

**DECLARATION OF PROTECTIVE COVENANTS
FOR THE RESIDENTIAL AREA
OF MEADOW CREEK SUBDIVISION**

As amended through September 19, 1987

This Declaration of Protective Covenants made this 18th day of August, 1978, by Canyon Properties Development Company, a general partnership formed under the laws of the State of Colorado.

WHEREAS, Canyon Properties Development Company hereinafter called Declarant, is the owner of certain real property situated in the Town of Frisco, County of Summit, State of Colorado, described as follows:

Residential subdivision, Meadow Creek Subdivision, according to the map thereof filed for record with the Clerk and Recorder of Summit County, Colorado, on the 1st day of August, 1978, under Reception Number 178502,

and is desirous of subjecting said real property to the restrictions and covenants hereinafter set forth, which restrictions and covenants shall be burdens and benefits to Declarant, its respective successors and assigns and grantees and their successors, heirs, executors, administrators, devisees, grantees or assigns.

NOW, THEREFORE, Declarant hereby declares its real property described above is, and shall be held, transferred, sold and conveyed, subject to the conditions, restrictions and covenants hereinafter set forth, all of which shall be covenants real which shall run with the land and which shall be considered to be included in all conveyances, transfers, and leases of any part of the real property, whether or not they may be specifically mentioned therein:

1. General Purposes. These covenants are made for the purpose of maintaining standards in the use and development of the land involved and keeping the same, insofar as possible, desirable, attractive, beneficial and suitable in architectural design, materials, appearance and use in guarding against fires and unnecessary and unreasonable interference with the views, natural beauty and ecological integrity of said land, all for the mutual benefit and protection of the owners, lessees and users of said land, subject, however, to the Meadow Creek Architectural and Planning Control Board's supervision and approval as hereinafter stated and further subject to the zoning and planning regulations of Frisco, Colorado, and to applicable federal, state and county statutes, rules or ordinances.

2. Definitions.

A. "Parcel Owner" means the owner of record of any part of the premises covered by this declaration. Declarant shall be a parcel owner as long as it owns any part of such premises. Parcel owner shall not include a person or corporation taking title as security for the payment of money or for the performance of any obligation. The pronoun "he" with reference to a parcel owner includes corporations, partnerships, and, collectively, any joint tenants or co-tenants.

B. A "parcel" shall be any lesser included legal description of property which falls within the boundaries of the real property described above.

C. "Utility Lines" shall mean all water and sewer pipelines which lie beneath the surface of the ground and also all electric, telephone and other wire lines, with poles and other necessary appurtenances which run above and below the surface of the ground.

D. "Board" - the Meadow Creek Architectural and Planning Control Board as hereinafter further defined and provided for.

3. The Meadow Creek Architectural and Planning Control Board.

A. Board. The Meadow Creek Architectural and Planning Control Board, hereinafter referred to as "Board," shall consist of three (3) members who shall be designated by the Declarant, its successors or assigns, to review, study, and approve or reject proposed improvements upon the property subject to these protective covenants. When and if the Meadow Creek Architectural and Planning Control Board is ever disbanded, for reasons not apparent at this time, the duties and responsibilities of the Board shall be turned over to the Planning and Zoning Commission of the Town of Frisco, Colorado.

B. Rules. The Board may make such rules and By-Laws and adopt such procedures as it may deem appropriate to govern its proceedings.

C. Approval of Plan. No building, outbuilding, fence, wall or other improvements which are not already located on the property shall be constructed, erected or maintained, nor shall any additions thereto or alterations therein be made until plans and specifications showing the design, color, location, materials, landscaping and such other information relating to any improvements as the Board may reasonably require shall have been submitted to and approved by the Board in writing.

