

**SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS
FOR
REUNION CARRIAGE HOUSE
(Filing No. 20, First Amendment)**

THIS SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR REUNION CARRIAGE HOUSE (Filing No. 20, First Amendment) (the “**Supplemental Declaration**”), dated for reference purposes as of November 30, 2018, is made by CLAYTON PROPERTIES GROUP II, INC., a Colorado corporation (the “**Declarant**”). Unless otherwise defined herein, initially capitalized phrases, terms, and words in this Supplemental Declaration have the meanings set forth in Section 2.1 below.

RECITALS:

A. The Master Declaration establishes and sets forth certain conditions, covenants, reservations, and restrictions affecting the Master Community. The Supplemental Community Area is located within the Master Community and is subject to the conditions, covenants, reservations, and restrictions established by and set forth in the Master Declaration.

B. The Declarant is the Owner of the Supplemental Community Area. The Declarant has decided that it will (1) establish and impose additional conditions, covenants, reservations, and restrictions that will affect the Supplemental Community and (2) pursuant to CRS § 32-1-1004(8)(a)(II), designate a Subdistrict as the entity responsible for the enforcement of the conditions, covenants, reservations, and restrictions set forth herein with respect to the Supplemental Community. This Supplemental Declaration imposes such additional conditions, covenants, reservations, and restrictions and designates the Subdistrict as the entity responsible for the enforcement of such additional conditions, covenants, reservations, and restrictions.

COVENANTS, CONDITIONS, AND RESTRICTIONS:

THE DECLARANT declares that the Supplemental Community Area shall be conveyed, held, and sold subject to the supplemental conditions, covenants, liabilities, obligations, and restrictions set forth herein in furtherance of a common and general plan for the Supplemental Community Area to (a) enhance and protect the aesthetic nature, attractiveness, desirability, quality, and value of the Supplemental Community Area, (b) provide a mechanism for the enforcement of the provisions hereof, and (c) define certain duties, powers, and rights of Owners of Lots within the Supplemental Community Area.

**ARTICLE 1
General**

1.1 Supplemental Community Area.

(a) The Declarant intends to develop the property located in the Supplemental Community Area as a planned community (the “**Supplemental Community**”). The Declarant

hereby declares that Lots located in the Supplemental Community Area shall be conveyed, held, leased, occupied, owned, rented, sold, and transferred subject to the conditions, covenants, equitable servitudes, limitations, reservations, and restrictions set forth in this Supplemental Declaration.

(b) The Declarant further declares that conditions, covenants, equitable servitudes, limitations, reservations, restrictions, and other matters set forth in this Supplemental Declaration are part of, pursuant to, and in furtherance of a common and general plan of development, improvement, enhancement, and protection of the Supplemental Community Area.

(c) The provisions hereof are intended to and shall run with the land and, until their expiration in accordance with the terms hereof, shall bind, be a charge upon, and inure to the mutual benefit of (i) all of the real property that is now or becomes part of the Supplemental Community Area and each part or parcel thereof, (ii) the Declarant, all Principal Builders, and their respective successors and assigns, and (iii) all Persons having or acquiring any right, title, or interest in any property which becomes part of the Supplemental Community Area or any part or parcel thereof or any improvements now or hereafter located thereon and their respective assigns, heirs, personal representatives, and successors.

1.2 Master Declaration. It is the intent of the Declarant that the conditions, covenants, reservations, and restrictions contained in this Supplemental Declaration are (a) in addition and a supplement to the conditions, covenants, reservations, and restrictions contained in the Master Declaration and (b) not an amendment of the Master Declaration. If there is a conflict between the conditions, covenants, reservations, and restrictions set forth herein and those set forth in the Master Declaration, the conditions, covenants, reservations, and restrictions of the Master Declaration shall control. All Lots subject to this Supplemental Declaration are subject to the provisions of the Master Declaration and this Supplemental Declaration without further reference to this Master Declaration in any deed, notice, Supplemental Declaration, or other instrument.

1.3 Applicability of Colorado Common Interest Ownership Act. The Supplemental Community is not a Common Interest Community, as that term is defined in C.R.S. § 38-33.3-103(8) of the Act. This Supplemental Declaration does not impose any liability on any Residence, Lot, or portion of the Supplemental Community Area for the payment of common expenses. Accordingly, this Supplemental Declaration shall not be governed by the Act.

ARTICLE 2 Definitions

2.1 Defined Terms. Unless otherwise expressly provided herein, the following words and phrases when used in this Supplemental Declaration have the meanings hereinafter specified.

“**Act**” means the Colorado Common Interest Ownership Act as provided in C.R.S. §§ 38-33.3-101, *et seq.*, as amended from time to time.

“**Applicable Laws**” means all other decrees, edicts, laws, orders, ordinances, promulgations, regulations, rules, and statutes of all federal, local, or state governments and their respective

agencies, departments, divisions, or parts thereof that have or from time to time exercise jurisdiction over the Supplemental Community.

“**Approval**” means with respect to an action requiring the approval of, or consent to, an action by a Person, such Person has given such approval or consent in writing and conveyed such approval or consent by Notice to the other Party.

“**Arbitrator**” means (a) the American Arbitration Association or (b) such other Arbitrator as the Bound Parties may agree in writing.

“**Auto Court**” has the meaning set forth in Section 5.2(a).

“**Benefited Lots**” means a Lot that is identified in Attachment 4 as a Benefited Lot.

“**Bound Parties**” means the following: (a) any Builder, together with their respective officers, directors, employees, and agents, (b) any Owner or Occupant, (c) the Declarant, (d) a District or a Subdistrict, (e) any Person not otherwise subject to this Supplemental Declaration who agrees to submit to the alternative dispute resolution procedures set forth in this Article 7, and (f) any Person asserting a Claim by, through, or under any of such Persons, and “**Bound Party**” means one of the Bound Parties.

“**Builder**” means each Principal Builder or other party constructing a Residence in the Supplemental Community.

“**Burdened Lots**” means the Lots identified in Attachment 4 as a Lot burdened by the Use Easement.

“**Claimant**” means any Bound Party having a Claim.

“**Claim**” means, except as exempted by the terms of Article 7 below, any claim, grievance, or dispute between one Bound Party and another, regardless of how the same may have arisen or on what it might be based, including those arising out of or related to (a) the interpretation, application or enforcement of any of the Governing Documents or the rights, obligations, and duties of any Bound Party under any of the Governing Documents, (b) the design or construction of improvements, and (c) any statements, representations, promises, warranties, or other communications made by or on behalf of any Bound Party.

“**City**” means the City of Commerce City, County of Adams, Colorado.

“**Declarant**” means CLAYTON PROPERTIES GROUP II, INC., a Colorado corporation, together with its assigns, representatives, and successors; provided, however, that a Person shall be an assign or a successor of the Declarant only (a) if specifically designated in a Recorded instrument as an assign or a successor of the Declarant and (b) as to the interests or rights specifically designated in such Recorded instrument.

“**Declarant Rights Period**” means a period beginning on the date of the Recording of this Supplemental Declaration and ending on the earlier to occur of (a) ten years after the conveyance by

Declarant to a first-time homebuyer of the last completed Residence in the Supplemental Community Area or (b) fifteen years from the date of the Recording of this Supplemental Declaration.

“**Design Standards**” has the meaning set forth in Section 4.2(g).

“**District**” means one of (a) North Range Metropolitan District No. 2, Subdistrict No. 1, (b) Reunion Metropolitan District and/or (c) any other metropolitan or other type of special district organized as quasi-public corporations under the laws of the State of Colorado and includes within its boundaries or service area any portion of the Supplemental Community Area.

“**Final Plat**” means the Recorded plat for Lots located in the Supplemental Community Area.

“**First Mortgage**” means a mortgage or deed of trust or other such instrument encumbering a Lot that (a) is given voluntarily by a Mortgagor to secure the performance of an obligation or the payment of a debt and which is required to be released upon performance of the obligation or payment of the debt and (b) has priority over all other security interests in a Lot, other than statutory liens for taxes and special assessments. The term “**First Mortgage**” includes an executory land sales contract wherein the Administrator of Veterans Affairs (“**VA**”) is the seller, whether such contract is owned by the VA or its assigns, and whether Recorded or not.

“**First Mortgagee**” means any Person named as the mortgagee or beneficiary under any First Mortgage, or any insurer or guarantor of a First Mortgage, including the VA.

“**Front-Yard Landscape Plan**” has the meaning set forth in Section 5.2(c)(i).

“**Front-Yard Landscaping**” has the meaning set forth in Section 5.2(c).

