

DECLARATION OF COVENANTS

PROTECTIVE COVENANTS, LAND USE, RESTRICTIONS AND REGULATIONS

This Declaration, made this 9 day of October, 1973, by GIBRALTER FINANCE COMPANY, a Colorado Corporation and EVERITT LUMBER CO., INC., a Kansas Corporation licensed to do business in the State of Colorado, hereinafter collectively called "Developer", and DAVID E. A. JOHNSON, MARJORIE P. JOHNSON, FLORIAN F. BARTH, VIRGINIA M. BARTH, JOHN D. MORRIS, MARY ELLEN MORRIS and NELSON POLSEY, hereinafter all of the above, including the developer, shall be referred to as "Declarant";

WITNESSETH:

WHEREAS, Developer is the owner of a tract of land situate in the County of Summit, State of Colorado, more particularly described as follows:

A tract of land situated in the Dot Placer, M.S. No. 13358 in portions of Section 30, T7S, R77W, of the Sixth P.M. and Section 31, T7S, R77 W of the Sixth P.M. and Section 25, T7S, R78 W, of the Sixth P.M., in the Town of Blue River, County of Summit, State of Colorado; to wit:

Beginning at Corner No. 3 of said Dot Placer, thence N. 68° 17'13" W along the south line of said Dot Placer for a distance of 1849.25 feet to a point on the east R.O.W. line of Colorado State Highway No. 9, thence N 21°47'53" E along said R.O.W. for a distance of 223.45 feet, thence along said R.O. W. and to the right along the arc of a curve whose delta is 11°34' 47" and whose radius is 857.62 feet for a distance of 173.33 feet, thence 33°22'40" E along said R.O.W. for a distance of 658.98 feet, thence along said R.O.W. and to the left along the arc of a curve whose delta is 3°23'30" and whose radius is 5434.21 feet for a distance of 321.68 feet, thence N. 29°59'10" E along said R.O.W. for a distance of 316.32 feet to a point on the North line of said Dot Placer, thence S 72°52'10" E along said North line for a distance of 1146.47 feet to Corner No. 2 of said Dot Placer, thence S. 12°06'24" W along the east line of said Dot Placer for a distance of 2289.24 feet to the point of beginning. The tract contains 76.518 acres, more or less, all bearings are referenced to the recorded plat of "The '97 Subdivision Blue River Estates Inc."

The foregoing tract containing 76.518 acres, more or less, has been laid out, subdivided and platted under the name and style of "THE DOT, TOWN OF BLUE RIVER" according to the recorded plat thereof.

WHEREAS, declarant as all of the owners or persons claiming any interest in the above described real property, desires to create thereon a residential community with open spaces and any other common facilities for the benefit of the residents of the community; and,

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WHEREAS, declarant desires to provide for the preservation of the values and amenities in said community and for the maintenance of open spaces and other common facilities, and to this end, desires to subject the real property above described to the covenants, restrictions, conditions, easements, charges and liens hereinafter set forth, each and all of which are for the benefit of said property and each owner thereof; and,

NOW, THEREFORE, declarant hereby declares that the above described real property shall be held, sold, transferred, conveyed, and occupied subject to the covenants, restrictions, conditions, easements and liens which shall be deemed to run with the land and shall be a burden and benefit appurtenant to the land.

ARTICLE I

DEFINITIONS

The following words when used in this declaration or any supplemental declaration (unless the context shall prohibit), shall have the following meanings:

Section 1. "Property" The real property described above in this declaration in the County of Summit, State of Colorado.

Section 2. "Common Area" The developed and undeveloped green area and roads on the property.

Section 3. "Architectural Control Committee" The committee established pursuant to Article III, Section 1. of this declaration.

Section 4. "Owner" The record owner, whether one or more persons or entities of the fee simple title to any portion of the property, (including condominium units) but notwithstanding any applicable theory of mortgage or deed of trust, shall not mean or refer to the mortgage or deed of trust beneficiary unless and until such mortgage or deed of trust beneficiary has acquired title pursuant to foreclosure or proceeding in lieu of foreclosure. The buyer, under a recorded contract shall be considered the record owner of such property.