D. Criteria. In passing upon such plans and specifications, the Board shall consider:

- (1) The suitability of the improvements and materials of which it is to be constructed to the site upon which it is to be located;
- (2) The nature of adjacent and neighboring improvements;
- (3) The quality of materials to be utilized in any proposed improvement, and the effect of any proposed improvement on the view from adjacent or neighboring property; and
- (4) The location and character and method of utilization of all utilities, including water supply and sewage disposal.

It shall be an objective of the Board to make certain that no improvements will impair the monetary and aesthetic value of the property of Declarant or its grantees or assigns.

E. Effect of the Board's Failure to Act. In the event the Board fails to approve or disapprove plans and specifications submitted to it within sixty (60) days of submission and no suit to enjoin the construction has been commenced prior to the completion thereof, approval shall not be required and the related covenants shall be determined to have been fully complied with. The Board shall not be liable to any person for its actions in connection with submitted plans and descriptions, unless it can be shown that they acted with malice or wrongful intent.

4. Improvements Prohibited. No used or second hand structure, no building of a temporary character, no basement, mobile home, trailer, tent, shack, or outbuilding shall be placed or used on the property, either temporarily or permanently, except that necessary appurtenances for and during actual construction may be used and trailers or structures of a temporary nature may be used during the period of permanent construction of any approved and allowed improvement, but for no longer period than twelve (12) months without the written consent of the Board. All such structures maintained during the period of construction shall have a sewage disposal system and water supply that is approved by the Board, and shall further comply with all applicable regulations of the Town of Frisco, Colorado.

5. Signs. No signs, billboards, poster boards, advertising banners or advertising structures of any kind shall be erected or maintained for any purpose whatsoever, except such signs as have been approved by the Board as reasonably necessary for identification of residences or signs indicating property for sale. Any signs which are permitted under the foregoing restrictions shall be erected or maintained on

the property only with the prior written approval of the Board which approval shall be given only if such signs shall be of attractive design and shall be as small a size as reasonably possible and shall be placed or located as directed or approved by the Board.

6. Water and Sewage. Each structure designed for occupancy or use by human beings shall connect with the water and sewage facilities of the Town of Frisco and the Frisco Sanitation District, or such water or sanitation districts of other governmental or quasi-governmental utility systems. No private well shall be used as a source of water for human consumption or irrigation, nor shall any facility other than those provided as set out above be used for disposal of sewage.

7. Trash and Garbage. No trash, ashes or other refuse or debris may be thrown or dumped on any land within the property involved. The burning of refuse out of doors shall not be permitted. No incinerators or other device for the burning of refuse indoors shall be constructed, installed or used by any person except as approved by the Board. Waste materials, garbage, and trash shall be kept in sanitary containers and shall be enclosed and screened from public view and protected from disturbance and shall be disposed of with reasonable promptness. The owner of any lot or parcel subject to these covenants shall keep the premises free of trash, refuse, noxious weeds, or debris of any kind, whether said lot is vacant or improved.

8. Livestock. No animals, livestock, horses or poultry of any kind, except dogs, cats and other household pets in reasonable numbers, shall be kept, raised or bred on the property.

9. Trees. Trees may be cut, trimmed or removed only within five feet (5') of an approved, proposed or existing foundation of a structure. No trees shall be cut, trimmed or removed, except with prior written approval of the Board and by persons designated by the Board, beyond the five foot (5') limitation as stated above unless trees are dead or diseased beyond treatment.

10. Location of Improvements. The location of each improvement with relation to the property lines must be within the buildable area established for each lot by the Site Plan on file in the office of the Town Clerk of Frisco, Colorado. A copy of the Site Plan is also on file in the office of the Meadow Creek Architectural Control Board. The location of each improvement within the buildable area must also be approved in advance by the Board, consistent with the applicable regulations of Frisco, Colorado. In determining the proper location for each improvement, the Board shall consider the location of existing and future improvements on adjacent property, and such other monetary or aesthetic considerations as it may deem necessary.