“**Government Mortgage Agency**” means one of (a) the Federal Housing Administration of the United States Department of Housing and Urban Development (“**FHA**”), (b) the Federal Home Loan Mortgage Corporation or The Mortgage Corporation (“**Freddie Mac**”) created by Title III of the Emergency Home Finance Act of 1970, including any successors thereto; (c) Federal National Mortgage Association (“**Fannie Mae**”), a government-sponsored private corporation established as such pursuant to Title VIII of the Housing and Urban Development Act of 1969, including any successor thereto; (d) the Government National Mortgage Association (“**GNMA**”) administered by the United States Department of Housing and Urban Development, including any successor thereto, (e) the United States Department of Housing and Urban Development (“**HUD**”), (f) the Veterans Administration of the United States of America, including such department or agency of the United States government as shall succeed to the VA in its present function of issuing guarantees with respect to notes secured by Mortgages on Lots (the “**VA**”), (g) any agency, corporation, department, or entity that succeeds to FHA, Fannie Mae, Freddie Mac, GNMA, and VA, and (h) any similar entity, public or private, approved, authorized, or sponsored by any governmental agency to guarantee, insure, make or purchase Mortgage loans.

“**Improvements**” means all structures and any appurtenances thereto and equipment of every type or kind, including additions or alterations to the exterior of a Residence, awnings, basketball poles and/or backboards, buildings, clotheslines, decks, driveways, elevated or raised gardens,

exterior air conditioning, exterior antennae, exterior water softener, fences (including the Interior Fences and the Perimeter Fences), exterior stairs, exterior tanks, fixtures, flagpoles, garages, hedges, outbuildings, Front-Yard Landscaping (both organic and non-organic), outdoor flower or garden boxes, outdoor sculptures or artwork, painting of any exterior surfaces of any visible structure, patio or exterior window covers, plantings, planted trees and shrubs, playground equipment, poles, satellite dishes, screening walls, signs, solar equipment, sprinkler pipes, retaining walls, walkways, and windbreaks.

“**Included Property**” means the Lots described in a Notice of Inclusion added to, and made a part of, the Supplemental Community Area pursuant to the provisions of Article 3 below.

“**Includible Area**” means the real property in the Supplemental Project Area that an Including Party may add to the Supplemental Community Area pursuant to Article 3 hereof. As of the Recording of this Supplemental Declaration and subject to the right of Declarant to contract or expand the Includible Area as set forth in Section 3.5 below, the Includible Area is the real property described in Attachment 2 to this Supplemental Declaration.

“**Including Party**” means Declarant, a Principal Builder, and/or any other Person having the ability to include property into the Supplemental Community Area pursuant to the provisions of Article 3 below.

“**Interior Fence**” has the meaning set forth in Section 5.2(b).

“**Lot**” means any lot or parcel of land (a) described on, and established by, a Final Plat, (b) located within the Supplemental Community Area, and (c) upon which a builder may construct a Residence in accordance with Applicable Law.

“**Master Community**” means the planned community established by the Master Declaration and commonly known as “Reunion.”

“**Master Declarant**” means CLAYTON PROPERTIES GROUP II, INC., a Colorado corporation, which is the successor in interest to the Shea Homes Limited Partnership, the Declarant pursuant to that certain Assignment of Declarant’s Rights and Waiver recorded August 21, 2017 at Reception No. 2017000072566 in the real estate records of Adams County, Colorado.

“**Master Declaration**” means that certain Declaration of Covenants, Conditions and Restrictions for North Range Metropolitan District No. 2 Area Within Reunion, recorded December 16, 2014 at Reception No. 2014000088340 in the real estate records of Adams County, Colorado.

“**Mortgagor**” means the maker or grantor of a deed of trust or mortgage.

“**Notice**” has the meaning set forth in Section 9.3.

“**Notice of Inclusion**” means a Recorded Notice that includes Included Property into the Supplemental Community Area, as more particularly set forth in Section 3.3(c).

“**Notice of Withdrawal**” means a written notice Recorded for the withdrawal of property from the Supplemental Community Area, as more particularly set forth in Section 3.4.

“**Occupant**” means each Person occupying a Lot and includes, but is not necessarily limited to, each Owner, guest, invitee, licensee, tenant, or other occupant of a Residence.

“**Open Space Use**” has the meaning set forth in Section 5.3(b)(i).

“**Owner**” means a Person or Persons, including the Declarant, who hold fee simple title of Record to a Lot, including sellers under executory contracts of sale, but excluding buyers thereunder.

“**Paired Benefited Lot**” means, with respect to each Burdened Lot, the Benefited Lot (a) paired with such Burdened Lot, as set forth on Attachment 4 hereto, and (b) having the benefit, right, and use of the Use Easement Premises located on such Burdened Lot.

“**Paired Burdened Lot**” means, with respect to each Benefited Lot, the Burdened Lot (a) paired with such Benefited Lot, as set forth on Attachment 4 hereto, and (b) subject to the Use Easement in favor of such Benefited Lot.

“**Perimeter Fence**” has the meaning set forth in Section 5.2(b).

“**Person**” means a natural person, a corporation, a partnership, or any other entity.

“**Principal Builder**” means an Owner that acquires one or more vacant Lots for the construction of a Residence thereon for resale to the ultimate purchaser thereof and is designated a “**Principal Builder**” in a writing Recorded by the Declarant pursuant to this Supplemental Declaration. The term “**Principal Builder**” includes the Declarant, CLAYTON PROPERTIES GROUP II, INC., a Colorado corporation.

“**Record,**” “**Recordation,**” “**Recorded,**” or “**Recording**” means the filing for record of any document in the office of the Clerk and Recorder of the County of Adams, Colorado.

“**Recyclables**” has the meaning set forth in Section 5.2(e).

“**Residence**” means a single-family residence and related Improvements constructed on a Lot in the Supplemental Community Area.

“**Residential Clusters**” means each of the clusters of Lots set forth in Attachment 3 to this Supplemental Declaration.

“**Respondent**” means any Bound Party against whom a Claimant asserts a Claim.

“**Rules**” means (a) the Construction Industry Arbitration Rules of the American Arbitration Association Industry Arbitration Rules and the Procedures for Large, Complex Construction Disputes of the American Arbitration Association then in effect, (b) if the Bound Parties select an Arbitrator other than the American Arbitration Association, then the rules selected by such Arbitrator, or (c) such other rules as the Bound Parties may agree in writing. The Colorado Rules of

Civil Procedure shall govern disclosure, discovery, and other prehearing proceedings in the Arbitration, and the Colorado Rules of Evidence shall govern the admissibility of evidence at any Arbitration hearing.

“**Site Plan**” means the plan of the Supplemental Community Area set forth on Attachment 5 to this Supplemental Declaration.

“**Subdistrict**” means the North Range Metropolitan District No. 2, Subdistrict No. 1, a quasi-municipal corporation and political subdivision of the State of Colorado, and its successors and assigns, including Reunion Metropolitan District, if so assigned pursuant to an agreement between North Range Metropolitan District No. 2, Subdistrict No. 1 and Reunion Metropolitan District.

“**Successor Declarant**” means any Person that (a) owns one or more Lots and (b) the Declarant specifically designates as a Successor Declarant in a Recorded instrument as a Successor Declarant. A Successor Declarant succeeds only to the interests or rights specifically designated in such Recorded instrument.

“**Supplemental Community**” has the meaning set forth in Section 1.1(a).

“**Supplemental Community Area**” means the Lots described and listed in Attachment 1 hereto *plus* Lots described in a Notice of Inclusion and added to the Supplemental Community Area in the manner set forth in Section 3.3 and *less* Lots described in a Notice of Withdrawal and withdrawn from the Supplemental Community Area in the manner set forth in Section 3.4.

“**Supplemental Covenants**” has the meaning set forth in Section 5.2.

“**Supplemental Covenants and Easements**” means the Supplemental Covenants.

“**Supplemental Project Area**” means the aggregate of (a) the Supplemental Community Area subject to this Supplemental Declaration at any point in time and (b) the Includible Area that an Including Party may include in the Supplemental Community Area.

“**Supplemental Services**” has the meaning set forth in Section 4.2(c).

“**Termination Agreement**” has the meaning set forth in Section 8.5.

“**Termination of Mediation**” means a period expiring thirty days after submission of the matter to mediation (or within such other time as determined by the mediator or agreed to by the Bound Parties) and upon the expiration of which the Bound Parties have not settled the Claim.

“**Termination of Negotiations**” means a period expiring thirty days after the date of the Notice (or such other period as may be agreed upon by the Bound Parties) and upon the expiration of which the Bound Parties have not resolved a Claim.

“**Trash**” has the meaning set forth in Section 5.2(e).

“**Use Easement**” has the meaning set forth in Section 5.3.

“**Use Easement Premises**” means the five-foot strip of each a Burdened Lot lying along the boundary line between a Burdened Lot and the Benefited Lot paired with such Burdened Lot, as set forth on Attachment 2 and depicted on the Site Plan.

“**Use Easement Restrictions**” has the meaning set forth in Subsection 5.3(d) below.