Section 5. "Plat" The Dot Plat as it is recorded and any replat of such Plat as it is recorded with the Clerk and Recorder of Summit County, Colorado.

Section 6. "Mortgagee" The person or entity who has a lien upon any of the properties by virtue of any mortgage or deed of trust.

Section 7. "Gibraltar Finance Company and Everitt Lumber Company" Includes the successors or assigns of the current owners of the property, Gibraltar Finance Company, a Colorado corporation, and Everitt Lumber Co., Inc., a Kansas Corporation licensed to do business in the State of Colorado.

ARTICLE II

GENERAL PURPOSES

Section 1. "Planned Residential Development" The development and improvement of the existing property shall be under the control of the developer as set forth in this declaration, and according to the zoning and subdivision laws and regulations of the Town of Blue River, Colorado.

Section 2. "Beneficial Use of the Property" These covenants are made for the purpose of creating and keeping the property, insofar as possible, desirable, attractive, beneficial and suitable in architectural design, materials and appearance; and guarding against unnecessary interference with the natural beauty of the subdivision, all to the mutual benefit and protection of the owners of the property.

ARTICLE III

ARCHITECTURAL CONTROL

Section 1. "Purpose and Function" No building shall be erected, placed, or altered on any of the property until the construction plans and specifications, and plan showing the location of the structure, have been approved by the Architectural Control Committee as to quality of workmanship and materials, harmony of external design with existing structures, and as to location with respect to topography and finish grade elevation.

Section 2. "Membership to the Committee" The Architectural Control Committee is composed of Theodore R. Davis, Robert S. Everitt, and Charles O. Palmer. A majority of the committee may designate a representative to act for it. In the event of the death or resignation of any member of the committee, the remaining members shall have full authority to designate a successor to fill the vacancy. Neither the members of the committee nor its designated representative shall be entitled to any compensation for services rendered under this covenant.

ARTICLE IV

ARCHITECTURAL AND AESTHETIC CONTROL

Section 1. "Construction" Developer shall control the initial architectural appearance of all buildings and structures, provided the same has the approval of the architectural control committee as established herein and provided further that the same has the approval of the Town of Blue River, Colorado, and shall insure that the development as a whole will have architectural harmony.

Section 2. "Changes, Alterations or Improvements to Exteriors" No exterior condition, change, alteration or improvement of any kind shall be made on the already existing structure on each lot without submitting in writing to the Architectural Control Committee the specifications therein, the nature, kind, shape, height, material, color scheme, and any other facts necessary to show that the architectural harmony of the community will not be disturbed. The Architectural Control Committee is required to decide whether to approve or disapprove such application within forty five days of receipt of such application. Failure of the Architectural Control Committee to notify the applicant thereof of rejection in writing

within said forty-five day period, shall constitute approval of such application. Any change to the structural integrity of an existing structure shall be only with the expressed approval of the Architectural Control Committee. Nothing contained in this provision shall in any way effect the requirements of submission of any such changes to the Architectural Control Committee of the Town of Blue River, Colorado.

ARTICLE V.

COMMON AREAS

Section 1. "Undeveloped Green Areas" The undeveloped green area is shown as Tract A and B on The Dot Plat as shown in the Clerk and Recorder's office of Summit County, Colorado. Said undeveloped green area is hereby reserved and set aside unto the owners of real estate (including condominium units) within the Town of Blue River, Colorado, unto the residents and inhabitants of the Town of Blue River, Colorado, and unto the guests and invitees of any of the above referenced persons or entities, and said undeveloped green area shall remain (subject to the provisions set forth below) in its natural state and shall be used primarily for recreational purposes by any of the above referenced persons or entities. Such undeveloped green area shall be conveyed to the Town of Blue River as soon as all the necessary easements for ditches, utilities, roads, paths, access, and ponds have been surveyed and reserved to the appropriate party or parties. Prior to the conveyance of these tracts of said undeveloped green area to the Town of Blue River, the developer shall have the right to make the following alterations to present natural state of any such tract, provided the plans theretofore shall have been submitted to the architectural control committee of the Town of Blue River and approved by such committee, which approval shall not be unreasonably withheld:

