thence along said curve to the right, having a central angle of 19°00'01", a radius of 315.79 feet, an arc distance of 104.72 feet to a point of tangent; thence S 89°21'11" E, along said tangent, a distance of 70.00 feet; thence N 00°38'49" E, a distance of 30.00 feet, to a point on the North right-of-way line of said West Fair Avenue, said point being the POINT OF BEGINNING; thence continuing N 00°38'49" E, departing said North right-of-way line, a distance of 20.00 feet; thence S 89°21'11" E, a distance of 493.80 feet, to a point on a curve; thence along said curve to the right, having a central angle of 23°06'54", a radius of 152.00 feet, an arc distance of 61.32 feet and whose chord bears N 14°05'22" E, a chord distance of 60.91 feet, to a point of tangent; thence N 25°38'49" E, along said tangent, a distance of 55.00 feet, to a point of curve; thence along said curve to the left, having a central angle of 33°49'23", a radius of 158.00 feet, an arc distance of 93.27 feet to a point; thence departing said curve N 81°49'25" E, a distance of 41.18 feet; thence S 59°21'11" E, a distance of 220.14 feet; thence N 30°38'49" E, a distance of 80.00 feet; thence S 59°21'11" E, a distance of 190.00 feet, to a point on the westerly line of Foothill Green South, Amendment No. 1, as recorded in the Clerk and Records Office in said Jefferson County in Book 47 at Page 8; thence S 30°38'49" W, along said westerly line, a distance of 275.00 feet, to a point on the Northerly right-of-way line of said West Fair Avenue; thence N 59°21'11" W, along said Northerly right-of-way line, a distance of 238.80 feet, to a point of curve; thence continuing along said Northerly right-of-way line, along said curve to the left, having a central angle of 30°00'00", a radius of 210.00 feet, an arc distance of 109.96 feet to a point of tangent; thence N 89°21'11" W, continuing along said Northerly right-of-way line, along said tangent, a distance of 530.73 feet, to the POINT OF BEGINNING; containing 2.49 acres, more or less.

Exhibit A