“**Water Billing Service**” means billing and collection of amounts due from Owners for the provision of irrigation water service to Residences located in the Supplemental Community.

2.2 Construction of Terms. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. Builders, Declarant, Occupants, Owners, and/or other Persons construing, enforcing, or interpreting this Supplemental Declaration shall construe, deem, and interpret (a) the words *include*, *includes*, and *including* as being followed by the phrase *without limitation*, (b) the word *will* as having the same meaning and effect as the word *shall*, (c) any definition of or reference to any agreement, instrument or other document (including any organization document) as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (d) any reference herein to any Person including such Person’s successors and assigns, (e) the words *herein*, *hereof*, and *hereunder*, and words of similar import when used in this Supplemental Declaration as referring to this Supplemental Declaration in its entirety and not to any particular provision thereof, (f) references in this Supplemental Declaration to sections, subsections, and attachments as references to the sections and subsections of, and attachments to, this Supplemental Declaration, (g) references in this Supplemental Declaration to any Attachment as referring to such Attachment amended, modified, or supplemented from time to time by a Recorded instrument or Notice (including any Notice of Inclusion or Notice of Withdrawal) in accordance with the terms hereof, (h) references to any law as references to all statutory and regulatory provisions amending, consolidating, interpreting, replacing, or supplementing such law and any reference to any law or regulation, unless otherwise specified, as referring to such law or regulation as amended, modified or supplemented from time to time, and (i) section headings as being for convenience of reference only and not affecting the interpretation of this Supplemental Declaration.

2.3 Attachments. The Declarant (a) attaches the following attachments (the “**Attachments**”) to this Supplemental Declaration, (b) incorporates and makes the Attachments a part of this Supplemental Declaration by this reference, and (c) states that all references in this Supplemental Declaration to *Attachments* are to the following:

Attachment 1	Description of Supplemental Community Area
Attachment 2	Description of Includible Area
Attachment 3	Residential Clusters
Attachment 4	List of Paired Lots
Attachment 5	Site Plan

ARTICLE 3

Property Subject to Supplemental Declaration

3.1 Property Hereby Made Subject. The Declarant hereby declares that the Supplemental Community Area is subject to the conditions, covenants, reservations, and restrictions set forth herein. In the manner set forth in this Article 3, Declarant and other Including Parties may (a) exclude and include land in the Community and (b) subject land to, and withdraw land from, the conditions, provisions, and terms of this Declaration.

3.2 Development of Supplemental Community in Phases. Declarant shall have, and Declarant hereby reserves, the right, but not the obligation, to develop the Supplemental Project Area in phases. As a part of such phased development, Declarant reserves the right to add to the Supplemental Community Area part or all of the Includible Area (as the boundaries of such area may exist from time to time as set forth in Section 3.5 below) in phases so long as such Including Party owns any part of the Supplemental Project Area. Inclusion of Lots as a part of such phased development shall be accomplished in accordance with a general development plan to be accomplished by Declarant, any Principal Builder, or any Successor Declarant, which plan may be filed, if applicable, with the City and/or HUD and/or the VA before any such inclusion, if Declarant, a Principal Builder, or a Successor Declarant have previously obtained Approval of all or part of the Supplemental Community from FHA, HUD, or VA. If Declarant has previously obtained Approval of all or part of the Supplemental Community from FHA, HUD, or VA, then FHA, HUD, or VA, as the case may be, must also Approve the addition of Included Property containing Lots intended for the construction of Residences. Within the context of and in accordance with Declarant's general development plan, Residences on Lots included into the Community Area shall be either substantially the same cost, quality, size, and style as Residences previously constructed in the same portion of the Supplemental Community Area or such other cost, quality, size, and style as may be Approved by Declarant.

3.3 Manner of Inclusion.

(a) Inclusion by Declarant. Declarant may add real property to the Supplemental Community Area as Included Property provided that (i) the proposed Included Property is within the Includible Area and (ii) Declarant either (A) owns the proposed Included Property or (B) has the prior Approval to such inclusion from the owner of the proposed Included Property. Declarant shall add real property as Included Property to the Supplemental Community Area by Recording a Notice of Inclusion complying with Section 3.3(c) below.

(b) Inclusion by Other Persons; Notice of Inclusion. With the prior Approval of Declarant, all other Including Parties may add additional real property as Included Property provided that (i) such Including Party (A) owns the proposed Included Property or (B) has the prior Approval of the owner of the proposed Included Property, (ii) the proposed Included Property is within the Includible Area, and (iii) the Including Party executes and Records a Notice of Inclusion complying with Section 3.3(c) below.

(c) Contents of Notice of Inclusion. Any deed, Notice, or other instrument adding Included Property into the Supplemental Community Area (a “**Notice of Inclusion**”) shall (i) be Recorded, (ii) state the name of the owner of the Included Property, (iii) if the Including Party is neither the owner of the Included Property nor the Declarant, contain the Approval of the owner of such property, (iv) if the Approval of Declarant is required pursuant to Section 3.3(b) above, contain the Approval of Declarant, (v) describe the Included Property, and (vii) refer to this Supplemental Declaration, including the date and reception number for the Recordation of this Supplemental Declaration.

(d) Effect of Inclusion of Property. From and after the Recording of a Notice of Inclusion, the Included Property described in such Notice of Inclusion shall be part of the Supplemental Community Area and subject to the conditions and terms of this Supplemental Declaration.

3.4 Withdrawal of Lots by the Declarant. Declarant may withdraw Lots that it owns from the Supplemental Community, the Supplemental Community Area, and from this Supplemental Declaration by the execution, acknowledgment, and Recordation of a notice (a “**Notice of Withdrawal**”) of such withdrawal. The Notice of Withdrawal shall (a) be executed and acknowledged by the Declarant, (b) contain an adequate legal description of Lots being withdrawn from the Supplemental Community Area, (c) contain a reference to this Supplemental Declaration, which reference shall state the date thereof, the date Recorded, and the reception number or other Recording information of this Supplemental Declaration, and (d) contain a statement and declaration that such Lots are being withdrawn from the Supplemental Community and shall not be thereafter subject to this Supplemental Declaration. The withdrawal shall be effective upon Recording of the Notice of Withdrawal and, upon Recording of the Notice of Withdrawal, the Lots described therein shall no longer be part of the Supplemental Community Area or subject to this Supplemental Declaration.

3.5 Expansion or Contraction of Includible Area. During the Declarant Rights Period, Declarant may add to, expand, delete from, or remove all or part of the Includible Area by Recording an instrument that (a) is executed by the owner thereof (if Declarant is not then the owner of the real property being affected) and Declarant, (b) describes such real property, and (c) states that, after the Recording of such instrument, such real property shall thereafter be added to, or deleted from, the Includible Area.

ARTICLE 4

Authority and Powers of Subdistrict

4.1 Delegation of Authority to Subdistrict. The Declarant, for itself and its successors (including all Owners of Lots and Residences in the Supplemental Community) hereby assigns and delegates to the Subdistrict the authority and power to (a) enforce the conditions, covenants, easements, provisions, and terms of this Supplemental Declaration, (b) perform the duties and obligations of the Subdistrict, as set forth herein, with respect to the Supplemental Community and the Owners of Lots and Residences, and (c) pursuant to CRS § 32-1-1004(8)(a)(II), designate the Subdistrict as the entity responsible for enforcement of the Supplemental Covenants and Easements established by this Supplemental Declaration.

4.2 Authority and Powers of Subdistrict. In addition to the authority and powers vested in the Subdistrict by Applicable Law, the Subdistrict shall have the following authority and powers:

(a) Adoption of Regulations and Rules. In accordance with and subject to Applicable Law, the Subdistrict shall adopt, establish, and promulgate appropriate policies, procedures, regulations, and rules as the Subdistrict deems appropriate, desirable, or necessary regarding (i) the enforcement of the Supplemental Covenants and Easements, (ii) maintenance of, and repair of damage to, the Easements, and (iii) maintenance, repair, and replacement, as necessary, of the Fences and the Auto Courts.