- a. Ditches and excavations may be dug for the purpose of creating ponds on the undeveloped green areas.
- b. Roadways and pathways may be created upon such undeveloped green areas for access purposes to the developed green area, the main highway, and to the building areas and sites.
- c. Utility easements to serve the utility needs of the property may be constructed on or across said undeveloped green area and the surface returned to its natural state insofar as is reasonably practical.

Section 2. "Developed Green Area" Developed green area shall be the area as shown on Tract D of the Plat. Upon becoming the owner of any part of the property, (including a condominium unit), the rights and duties relating to the developed green area shall vest in such owners. The developed green area shall include all roads designated on the Plat. The developed green area shall be maintained and cared for by The Condominium Association as per the subsequent paragraphs, and ownership of any portion of the property may result in an assessment to aid in the maintenance and development of the developed green area.

The developer may erect a building or buildings on the developed green area in harmony with the architectural design of the other structures located on the property for the use of owners, tenants, and residents, and for recreational purposes, and if this is done, then such structures shall become a part of the developed green area.

Developer shall have the right to deed any of the developed green area to The Dot Recreation Association from the time that at least 50 condominium units have been built and conveyed to owners other than the developer. From the time of the conveyance as aforesaid, The Dot Recreation Association shall be solely responsible for the maintenance of said developed green area, and for the payment of the taxes on the developed green area.

ARTICLE VI.

PROPERTY RIGHTS IN THE COMMON AREAS

Section 1. "Members' Easements of Enjoyment" Subject to the provisions set forth below, every member shall have a right and easement of enjoyment in and to the common areas and such easement shall be appurtenant to and shall pass with the title to every lot or living unit.

Section 2. "Extent of Easements" The rights and easement of enjoyment created hereby shall be subject to the following:

a. The right of Developer, and of the Recreation Association, in accordance with its Articles or By-Laws, subject to approval by all first mortgagees of condominium units, to become indebted for the purpose of improving the developed and undeveloped green area and in aid thereof to mortgage said properties. In the event of a default upon any such mortgage, the lender shall have a right, after taking possession of such properties, to charge reasonable admission and other fees as a condition to continued enjoyment by the members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied whereupon the possession of such properties shall be returned to the Recreation Association and all rights of the members hereunder shall be fully restored; and,

b. The right of the Recreation Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure; and

c. The right of the Recreation Association, as provided in its Articles or By-Laws, to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations; and

d. The right of the Recreation Association to charge reasonable admission and other fees for the use of the common areas; and

e. The right of the Recreation Association to limit the number of guests of members and the circumstances under which guests may use the common areas.

ARTICLE VII.

THE DOT RECREATION ASSOCIATION

Section 1. "Membership" Every person or entity who is a record owner of a fee, or undivided fee interest in any lot, or condominium unit within the property, shall be a member of The Dot Recreation Association provided that any such person or entity who holds such interest merely as security for the performance of any obligation, shall not be a member.

Section 2. "Voting Rights" The Recreation Association shall have one class of voting members. The owner of a condominium unit shall be entitled to one vote per each unit held. In no event shall more than one vote be cast with respect to any one unit. The owner or owners of one unit shall be entitled to one vote at all elections and in all matters that may come before a meeting of the members. Developer shall have 312 memberships in the Recreation Association, less the number of condominium units owned by other than developer. Membership shall be appurtenant to and may not be separated from ownership of the lot or condominium unit.

Section 3. "Dues" The Board of Directors of the Recreation Association, in its discretion, may set annual dues for membership in the Recreation Association, said dues to be paid on a quarterly basis. The dues shall be in such reasonable amounts as may be necessary for the purpose of the Recreation Association; provided, however, that the dues in the Recreation Association shall not exceed \$60.00 per month per unit.