11. Landscaping and Gardening. All surface areas disturbed by construction shall be returned, within twelve (12) months from the start of construction to their natural condition and replanted in native grasses or ground cover, except where such areas are to be improved by the construction of gardens, lawns and exterior living areas, which will be permitted only after the plans therefor shall have been approved by the Board.

12. Continuity of Construction. All structures commenced shall be prosecuted diligently for exterior completion and shall be completed within twelve (12) months of commencement, except with written consent of the Board.

13. Fences. No fences, walls or other barriers shall be permitted except with the written consent of the Board.

14. Noxious or Offensive Activity. No noxious or offensive activity shall be carried on upon any property nor shall anything be done or placed on any property which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others.

15. Maintenance of Property. All property, including all improvements on any property, shall be kept and maintained by the owner thereof in a clean, safe, attractive and sightly condition, and in good repair; no inoperative private automobile shall be placed or remain on any property for more than 48 hours

unless parked within the dwelling's garage; no commercial type vehicles and no trucks shall be stored or parked on any property or parked on any residential street or alley except while engaged in transportation, trailers, mobile homes, trucks, pickups, boats, tractors, vehicles other than automobiles, campers not on a truck, snow removal equipment and garden or maintenance equipment shall be kept at all times, except when in actual use, in a closed structure or screened from view; service areas, storage piles, facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view; pipes for water, gas, sewer, drainage or other purposes, wires, poles, antenna and other facilities, gas, oil, water or other tanks, sewage disposal systems or devices shall be kept and maintained within an enclosed structure or below the surface of the ground or in a manner approved by the Board; and no lumber, grass, shrub or tree clippings or plant waste, metals, bulk materials or scrap or refuse or trash shall be kept, stored, or allowed to accumulate on any property. Notwithstanding the foregoing, if at the time of the occupancy of any approved structure, connections to a nearby underground electricity line, telephone line or television cable is not available, then temporary poles or wires for electricity, telephone, or television antenna, as the case may be, may be installed to a reasonably necessary height provided that they shall be promptly removed at the expense of the owner after the availability of connections to nearby underground lines or cables.

16. Annoying Lights, Sounds or Odors. No light shall be emitted from any property which is unreasonably bright or causes unreasonable glare; no sound shall be emitted from any property which is unreasonably loud or annoying; and no odor shall be emitted from any property which is noxious or offensive to others.

17. Residences Only. No party or parcel of the real property shall be used except for residential purposes by single families residing in a detached, single-family dwelling or a duplex, triplex, fourplex, fiveplex, or sixplex dwelling and for the purposes incidental or accessory thereto except for model homes used by Declarant. Determinations as to whether uses are incidental or accessory uses shall be construed to permit the carrying on of any trade, business, profession, or employment.

18. No Subdivision. No owner shall further subdivide any part or parcel of the real property, unless the owner is granted Subdivision approval by the Town of Frisco's Planning & Zoning Commission and the Board of Trustees.

19. Burden and Benefit. Each such parcel owner shall abide by and benefit from each provision, covenant, condition and restriction contained in these Covenants, a copy of which shall be provided to each owner at the time of purchase, and by which each owner agrees to be bound, or in any rule, regulation, or restriction promulgated pursuant to said Articles and By-Laws. The obligations, burdens and benefits or the Covenants, to the extent that they touch and concern the land, shall be covenants running with the land for the benefit of the property included in the Meadow Creek Subdivision, Town of Frisco, County of Summit, Colorado, and all persons subsequently acquiring property rights within the Meadow Creek Subdivision.

20. Duration of Declaration and Amendments. The provisions of this Declaration, including all conditions, restrictions, stipulations, agreements, and covenants contained herein shall be for the benefit of and binding upon the owners and lessees of the property, their successors, representatives, and assigns, and shall continue and remain in full force and effect for a period of 21 years from the date of this Declaration, and the same shall continue automatically for any additional period of 10 years unless, at least one year prior to the expiration of any such extended period of duration, this Declaration is terminated by a recorded instrument directing termination, signed by owners of not less than three-fourths (3/4) in area of the property included within this Declaration. The same may be amended or repealed with the written consent of the Declarant, by the recording of a written instrument specifying the amendment or the repeal executed by Declarant and by the other owners of not less than three-quarters (3/4) in area of the property included within this Declaration.