(b) Enforcement of Supplemental Covenants and Easements. Subject to Applicable Law and in its discretion, the Subdistrict shall have the authority, duty, power, and right to do the following with respect to the Supplemental Covenants and Easements:

(i) Fines. Establish and levy fines against Owners who do not comply with the Supplemental Covenants and Easements; and

(ii) Remedies Pursuant to Special District Act. Enforce the Supplemental Covenants and Easements by such remedies as may be available to special districts established pursuant to Title 32, Article 1 of Title 32 of the Colorado Revised Statutes, as amended from time to time, including the following:

(A) The commencement of civil actions against Owners to collect such fines and specifically enforce the Supplemental Covenants and Easements against such Owners by injunction or otherwise;

(B) The recordation and enforcement by foreclosure of liens against the Lots and Residences of Owners who fail to comply with the Supplemental Covenants and Easements;

(C) The recordation of a notice of violation against the Lot on which the violation exists;

(D) Taking such actions as may be necessary, in the discretion of the Subdistrict, to collect sums due from Owners for water service in furtherance of Water Billing Services (including (1) sending demand letters to delinquent Owners, (2) collecting interest from delinquent Owners at the rate of 8% per annum from the date such late payments were due until the date of repayment, (3) imposing fines, (4) assessing late payment charges against delinquent Owners for water service, (5) curtailing service for nonpayment by an Owner of water service, (6) referring delinquent accounts to attorneys or collection companies for payment, and (7) taking such other steps as may be necessary, in the discretion of the Subdistrict, to perform the Water Billing Services and ensure timely payment from Owners of amounts due for water provided to Residences in the Community); and

(E) After reasonable prior written notice to the Occupant and/or Owner of a Lot, enter upon a Lot for the purpose of maintaining, repairing, and replacing the

following: (1) damage to Perimeter Fences, as set forth in Section 5.2(b) below and (2) damage to Use Easement Premises, as set forth in Section 5.3 below.

(c) Right to Contract for Supplemental Services. Subject to Applicable Law, the Subdistrict shall have the authority and power, but not the obligation, to contract, on behalf and in the name of the Owners, with one or more contractors to supplement the following services to the extent they are not provided by the City ("**Supplemental Services**"): (i) snow removal from the Auto Courts, (ii) maintenance and repair of paving in the Auto Courts, (iii) the pick-up and removal of Recyclables and Trash from Residences in the Supplemental Community, and (iv) the Water Billing Services. If the Subdistrict contracts with a contractor to provide the Supplemental Services, then the Subdistrict shall determine, in its discretion, the conditions and terms of such contracts, the nature and type of the Supplemental Services needed, and the extent, manner, and times at which such contractors will provide such Supplemental Services.

(d) Right to Contract with Management Company. The Subdistrict shall have the authority and right to contract with a professional management company to perform some or all of its duties hereunder and to provide the Supplemental Services provided that any agreement for professional management of the business of the Subdistrict or any other contract providing for services of a Declarant shall (i) have a maximum term of one year and (ii) provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon not more than thirty days' prior written notice.

(e) Right to Contract with Other Districts. The Subdistrict shall have the authority to enter into agreements with another District to (i) enforce all or part of the Supplemental Covenants and Easements, (ii) maintain, and repair damage to, the Easements, (iii) maintain, repair, and replace, as necessary, the Fences, and the Auto Courts, and (iv) to provide any other services or perform any other functions of the Subdistrict as set forth in this Supplemental Declaration.

(f) Right to Monitor and Bill Water Usage. The Subdistrict shall have the authority and power to perform the Water Billing Services, including (i) contracting with a company to read the meters monitoring water usage in the Residential Clusters, (ii) billing Owners of Residences in a Residential Cluster for water usage on an equitable *pro rata* basis determined from time to time by the Subdistrict, (iii) establishing procedures and rules for Water Billing Services in accordance with Applicable Law, and (iv) receiving the foregoing payments for water usage from Owners and paying the supplier of water service to a Residential Cluster for such water usage (including, if necessary, (A) enforcing the payment from Owners who do not timely remit payment of bills for water service, as set forth in Section 4.2(b)(ii) above, (B) collecting interest at the rate of 8% per annum from the date a bill for water service was due until the date of payment for late payment, (C) imposing fines, late charges, and penalties for delinquent payment, (D) retaining attorneys for the collection of delinquent payments, and (E) curtailing service for nonpayment.

(g) Right to Supplement Design Standards. From time to time and in its discretion, the Subdistrict may establish additional design standards ("**Design Standards**") for Improvements in the Supplemental Community that will supplement the design standards in the Master Declaration or any promulgated thereunder. Before commencing work on any proposed

Improvements to a Residence, an Owner will comply with the procedures set forth in Article 6 of the Master Declaration.

(h) Right to Use Easements. The Subdistrict shall have the benefit and use of all of the easements, rights, and rights of way established and reserved by the Declarant in the Master Declaration (including those specified in Article 5 of the Master Declaration) with respect to the Supplemental Community Area.

4.3 License to Enter Lot. By accepting title to a Lot or occupying a Residence, each Owner and Occupant (a) grants the Subdistrict, together with its agents, assigns, contractors, employees, licensees, representatives, and subcontractors (for this purpose, collectively, the “**Subdistrict**”), the authority and irrevocable license to enter upon a Lot, during business hours and upon reasonable notice (including scheduled landscape maintenance) or at any time for emergency purposes in the Subdistrict’s sole discretion, for the purpose of exercising its rights and performing its duties regarding the Supplemental Covenants and Easements, as more particularly set forth in this Article 4 and Article 5 below and (b) releases the Subdistrict from all claims, damages, liabilities, and losses arising under or relating to such entry, exercise of its rights, and performance of its duties hereunder.

4.4 Subdistrict Designation. By accepting title to a Lot or occupying a Residence, each Owner and Occupant (a) accepts the designation by the Declarant of the Subdistrict as the entity responsible for enforcement of the Supplemental Covenants and Easements, (b) accepts the authority and powers granted to the Subdistrict in Section 4.2 above, and (c) agrees to comply with (i) the Supplemental Covenants and Easements and (ii) the policies, procedures, regulations, and rules that the Subdistrict adopts, Approves, establishes, and promulgates from time to time regarding the Supplemental Covenants and Easements.

ARTICLE 5

Supplemental Covenants and Easements

5.1 Master Declaration Covenants and Easements. The Supplemental Community is subject to all of the conditions, provisions, and terms of the Master Declaration, including (a) the easements and disclosures set forth in Article 9 thereof, (b) the architectural approval process set forth in Article 8 thereof, and (c) the Declarant’s rights and reservations set forth in Article 5 thereof.

5.2 Supplemental Covenants. Subject to Section 5.1 above, the Declarant hereby declares, establishes, and imposes upon the Supplemental Community Area the covenants, equitable servitudes, limitations, reservations, and restrictions set forth in this Section 5.2 (collectively, the “**Supplemental Covenants**”):

(a) Auto Courts. As set forth on the Final Plat and as generally depicted on the Site Plan, each Residence in a Residential Cluster shares an automobile court (the “**Auto Court**”) with the other Residences in such Residential Cluster. The Final Plat dedicates and grants for public use an easement for access and utilities across, on, and over the Auto Court in each Residential Cluster from each Residence to an avenue, place, street, or way dedicated for public use. With respect to the Auto Court, an Owner and Occupant shall not (i) conduct any activity in the Auto

Court that would constitute a nuisance or noxious activity or unreasonably interfere with the full enjoyment and use of an Auto Court for access by Occupants of Residences adjoining such Auto Court, (ii) barricade, block, hinder, interfere with the use of, or otherwise materially obstruct the full enjoyment and use of an Auto Court for access by Occupants of Residences adjoining such Auto Court, (iii) keep, park, or store any automobile, boat, camper (on or off supporting vehicle), disabled or inoperative vehicle, motor home, motorcycle, recreational vehicle, snowmobile, towed trailer unit, tractor, trailer, truck, or other vehicle of any description, kind, or type in an Auto Court (collectively, "**Vehicles**"), except to the extent that the Site Plan provides for such parking of Vehicles in a particular Auto Court and in a specific location, (iv) dismantle, maintain, paint or repaint, repair, service, or perform other work on a Vehicle in the Auto Court, or (v) store any container, receptacle, or other object in the Auto Court.

(b) Fences. Upon its construction of a Residence on a Lot, a Builder shall construct interior fences ("**Interior Fences**") on the interior Lot lines at the locations generally depicted on the Site Plan and fences around the perimeter (the "**Perimeter Fences**") of the Community. Owners and Subdistrict shall maintain, repair, and replace the Interior Fences and Perimeter Fences as follows:

(i) Interior Fences. Each Owner, for itself and its respective assigns, heirs, successors, and representatives (including all Occupants of an Owner's Residence) shall (A) at its cost and expense, maintain, repair, and replace the Interior Fence(s) bounding its Lot in a condition consistent with a first-class community and in a manner that will increase and maintain the value of Residences in the Supplemental Community and (B) not damage, injure, relocate, remove, or replace an Interior Fence or a Perimeter Fence.

(ii) Perimeter Fences. At its cost and expense, the Subdistrict shall maintain, repair, and replace the Perimeter Fences in a condition consistent with a first-class community and in a manner that will increase and maintain the value of Residences in the Supplemental Community provided that if an Occupant or an Owner damages a Perimeter Fence, then, upon the demand of the Subdistrict, the Owner shall reimburse the Subdistrict the cost and expense incurred by the Subdistrict in such maintenance, repair, or replacement, together with interest on such costs and expenses from the date of demand for payment until the date paid in full.