Section 4. "The Basis and Payment of Dues" All dues shall be fixed at a uniform rate per condominium unit. The dues shall be as set forth by the Board of Directors of the Recreation Association, and such dues as are set shall be payable in advance in equal quarterly installments. The dues shall be based upon the estimated cash requirements deemed to be necessary to provide for the maintenance of the developed green areas as set forth in this agreement, and to provide for the payment of all estimated necessary expenses of the Recreation Association consistent with the terms of this Declaration. Dues shall commence upon the date set by the Board of Directors of the Recreation Association.

Section 5. "Nonpayment of Dues" Upon the failure of an owner to pay for an assessment as it falls due, the Board of Directors may send such owner a notice by certified mail of such failure to pay if no payment has been made within 30 days of such date. If such delinquent owner fails to pay his dues within 90 days of the due date, the Board of Directors may suspend the privilege of membership in the Recreation Association for failure to pay. If no payment is made within 60 days of the due date, the Board of Directors reserves the right to foreclose on such owner's condominium. The Board of Directors may extend the due date of dues upon written application of the owner showing good cause therefor.

ARTICLE VIII

ROADS

Section 1. All roads on the property shall be private roads. The Town of Blue River shall have no responsibility in regard to the maintenance and the care of said roads as long as the roads are privately owned; provided, however that this shall not, in any way, preclude the use of emergency equipment on any of the roads on the property.

ARTICLE IX

GENERAL PROVISIONS

Section 1. "Residential Provisions" No parcel or parcels of the property shall be used except for residential purposes and except for uses normally incident to residential occupancy, such as recreational facilities. In no event shall any of the property be used for retail or commercial business purposes; provided, however that the developer shall have the right to use the property for commercial uses in connection with the development of the same. Also, the developer, its agents, grantees or assigns shall have the right to install recreational facilities (including buildings) which are compatible with the terms and purposes herein expressed. No trade or business activity shall be conducted or carried on or practiced on any of the properties, and the owner of said part of the property shall not permit the residences thereon to be used or employed for any purpose that will constitute a nuisance or violation of any law.

Section 2. "Campers and Trailers" Campers and trailers shall not be used for the purpose of lodging on the properties and shall not be allowed to remain on the same in excess of seventy two hours. During the period of construction, the developer reserves the right to utilize campers and trailers as may be necessary.

Section 3. "Parking" Parking is restricted to the areas designated for that purpose on the Plat. There will be no parking on private roads within the properties.

Section 4. "Driving" The roads and parking areas within the properties are designated for slow and careful driving. Driving shall be conducted in a safe manner without damage to the roads, parking areas, drainage structures and no one shall drive on the property except on the designated roads.

Section 5. "Fences" There shall be no fences erected except where determined as necessary by the Architectural Control Committee.

Section 6. "Signs" Developer intends a minimum of signs of any type on the property. Signs shall not be erected without permission of the Architectural Control Committee. Signs must conform to the Town of Blue River sign code.

Section 7. "Temporary Structures" No structure of a temporary character, basement, tent, shack, garage, barn, or other outbuildings shall be used on any of the property at any time as a residence, either temporarily or permanently.

Section 8. "Fires" Open fires are hereby prohibited, except within permanent or portable structures for barbecuing purposes. The disposal of hot, warm, or recently burned ashes is hereby declared a fire hazard. Such disposal must be made only after a careful check has been conducted insuring that the ashes are completely cold throughout and then disposal must be made into a noncombustible container.

Section 9. "Animals" No animals, horses, poultry or livestock (except dogs, cats, and other pets for household enjoyment and not for commercial purposes) shall be kept, raised or bred on the property. Owners will keep careful control of their pets so that the peace and tranquility of the owners and residents will not be disturbed, and to prevent the disturbance of wild animals.