The Declarant, so long as it owns any portion of the property, may amend the same by delivering or mailing a copy of the proposed amendment to the last known address of all of the owners by Certified mail, and unless objections to the proposed amendment are received by the Declarant from owners of more

than one-quarter (1/4) in area of the land included within this Declaration within 30 days from the date of the mailing by Declarant to the owners of such amendment, the amendment shall be deemed accepted and approved.

21. Enforcement of Covenants. If any person, firm or corporation shall violate or threaten to violate any of the provisions of this instrument, it shall be lawful for the Declarant or any person, firm or corporation owning land included within this Declaration, to institute proceedings at law or in equity to enforce the provisions of this instrument, to restrain the person, firm or corporation violating or threatening to violate them and to recover damages, actual and punitive, together with reasonable attorney's fees in enforcing the provisions hereof. No failure on the part of any such person, firm or corporation or Declarant to enforce any covenant immediately after any such cause may arise shall be deemed a waiver as to that cause or of any similar cause that may thereafter arise.

22. Declarant's Rights Assignable. All of the rights of the Declarant herein reserved, including rights reserved to enforce any and all of the covenants herein shall be freely assignable and any assignee shall succeed to all of the rights of any assignee thereof.

23. Natural Drainage. Because the area covered by this Declaration is situated in an area of heavy snowfall, there will be a substantial amount of natural surface water drainage and runoff flowing over the area. No parcel owner or other persons shall interfere with or direct the natural course of any such drainage and runoff so as to alter its natural flow onto or across the land of another.

24. Utility Line Areas. Utility easements are designed upon the subdivision plat for the property described above as "utility." Within such easements, Declarant and its successors and assigns shall have an easement for the purpose of installing, maintaining and repairing utility lines, facilities and services, which may include but are not limited to those necessary for water, sewer, electricity, gas and telephone services. All utilities shall be placed underground. Within such utility line areas, the following restrictions shall apply:

A. No building, structure, tree or other object shall be built upon or permitted to be or encroach upon a utility easement without the written permission of the Board and Declarant reserves the right to remove all such buildings, structures, or objects from any such area, when installed without permission of the Board.

Where the Board grants such permission, and it subsequently becomes necessary to disturb, injure or remove the same in the utilization of the easement for the purpose for which it is reserved, removal shall be accomplished at the expense of the owner, and neither Declarant nor the Board, nor the utility company utilizing the easement shall be responsible to the owner for injury or damage to such structures, trees, or other planting or objects.

B. Access to utility line areas shall always be available to Declarant or to public utilities seeking to install, maintain, and repair utility lines and facilities of all sorts, whether or not it is necessary for the purpose of such access, installation, maintenance and repair to enter upon any other property not designated as utility line areas, the use of such utility line areas to be generally for the good of all lot owners in the maintenance of utility lines, facilities and services.

25. Severability. Invalidation of any of the covenants herein contained or any part thereof, by a judgment, court order or decree shall in no wise affect any of the other provisions which shall remain in full force and effect.

26. Joinder or Subjection. The Declarant may subject other lands that it now owns or hereinafter may own to the provisions of this Declaration by a joinder to this Declaration setting out the parcels of land to be included herein. Other owners of parcels of land in the vicinity of the land subject to this Declaration may join as a party to this Declaration and be subject to the burdens and benefits thereof by executing the joinder to the Declaration and setting out of the parcels of land to be included herein, with the written consent of the Declarant.

27. Dedicated Land. Any area designated as "Dedicated Land" on the subdivision plat for the property described above shall be dedicated to and maintained by the Town of Frisco, Colorado. The one parcel of dedicated land in the commercial development adjacent to the roadway and dividing the commercial development shall be maintained by Canyon Properties Development Company. Canyon Properties Development Company will also build and maintain the heliport designated in this area.