(c) Front-Yard Landscaping. Except for the Front-Yard Landscaping of front yards of Residences described in this Section 5.2(c), each Owner shall maintain landscaping on its Lot in accordance with the requirements of the Master Declaration. With respect to Front-Yard Landscaping ("**Front-Yard Landscaping**"), each Builder, Owner, and Subdistrict shall comply with the following covenants:

(i) Front-Yard Landscape Plan. The Declarant shall establish a plan (a "**Front-Yard Landscape Plan**") for the front yard of each Residence that will generally depict the location and type of Front-Yard Landscaping for Residences in the Supplemental Community. From time to time, the Subdistrict shall have the right to change the Design Standards and/or plantings approved for the Supplemental Community, provided that the Subdistrict shall not require a Builder or an Owner to change Front-Yard Landscaping pursuant to a Front-Yard Landscape Plan Approved

by the Subdistrict notwithstanding changes to the Design Standards taking effect after such Approval.

(ii) Installation of Front-Yard Landscaping. Upon its construction of a Residence on a Lot and at its cost and expense, a Builder shall (A) install the Front-Yard Landscaping in the front yard of such Residence pursuant to the Front-Yard Landscape Plan for such Lot and (B) be responsible for replacement of Front-Yard Landscaping for a one-year warranty period beginning with the month of the initial installation of such Front-Yard Landscaping.

(iii) Maintenance of Front-Yard Landscaping. Following the expiration of the one-year warranty period, and at its cost and expense, and only after inspection and acceptance by the Subdistrict, the Subdistrict shall be responsible for the maintenance, repair, and replacement of the Front-Yard Landscaping on the Lots provided that if an Occupant or an Owner damages the Front-Yard Landscaping or the irrigation system for such Front-Yard Landscaping, then, upon the demand of the Subdistrict, the Owner shall reimburse the Subdistrict the cost and expense incurred by the Subdistrict in such maintenance, repair, or replacement of the Front-Yard Landscaping and/or irrigation system, together with interest on such costs and expenses from the date of demand for payment until the date paid in full.

(d) Structures. In addition to the requirements set forth in Article 8 of the Master Declaration requiring Approval from the District, no Builder or Owner shall build, construct, install, or maintain any accessory building, shed, structure, or Improvement on a Lot other than the Residence that exceeds six feet in height or that is within five feet of a Lot line.

(e) Recyclables and Trash. Each Owner shall (i) dispose of all garbage, grass clippings, leaves, lumber, metal, plant waste, scrap, shrub or tree clippings, or debris of any kind in containers (“**Trash**”) designated for trash by the City, (ii) dispose of recyclable bottles, glass, paper, plastic, and other recycled materials (“**Recyclables**”) in accordance with City requirements and in receptacles designated for Recyclables, (iii) on the days designated by the City for pick-up and removal, cause the receptacles for Recyclables and Trash to be carried out to a publicly dedicated street by the times for such pickup, as designated by the City, and (iv) after the City has picked up such Recyclables and Trash, cause the receptacles to be taken from the publicly dedicated street to such Owner’s Residence. Owners shall dispose of bulk materials in accordance with the City requirements for the pick-up of such materials. If the Subdistrict contracts with a contractor to perform such services, then each Owner shall comply with the procedures and requirements of such subcontractor for the pickup and disposal of Recyclables and Trash.

(f) Irrigation Water Service. Each Lot is part of a Residential Cluster, as set forth on Attachment 4, and each Owner shall obtain water for irrigation from a water meter that is common to, and shared by, each of the Lots in a Residential Cluster, and in that regard:

(i) Water Meter for Each Residential Cluster. Each Owner shall (A) obtain irrigation water for its Residence from the water supplied to each Residential Cluster, (B) promptly pay invoices from the Subdistrict for water used by a Residence on such basis as the Subdistrict determines for such water service, and (C) not install or maintain any type of water

softener or water supply system without the prior written consent of the Subdistrict and in accordance with all Applicable Laws.

(ii) Separate Metering. If the Subdistrict, in its reasonable discretion, determines that one Residence in a Residential Cluster is using an unreasonable amount of water, then, at its option, the Subdistrict may install a separate meter for such Residence, in which event the Owner of such Residence shall reimburse the Subdistrict on demand the cost of such additional water usage and the cost of the installation of such separate meter.

5.3 Carriage House Easements. Subject to Section 5.1 above, the Declarant hereby creates, declares, establishes, and grants a non-exclusive, permanent, and separate easement (“**Use Easement**”) across, on, and over the Use Easement Premises on each Burdened Lot in the Supplemental Community Area. The Use Easement is created, declared, established, and granted upon the following conditions and terms:

(a) Benefited Lot. Each Owner of a Benefited Lot shall have the benefit and use of the Use Easement Premises located on the Burdened Lot with which it is paired, as set forth on Attachment 4 and for the purposes, and subject to the conditions, restrictions, and scope of, such Use Easement as set forth in Subsection 5.3(b) below.

(b) Conditions and Scope of Use Easement. The Occupants and Owner of a Benefited Lot shall have the right to enjoy and use the Use Easement Premises on its respective Paired Burdened Lot for Open Space Uses (as set forth in Subsection 5.3(c) below) subject to (i) the Use Easement Restrictions (as set forth in Subsection 5.3(d) below and (ii) compliance with the conditions and terms of this Supplemental Declaration, the Master Declaration, and regulations and rules established from time to time by the Subdistrict.

(c) Open Space Uses. With respect to the use of a Use Easement Premises by Occupants and Owners of a Benefited Lot, the term “**Open Space Uses**” *includes* planting of grass, flowers, and vegetables permitted by the Design Standards and general recreational, picnic, social, and garden area, but *excludes* the planting of bushes, shrubs, and trees on the Use Easement Premises; the installation of a fence on any part of the Use Easement Premises other than the Fence constructed by a Builder; the construction, location, and use of Improvements on the Use Easement Premises; and the location and use of chairs, dog houses, gazebos, hot tubs, patios, trellises, tables, and similar items on the Use Easement Premises.

(d) Use Easement Restrictions. The Use Easement is subject to the following conditions, limitations, reservations, restrictions, and rights of entry (collectively, the “**Use Easement Restrictions**”):

(i) The Occupants and Owners of a Benefited Lot shall not (A) conduct any activity on or otherwise use the Use Easement Premises in any manner, at any time, that unreasonably disturbs the Occupants and Owners of its respective Paired Burdened Lot and (B) decorate, deface, paint, or attach any object to the exterior wall of the Residence located on said Paired Burdened Lot.

(ii) The Owner of a Burdened Lot shall have the right at all reasonable times to enter upon the Use Easement Premises, including the right to reasonably cross over the Benefited Lot that borders on the Use Easement Premises, for the purpose of performing work related to maintenance of the Residence located on the Burdened Lot.

(iii) A Burdened Lot shall have the right of drainage over, across, and upon the Use Easement Premises for normal precipitation upon and irrigation of the Burdened Lot, and the Owner of the Paired Benefited Lot adjacent to such Use Easement Premises shall not do or permit to be done any act which interferes with such drainage.

(iv) The Burdened Lot shall have the right of lateral and subjacent support for the Residence and all improvements now or hereafter constructed upon such Burdened Lot, and no use of the Use Easement Premises shall adversely affect such right of support.

(v) The Owner of the Benefited Lot shall be responsible for maintenance, repair, and replacement of the Use Easement Premises to the same extent as if the Use Easement Premises were a portion of such Benefited Lot and owned by the Owner of such Lot and Residence.

(vi) The Owner of the Benefited Lot shall not cover, obscure, or otherwise block the window of any Residence on its respective Paired Burdened Lot.

(e) Mutual Indemnification by Owners of Paired Benefited Lot and Paired Burdened Lot. The Owners of Paired Lots shall indemnify and hold each other harmless as follows:

(i) The Owner of a Benefited Lot shall indemnify and hold the Owner of the its Paired Burdened Lot harmless from damage to any Improvements now or hereafter constructed, erected, or located on the Burdened Lot and from any claims for personal injury arising from, based upon, caused by, or resulting from use of the Use Easement Premises by the Occupant or Owner of such Benefited Lot. The Owner of the Benefited Lot shall acquire and keep in force adequate hazard and liability insurance covering the Use Easement Premises.

(ii) The Owner of a Burdened Lot shall indemnify and hold the Owner of the its Paired Benefited Lot harmless from damage to any Improvements on the Burdened Lot and from any claims for personal injury arising from, based upon, caused by, or resulting from the exercise by the Owner of a Burdened Lot of its right to enter the Use Easement Premises. The Owner of a Burdened Lot shall acquire and keep in force adequate hazard and liability insurance covering its entry onto the Use Easement Premises of a Burdened Lot.