Section 10. "Commercial Uses" Except for the business of the declarant in connection with the development of the property, no trade or business activity shall be conducted or carried on or practiced on the property or on any building constructed thereon. The owners of any part of the property shall not permit the residences thereon to be used or employed for any purpose that will constitute a nuisance or a violation of any law.

Section 11. "Nuisance and Firearms" No noxious or offensive activity shall be carried on within the properties; nor shall anything be done or permitted which shall constitute a public nuisance therein; not shall any explosives, fireworks of any type, firearms including air rifles, bb guns, and bows and arrows or similar devices be discharged on the property.

Section 12. "Trash" No trash, ashes or other refuse shall be thrown or dumped on any land within the property. Each owner shall dump all trash, ashes, and other refuse in receptacles provided by the Architectural Control Committee for the temporary storage and collection of refuse. All such receptacles shall be screened from public view and protected from disturbance.

Section 13. "Developer's Easements" Developer, its successors and assigns, and its employees, representatives, agents, and contractors may maintain a business and sales office, construction facilities, trucks, equipment, parking areas, model residences, display facilities, advertising signs and displays, and other developer's facilities reasonably necessary, appropriate or customarily used or required during the construction, development and sales periods. Developer shall make every effort during the construction period not to unreasonably interfere with the rights of other owners to the use of the recreational facilities and enjoyment of their own residences.

Section 14. "Easements" Easements that are not stated in this declaration but which may appear on the Plat as filed with the Clerk and Recorder of Summit County, Colorado, shall be valid as so drawn or stated on such Plat.

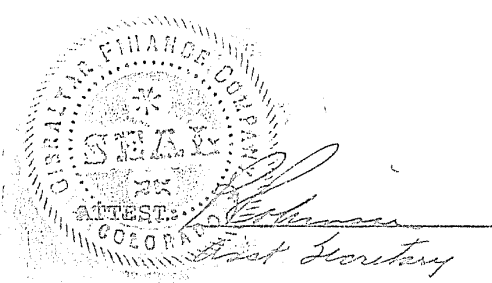
Section 15. "Enforcement" The Architectural Control Committee or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this declaration. Failure by the Architectural Control Committee or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 16. "Severability" Invalidation of any one of these covenants or restrictions by judgment or Court Order shall in no manner affect any other provisions which shall remain in full force and effect.

Section 17. "Roofs" All roof shall be of a split cedar shake roof; provided, however, that the Architectural Control Committee of the Association (if the Town of Blue River, Colorado, has concurred therein) may grant a variance from this requirement if said variance is granted in writing and signed by both an authorized representative of the Town of Blue River and by an authorized representative of the Architectural Control Committee.

Section 18. "Duration" These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the below date at which time said covenants shall automatically be extended for a consecutive period of ten (10) years unless by vote of a majority of the condominium unit owners it is then agreed to change said covenants in whole or in part. The owner or owners of each condominium unit shall be entitled to one vote for each condominium unit owned.

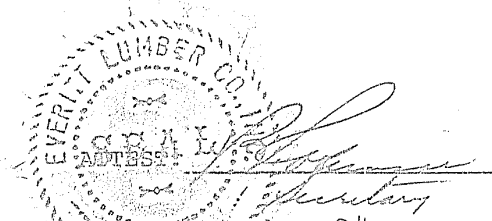
IN WITNESS WHEREOF, Declarant has executed this Declaration this 9 day of October, 1973.



GIBRALTER FINANCE COMPANY

BY

Robert S. Everitt



EVERITT LUMBER CO., INC.

BY

Robert S. Everitt

Before me this 8th day of October, 1973, appeared Robert S. Everitt as President of Everitt Lumber Co., Inc. and Gibraltar Finance Co., and R. Robinson as Secretary of Everitt Lumber Co., Inc. and R. R. Bennett as Secretary of Gibraltar Finance Co. and signed the above document.

Jennifer L. Ecklund
NOTARY PUBLIC

My commission expires 12 of Sept., 1977.