28. Frisco Regulations. Any rules, regulations, ordinances, or resolutions adopted by the Town of Frisco, Colorado, shall take precedence over the requirements contained herein.

29. Homeowners' Association. Prior to December 31, 1978, the Declarant shall cause a nonprofit corporation, the Association, to be formed under the laws of the State of Colorado.

The Owner or Owners of each Site or each subdivided portion thereof or of each Dwelling Unit when constructed and completed, completion being defined when a unit has received a Certificate of Occupancy, except any Site owned by the Association, shall be entitled to one membership in the Association per Site or Dwelling Unit. There shall be one vote per membership.

The Owner of each Site, subdivided portion, or Dwelling Unit, and in the event that a Site, Dwelling Unit, or Subdivided Portion thereof is owned by a plurality of Owners, then all such Owners or the governing body representing such Owners, as appropriate, shall designate in writing to the Association the person entitled to represent and to cast the vote for the Site or Dwelling Unit.

The Association shall have the duty of providing management, maintenance, repair, landscaping, and, should the same be authorized, improvements for any Common Area and for all easements. It shall further be responsible to provide such insurance as may be necessary or desirable with respect to any Common Area and with respect to such easements.

It is contemplated that the Declarant shall from time to time transfer, assign, and delegate those powers and rights granted to it under this declaration, together with the obligations attendant thereto, to the Association. Upon approval of the Association, it shall then be the responsibility of the Association to recognize and to exercise such powers, rights, and obligations.

The Association shall perform its duties and obligations upon a cost basis and shall have the right to establish appropriate cash reserves to insure the performance of its duties and obligations. Initially the Association shall enter into a management agreement with the Declarant for a minimum period of five years from the date of recording this declaration, which agreement shall provide for the performance of its obligations on a cost plus overhead basis, unless the Declarant earlier waives the Association's obligations to so agree.

The expenses of the Association in its operation shall be borne by the Owners upon an assessment basis. The Association shall determine the amount of the respective assessments upon the basis of sound accounting principals, taking into consideration such factors as the advantages of its operation to the respective Sites or Dwelling Units, the square footage of the improvements upon each Site or portion thereof, and other relevant matters. The Association shall provide for an orderly periodic payment of the amount of each assessment by the respective Owners. A yearly assessment of \$30.00 per member of the Association is due 45 days following the Annual Meeting.

Should any Owner permit an assessment by the Association to remain unpaid for a period of thirty days, the Association shall have a lien upon the respective Site, Dwelling Unit, or portion thereof. Notice of such lien may be recorded and a copy of such notice shall be forwarded postage prepaid, to such Owner or to the agent of such Owner. Should the amount of the lien, together with costs and expenses incurred in the preparation and filing thereof remain unpaid thirty days after the posting of said copy of the notice, the Association may foreclose said lien in the manner provided by the law of the State of Colorado for the foreclosure of a mortgage. Upon the recording of such notice of lien, it shall be deemed to be superior to any and all liens and encumbrances recorded or unrecorded except only the following:

A. Any taxes, special assessments, and special taxes therefor or thereafter levied by the State of Colorado or by any political subdivision or municipal corporation thereof.

B. Any state or federal taxes which are a lien upon the interest of such Owner by operation of law.

C. All sums unpaid on a first mortgage or first deed of trust of record, including all unpaid obligatory sums as may be provided by such encumbrances.

EXECUTED by Canyon Properties Development Company as of the date and year first above written.

CANYON PROPERTIES DEVELOPMENT COMPANY

BY: L. J. LEWIS, Partner

BY: JOHN M. HAWN, Partner

Paragraph 29 was amended by majority vote of the members at the Annual Meetings on September 17, 1983, September 14, 1985 and September 19, 1987.