5.4 Modification or Waiver of Supplemental Covenants and Easements. The strict application of the Supplemental Covenants and Easements may be modified or waived, in whole or in part, by the Subdistrict if such strict application would be unreasonably or unduly harsh under the circumstances and such modification or waiver is in writing or is contained in written guidelines or rules promulgated by the Subdistrict.

ARTICLE 6
Reservations and Rights

6.1 Declarant's Reservation of Rights. During the Declarant Rights Period, the Declarant shall have, retain, and reserve the rights set forth in Section 6.2 below with respect to the Lots.

6.2 Reserved Rights. The rights reserved by Declarant are as follows:

(a) Assignment of Rights. Provided that any such assignment shall be in writing, shall be accepted by the assignee, and shall be effective only upon Recording, the Declarant reserves the right to (i) assign and convey any of the easements, reservations, rights, and other benefits hereunder to a successor Declarant or a Principal Builder (as set forth in Section 6.3 below) and (ii) collaterally assign its rights as a declarant to a lender of Declarant.

(b) Completion of Development and Sale of Residences. Declarant reserves the right to (i) complete development of property within the boundaries of the Supplemental Community Area or elect not to complete development of any part of the Supplemental Community Area, (ii) construct or alter Improvements on any property owned by the Declarant within the Supplemental Community Area, (iii) excavate, cut, fill, or grade any property owned by the Declarant within the Supplemental Community Area, (iv) maintain construction offices, construction storage yards, construction staging areas, model Residences, parking areas, sales offices, and similar facilities on any property owned by Declarant on any portion of the Supplemental Community Area, (v) post signs or do any other act or thing incidental to development, construction, marketing, offer, promotion, or sales of property within the boundaries of the Supplemental Community Area, and (vi) store construction materials, equipment, supplies, tools, waste, or other items on property within the Supplemental Community Area owned by the Declarant.

(c) Deed Reservations. The Declarant reserves (i) the benefit and use of reservations and rights as reserved and excepted from each deed or other instrument by which Declarant conveys any property within the Supplemental Community Area and regardless of whether such reservation is specifically stated therein and (ii) the right to exercise the rights, reservations, and easements reserved and retained in such deeds and hereunder with respect to all parts of the Supplemental Community Area. The foregoing reservation shall be prior and superior to any other provisions of this Supplemental Declaration and may not, without the Declarant's prior written and Recorded consent, be amended, affected, modified, rescinded, or terminated by any amendment of this Supplemental Declaration. The Declarant's consent to one such amendment shall not be consent to any other subsequent amendment.

(d) Development Rights. The Declarant reserves the right to exercise any development right and to develop such number of Lots and other types of Lots as may be designated by the Declarant hereunder and as the City may approve within the Supplemental Community Area.

(e) Easements. Declarant reserves the following with respect to easements across, on, and over the Supplemental Community Area:

(i) Right to Grant Easements. The right to grant or create temporary or permanent easements for access, drainage, utility services necessary for the convenient use and enjoyment of the Lots (including electric, gas, sewer and water service, and telecommunication facilities), and other purposes incident to development and sale of the Supplemental Community Area located in, on, under, over, and across Lots owned by the Declarant or a Principal Builder.

(ii) Right to Use Easements. In order to develop the Lots, construct Residences thereon, and market and sell Residences, the Declarant reserves (A) the benefit and use of the Supplemental Covenants and Easements and (B) the rights of the Declarant specified in the Master Declaration (including those specified in Article 5 of the Master Declaration) with respect to the Supplemental Community.

(f) Reasonable Use. The Declarant reserves the right to the reasonable use of the Lots owned by the Declarant or a Principal Builder in connection with the promotion and marketing of the Supplemental Community Area. Without limiting the generality of the foregoing, the Declarant and, with the Declarant's written consent, a Principal Builder, may (i) erect and maintain on any part of the Lots owned by the Declarant or a Principal Builder such signs, temporary buildings, and other structures as the Declarant or such Principal Builder may reasonably deem necessary or proper in connection with the promotion, development, and marketing and sales of real property within the Supplemental Community Area, (ii) use vehicles and equipment on Lots owned by the Declarant or a Principal Builder for promotional purposes, (iii) permit prospective purchasers of property within the boundaries of the Supplemental Community Area who are not Owners to use model Residences constructed on Lots owned by the Declarant or a Principal Builder, and (iv) refer to the Supplemental Community Area in connection with the development, promotion, and marketing of property within the boundaries of the Supplemental Community Area.

6.3 Successor Declarant. The Declarant may designate as a Successor Declarant any Person that acquires some or all of the then remaining interest of the Declarant in the Supplemental Community Area by Recordable instrument. Upon execution and delivery of such instrument by the Declarant, the Person designated as Successor Declarant therein shall accede to all of the rights and obligations of the Declarant under this Supplemental Declaration with respect to the property acquired by such Successor Declarant and all references to the Declarant contained herein shall refer to such Successor Declarant.

6.4 Advisory Board. The Subdistrict may (a) create an advisory board (the "**Advisory Board**") composed of Owners of Residences to advise it with respect to the Supplemental Community Area, (b) determine the manner of selecting and the number of members of such board, (c) determine the scope of the Advisory Board's authority, duties, and powers, and (d) establish procedures for the conduct of meetings.

ARTICLE 7

Alternative Dispute Resolution

7.1 Intent of Article: Applicability of Article; and Applicability of Statutes of Limitation. Each Bound Party agrees to encourage the amicable resolution of disputes, without the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees to submit any

Claims to the procedures set forth in Section 7.5 below. By acceptance of a deed for a Lot, each Owner agrees to abide by the terms of this Article 7. Any applicable statute of limitation shall apply to the alternative dispute resolution procedures set forth in this Article.

7.2 Persons Entitled to Enforce Supplemental Declaration. Subject to and in the manner set forth in this Article 7, the Declarant, any Principal Builder, the Subdistrict, and any Owner of a Lot (all of whom shall be deemed to be aggrieved Persons with respect to any alleged violation hereof and Bound Parties, as set forth) shall have the right to enforce any or all of the provisions, covenants, conditions, restrictions, and equitable servitudes contained in this Supplemental Declaration against any property within the Supplemental Community Area and the Owner thereof. The right of enforcement shall include the right to bring an action for damages as well as an action to enjoin any violation of any provision hereof.

7.3 Condition Precedent. Before any Bound Party commences any proceeding to which another Bound Party is a party, including but not limited to an alleged defect of any Improvement, the Respondent shall have the right to be heard by the Claimant and to access, inspect, correct the condition of, or redesign any portion of any Improvement as to which a defect is alleged or otherwise correct the alleged dispute.

7.4 Claims. Unless specifically exempted below, all Claims between any of the Bound Parties shall be subject to the provisions of Section 7.5 below. Notwithstanding the foregoing, unless all Parties thereto otherwise agree, the following shall not be Claims and shall not be subject to the provisions of Section 7.5 below: (a) any action brought by a District to enforce the covenants, conditions, and restrictions contained in this Supplemental Declaration or in the Master Declaration; (b) any action brought by a District to collect amounts due and owing; (c) any suit between or among Owners that does not include the Declarant, the Master Declarant, or a Principal Builder; and (d) any suit in which any indispensable party is not a Bound Party.

7.5 Procedure.

(a) Notice of Claim. Before proceeding with any claim against a Respondent, each Claimant shall give a Notice to each Respondent, which Notice shall state plainly and concisely (i) the nature of the Claim, including all Persons involved and Respondent's role in the Claim; (ii) the legal basis of the Claim (*i.e.*, the specific authority out of which the Claim arises); (iii) the proposed remedy; and (iv) the fact that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

(b) Good Faith Attempts to Resolve Claim. The Bound Parties shall make every reasonable effort to meet in person and confer for resolving the Claim by good faith negotiation in accordance with the following:

(i) Appointment of a Facilitator. If requested in writing, accompanied by a copy of the Notice, the board of directors of the District may appoint a facilitator, mediator, representative, or similar representative to assist the Bound Parties in negotiation.

(ii) Filing Arbitration. Upon a Termination of Negotiations, Claimant shall have thirty days to submit the Claim to mediation under the auspices of the Arbitrator in accordance with the Arbitrator's mediation rules, as appropriate.

(iii) Effect of Not Participating in Mediation. If Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim provided that nothing herein shall release or discharge Respondent from any liability to any Person other than the Claimant.

(iv) Settlement of Dispute by Mediation. The party conducting the mediation shall document any settlement of the Claim in a written instrument executed and delivered by the mediator and the Bound Parties. If a Termination of Mediation occurs, the mediator shall issue a notice of Termination of Mediation. The Termination of Mediation notice shall set forth that the Bound Parties are at an impasse and the date that mediation terminated.

(v) Costs of Mediation. Each Bound Party shall bear its own costs of the mediation, including attorneys' fees, and each Bound Party shall share equally all charges rendered by the mediator.

(vi) Failure to Comply with Settlement Agreement. If the Bound Parties agree to a resolution of any Claim through negotiation or mediation, as set forth in the written instrument set forth in Section 7.5(b)(iv) above, and any Bound Party thereafter fails to abide by the terms of such agreement, then any other Bound Party may initiate arbitration proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section 7.5. In such event, the Bound Party taking action to enforce the agreement shall be entitled to recover from the non-complying Bound Party (or if more than one non-complying Bound Party, from all such Bound Parties *pro rata*) all costs incurred in enforcing such agreement, including, without limitation, attorneys' fees and court costs.

(c) Arbitration Procedure. The Bound Parties shall arbitrate Claims in accordance with the appropriate rules of the Colorado Uniform Arbitration Act, C.R.S. § § 13-22-201, et seq., and as follows:

(i) Initiation of Arbitration. Upon Termination of Mediation, if a Claimant desires to pursue the Claim, Claimant shall thereafter be entitled to initiate final, binding arbitration of the Claim under the auspices of the Arbitrator in accordance with the Rules, as appropriate. Any court having jurisdiction over a Claim may enforce any judgment upon the award rendered by the Arbitrator. Unless otherwise agreed by the Bound Parties in writing, there shall be one Arbitrator who shall be a retired Colorado state court judge, a retired Federal judge, or an attorney licensed to practice law in the State of Colorado for at least ten years. To the extent feasible, the Arbitrator shall have expertise in the area(s) of dispute (including legal expertise if legal issues are involved). The Arbitration shall be closed to the public, the decision of the Arbitrator shall not be published, and the decision by the Arbitrator shall not be cited as precedent in subsequent Claims between the Bound Parties participating in the Arbitration or in Claims involving other Bound Parties.

(ii) Costs and Expense of Arbitration. The Bound Parties participating in the Arbitration shall share the costs of such Arbitration, and if the Arbitrator requires payment of costs and fees in advance fees, then the Bound Parties will pay those costs and fees equally. If one Bound Party pays more than its proportionate share of the costs and fees of the Arbitration, then the Arbitrator shall, in the Arbitration award, make such adjustments as are necessary so that each Bound Party shall have paid its equal share of the costs and fees of Arbitration. Notwithstanding the foregoing, if a Bound Party unsuccessfully contests the validity or scope of Arbitration in a court of law or in the Arbitration, then the Arbitrator shall award reasonable attorneys' fees and expenses incurred in defending such contests, including those incurred in trial or on appeal, to the non-contesting Bound Party. If a Bound Party incurs costs and attorney's fees in enforcing the award of an Arbitrator, such Bound Party shall be entitled to an additional award of its costs and reasonable attorneys' fees incurred in the enforcement of such an award.

(iii) Written Award. The Arbitrator shall not have the authority to make, and Claimant shall not be entitled to claim or receive, consequential, exemplary, or punitive damages. The Arbitrator shall make an award that shall include detailed written findings of fact and conclusions of law. Except as required by law or for confirmation of an award, neither a Bound Party nor an Arbitrator may disclose the existence, content, or results of any arbitration without the prior written consent of all Bound Parties.

(iv) Decision of Arbitrator. The Arbitrator shall issue an award within thirty days of the completion of an Arbitration hearing or if post-hearing briefs are submitted, within thirty days of receipt of briefs or other post-hearing submittals by the Bound Parties. If the Bound Parties file post-hearing briefs, the Bound Parties shall submit such post-hearing briefs within twenty days of the completion of the hearing and the Arbitrator shall not grant any extensions of time for the filing of briefs. The Bound Parties shall comply with the award of the Arbitrator, and if a Bound Party does not comply with the award, then judgment upon an Arbitration award may be entered and enforced in any court having jurisdiction over such matters in Adams County, Colorado.

7.6 Construction Defect Action Reform Act. The Declarant does not intend that the provisions of this Supplemental Declaration be applied as an express waiver of, or limitation on, a property owner's legal rights, remedies, or damages provided by (a) the Construction Defect Action Reform Act, Part 8 of Article 20, Title 13, (b) the Colorado Consumer Protection Act, Article 1, Title 6, as described in Section 806 of Article 20, Title 13, Colorado Revised Statutes, (c) the Owner's ability to enforce such legal rights, remedies, or damages within the time provided by applicable statutes of limitation or repose, or (d) other applicable law. Damages claimed or recovered by an Owner in connection with the Residence shall be limited as set forth in the foregoing statutes and other applicable law.

ARTICLE 8

Amendment; Rights of First Mortgagees; Term

8.1 Term of Supplemental Declaration. Unless amended as provided in this Supplemental Declaration, the term (as extended, the "**Term**") of this Supplemental Declaration shall begin on the date of its Recording and shall continue thereafter for (a) forty years after Recording and (b) thereafter for additional periods of ten years each unless, on or before the

expiration of the then current extension of the Term, two-thirds of the Owners and two-thirds of Mortgagees execute, deliver, and Record an instrument terminating the Supplemental Declaration. If the requisite Owners and Mortgagees Approve such a termination, the Recorded instrument effecting such termination shall specify the effective date of such termination, which cannot be before the expiration of the Term of the Supplemental Declaration.

8.2 Amendment, Modification, or Termination of Supplemental Declaration. This Supplemental Declaration may only be amended as follows:

(a) Approval Requirements. Owners may amend, modify, repeal, or terminate this Supplemental Declaration or any part or provision of this Supplemental Declaration by Recording a written instrument in the form set forth in Section 8.2(b) that has received the Approval or favorable vote of (i) two-thirds of the Owners, with the votes of Owners being based on one vote for each Lot, (ii) two-thirds of First Mortgagees, with the votes of First Mortgagees being based on one vote for each First Mortgage held, (iii) during the Declarant Rights Period, the prior Approval of Declarant and any Builders who have received an assignment or partial assignment of Declarant Rights, (iv) the District, and (v) HUD or VA, as the case may be, if HUD or VA has VA has guaranteed or insured a Mortgage on any Lot at the time of such amendment. Approval by Declarant, First Mortgagees, HUD or VA, District, Owners, and Builders of one amendment shall not constitute Approval of subsequent amendments, each of which subsequent amendments shall require a separate Approval satisfying the requirements of this Section 8.2. Owners may amend this Section 8.2(a) only if the Owners have received the Approvals set forth in clauses (i) through (v) of this Section 8.2(a).

(b) Manner of Amendment. An amendment or modification of this Supplemental Declaration shall be made in a Recorded instrument that has been executed and acknowledged by the District in which the District certifies that (i) the amendment or modification has received the requisite Approvals of Declarant, First Mortgagee, HUD or VA, Owners, and Builders set forth in Sections 8.2(a) and 8.3 and (ii) the District has written evidence of such Approvals that are available for (A) inspection by Declarant, First Mortgagee, Owners, and title insurance companies during normal business hours and (B) copying upon payment of the costs and expenses incurred by the District in copying or making such Approvals available for copying.

8.3 First Mortgagee Approval. Notwithstanding any other provisions of this Supplemental Declaration to the contrary and with respect to the abandonment, amendment, or termination of this Supplemental Declaration:

(a) Abandon, Terminate, or Amend Supplemental Declaration. Unless they have obtained the prior written consent of at least two-thirds of the Owners and the consent of two-thirds of the First Mortgagees of Lots (based on one vote for each First Mortgage held) and either the VA or HUD if either agency has insured or guaranteed a First Mortgage, the Owners shall not (i) seek to abandon or terminate the Supplemental Declaration, whether by act or omission or (ii) amend any provisions of this Supplemental Declaration that are for the express benefit of First Mortgagees; and

(b) Approval of First Mortgagee Deemed Given Unless Notice of Disapproval Given. Unless, within sixty days after receipt of Notice, a First Mortgagee or insurer or guarantor of

a First Mortgage notifies the District of its disapproval of any of the matters requiring their approval as provided in this Supplemental Declaration, such First Mortgagee or insurer or guarantor of a First Mortgage shall be deemed to have given such approval.

8.4 Special Rights of First Mortgagees. Any First Mortgagee of a First Mortgage encumbering any Lot in the Supplemental Community Area which has filed written request with the District to be notified of any proposed action requiring First Mortgagee consents, shall be entitled to (a) receive Notice from the District of any default by the Mortgagor of such Lot in the performance of the Mortgagor's obligations under this Supplemental Declaration, which default is not cured within sixty days after the District learns of such default; (b) examine the books and records of the District during normal business hours; and (c) receive sixty days' prior Notice before the effective date of any proposed material amendment to this Supplemental Declaration requiring consent of a certain percentage of First Mortgagees.

ARTICLE 9 General Provisions

9.1 Award of Attorney's Fees. If the Subdistrict commences an action or arbitration proceeding to enforce any of the Supplemental Covenants and Easements and the arbitrator or judge in such proceeding determines that the Subdistrict is the prevailing party, then, the Subdistrict shall have the authority, power, and right to (a) as a part of any award or judgment awarded by an arbitrator or judge, request such arbitrator or judge to award the Subdistrict its costs and reasonable attorneys' fees incurred by it in such proceeding and/or (b) assess an Owner for the costs and reasonable attorneys' fees incurred by it in enforcing any of the Supplemental Covenants and Easements.

9.2 Binding on Successors. The obligations and agreements of the Owners, and their successors and assigns, shall run with the Supplemental Community Area and all Lots located within the Supplemental Community Area and shall inure to the benefit of the Declarant, Principal Builders, the Districts, any Association, any Subdistrict, and all of their respective successors and assigns, and such obligations and agreements of Owners, their successors and assigns shall be binding upon all successive owners or transferees of all or any portion of the Supplemental Community Area. If all or part of a Residence is leased to an Occupant, Owners, for themselves and their successors and assigns, further agree that the conditions, covenants, and restrictions contained herein shall be binding upon all Occupants of a Residence in the Supplemental Community Area.

9.3 Communications and Notices. Unless specified otherwise herein, any approval, consent, demand, notice, or other communication (collectively, a "Notice") that is permitted or required to be given under this Supplemental Declaration must be made in writing and may be given either (a) personally or (b) by email, mail, overnight delivery, or telephone. If the Notice is given personally, it shall be deemed given the date and time when received by the recipient of the Notice. If the Notice is served by mail or overnight delivery, then it shall be sent postage or delivery charges prepaid, addressed to any Person at the address of the Residence owned by such Person (or such other address as the recipient may designate in advance for such purposes) and shall be deemed given, if not actually received earlier, at 5:00 p.m. on the day after it is deposited with an overnight delivery service and the second day after it is deposited in a regular depository of the United States

Postal Service. If the Notice is served by email, then it shall be sent to any email address designated in writing by the recipient of the Notice for such purpose and shall be deemed given the date that it is transmitted provided that a written copy is deposited the same day in a regular depository of the United States Postal Service sent postage or delivery charges prepaid, addressed to any Person at the address of the Lot owned by such Person (or such other address as the recipient may designate in advance for such purposes).

9.4 Governing Law. The laws of the State of Colorado shall govern the interpretation of this Supplemental Declaration.

9.5 Liberal Interpretation. The provisions hereof shall be liberally construed as a whole to give effect to the purpose hereof.

9.6 Limitation on Liability. The Declarant, any District, any Principal Builders, the Subdistrict, and any agent, board of directors (including the individual directors on such board, employee, manager, member, member of an advisory board or member board, officer, owner, principal, representative, or shareholder of the Declarant, any District, any Principal Builder), and the Subdistrict shall not be liable to any Person for any action or for any failure to act if the action or failure to act was in good faith and without malice.

9.7 No Representations or Warranties. No representations or warranties of any kind, express or implied, shall be deemed to have been given or made by the Declarant, any Principal Builders, any District or their agents or employees in connection with any portion of the Supplemental Community Area, or any Improvement thereon, its or their physical condition, zoning, compliance with Applicable Laws, fitness for intended use, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes, or regulation thereof, unless and except as shall be specifically set forth in writing.

9.8 Remedies Cumulative. Each remedy provided under this Supplemental Declaration is cumulative and not exclusive.

9.9 Severability; Interpretation. Each of the provisions hereof shall be independent and severable. The invalidity or unenforceability (or the partial validity or enforceability) of the provisions or any portion of this Supplemental Declaration shall not affect the validity or enforceability of any other provision or portion of this Supplemental Declaration.

9.10 Violations of Law. Any violation of any Applicable Law pertaining to the ownership, occupation, or use of any property within the Supplemental Community Area is hereby declared to be a violation hereof and shall be subject to any and all enforcement procedures set forth in this Supplemental Declaration.

[Signature of the Declarant is on the next page]

THE DECLARANT has executed and delivered this Supplemental Declaration of Covenants Conditions, Conditions, and Restrictions for Carriage House (Filing No. 20, First Amendment) as of the date of its Recordation.

Declarant:

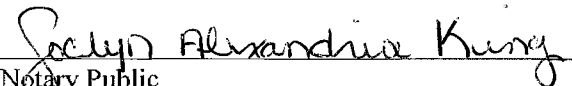
CLAYTON PROPERTIES GROUP II, INC.,
a Colorado corporation

By:  _____
David Bracht, Assistant Secretary

STATE OF COLORADO)
) ss.
CITY & COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 19th day of November, 2018, by David Bracht, Assistant Secretary of CLAYTON PROPERTIES GROUP II, INC., a Colorado corporation.

WITNESS my hand and official seal.


Notary Public
My commission expires: January 17, 2021

JOCLYN ALEXANDRIA KING
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20174002154
MY COMMISSION EXPIRES JANUARY 17, 2021

CONSENT OF DISTRICT

The undersigned, North Range Metropolitan District No. 2, Subdistrict No. 1, hereby consents to the aforesaid Supplement Declaration of Covenants, Conditions and Restrictions for Reunion Carriage House (Filing No. 20, First Amendment).

IN WITNESS WHEREOF, the undersigned as hereto set its hand this 12th day of NOVEMBER, 2018.

North Range Metropolitan District No. 2, Subdistrict No. 1

By: [Signature]

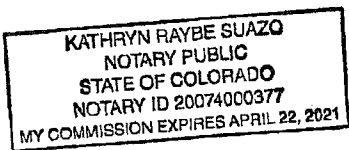
Title: _____

STATE OF Colorado)
) ss.
COUNTY OF Adams)

The foregoing instrument was acknowledged before me this 12th day of November, 2018, by Teresa G. Kershner as President of North Range Metropolitan District No. 2, Subdistrict No. 1.

Witness my hand and official seal.

{SEAL}



[Signature]
Notary Public
My Commission expires: 4-22-21

ATTACHMENT 1
(Supplemental Community Area)

The following described real property located in the City of Commerce City, County of Adams, Colorado:

Lots 1-86, inclusive, Reunion Filing No. 20, 1st Amendment
according to the plat thereof recorded September 22, 2017, at Reception No.
2017000083215,
City of Commerce City, County of Adams, State of Colorado.

ATTACHMENT 2
(Includible Area)

None

ATTACHMENT 3
(List of Residential Clusters)

Residential Clusters	
Lots	Filing
Lots 1, 2, 3 and 4	Filing No. 20, 1 st Amendment
Lots 5, 6, 7 and 8	Filing No. 20, 1 st Amendment
Lots 9, 10, 11 and 12	Filing No. 20, 1 st Amendment
Lots 13, 14, 15 and 16	Filing No. 20, 1 st Amendment
Lots 17, 18, 19 and 20	Filing No. 20, 1 st Amendment
Lots 21, 22, 23 and 24	Filing No. 20, 1 st Amendment
Lots 25, 26, 27 and 28	Filing No. 20, 1 st Amendment
Lots 29, 30, 31 and 32	Filing No. 20, 1 st Amendment
Lots 33, 34, 35 and 36	Filing No. 20, 1 st Amendment
Lots 37, 38, 39 and 40	Filing No. 20, 1 st Amendment
Lots 41, 42, 43 and 44	Filing No. 20, 1 st Amendment
Lots 45, 46, 47 and 48	Filing No. 20, 1 st Amendment
Lots 49, 50, 51 and 52	Filing No. 20, 1 st Amendment
Lots 53, 54, 55, 56, 57 and 58	Filing No. 20, 1 st Amendment
Lots 59 and 60	Filing No. 20, 1 st Amendment
Lots 61, 62, 63 and 64	Filing No. 20, 1 st Amendment
Lots 65, 66, 67, 68, 69 and 70	Filing No. 20, 1 st Amendment
Lots 71 and 72	Filing No. 20, 1 st Amendment
Lots 73, 74, 75, 76, 77 and 78	Filing No. 20, 1 st Amendment
Lots 79, 80, 81 and 82	Filing No. 20, 1 st Amendment
Lots 83, 84, 85 and 86	Filing No. 20, 1 st Amendment

Notes:

1. The Final Plat and Site Plan generally depict the location of each Residence in a Residential Cluster and its relationship to its respective Auto Court and the other Residences in its Residential Cluster.

ATTACHMENT 4
(Paired Lots)

Benefited Lot	Burdened Lot
Lot 49	Lot 50
Lot 52	Lot 51
Lot 54	Lot 55
Lot 57	Lot 56
Lot 59	Lot 60
Lot 62	Lot 61
Lot 63	Lot 64
Lot 66	Lot 67
Lot 69	Lot 68
Lot 74	Lot 75
Lot 77	Lot 76
Lot 84	Lot 83
Lot 85	Lot 86

ATTACHMENT 5
(Site Plan)
Attached



Legend
Beneficial Open Area
Fence

Scale: 1" = 100'-0"
0
25
50
100

