

DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
OF

JEFFERSON GREEN - FILING NO. 2

This document has been re-typed to render it readable. A signed and notarized copy is on file at the Jefferson County Clerk and Recorder's Office.

THIS DECLARATION, made on the date hereinunder between Hallcraft Homes Co., a Colorado corporation, hereinafter referred to as "Declarant,"

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the county of Jefferson, State of Colorado, which is more particularly known as:

Jefferson Green - Filing No. 2, according to the Plat recorded with the Clerk and Recorder of Jefferson County on June 30, 1972, as Reception No. 501157.

WHEREAS, Declarant will convey the said properties, subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth;

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the perceived desirability and attractiveness of the real property. These easements, covenants, restrictions and conditions shall run with the real property and shall be binding upon all parties having or acquiring any rights, title or interest in the described properties or any part thereof, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to Second Jefferson Green Homeowners Association, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto that may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

Lot 169, Block 1, and Lot 170, Block 2, according to the Plat of Jefferson Green Filing No. 2, recorded with the Clerk and Recorder of Jefferson County on June 30, 1972, as Reception No. 501157.

Section 4. "Lot" shall mean and refer to a building site, together with the improvements thereon, constituting an individual residence, title to which is or will be conveyed in fee simple by reference to the numbered plots of land shown upon any recorded subdivision map of the properties, with the exception of the Common Area.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract buyers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to Hallcraft Homes Co., its successors and assigns if such successors or assigns acquire more than one undeveloped lot of the Declarant for the purpose of development.

ARTICLE II MEMBERSHIP

Every Owner as defined in Article I, Section 6 under this Declaration shall be a Member of the Association. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

ARTICLE III VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A Members shall be all those Owners as defined in Article II with the exception of the Declarant. Class A Membership shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article II. When more than one person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant. The Class B Member shall be entitled to three votes for each Lot in which it holds the interest required for membership by Article II, provided that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the class B membership, or
- (b) on December 31, 1974

ARTICLE IV PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, and such easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to limit the number of guests of Owners on recreational facilities.

(b) The right of the Association to collect money upon a cost basis for the use of any recreational facility situated upon the Common Area.

(c) The right of the Association, in accordance with its Articles and bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, provided, however, that the rights of any mortgagee shall be subject to the rights of the Owners of the Association while any mortgage is current and not in default, and further provided that no funds may be borrowed nor shall any mortgage be given unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such action has been recorded.

(d) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations.

(e) The right of the Association to dedicate or transfer all or any part of the Common Area, subject to ingress and egress requirements of Article IX (e), to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Owners and by persons holding mortgages on any portion of the subject property. No such dedication or transfer shall be effective unless an instrument signed by Owners entitled to cast two-thirds (2/3) of the Class A membership and two-thirds (2/3) of the Class B membership, if any, has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every Owner not less than 30 days or more than 60 days in advance. Declarant shall have the right at any time to use so much of the Common Area as it may deem necessary or advisable for the purpose of aiding in the construction and development of the unimproved lots, except that such use may not interfere with the homeowner's use and reasonable access to the recreation facilities constructed on the Common Area nor with their right of ingress and egress to their homes.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Title to the Common Area. The Declarant will convey fee simple title to the Common Area to the association, free and clear of all encumbrances and liens, prior to conveyance of the first Lot.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and personal obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to

covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successor in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association through its Board of Directors shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Properties and in particular for the services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, and of the homes situated upon the Properties; and, further, for the purpose of maintaining guest parking spaces, landscaped parking islands and any such other maintenance or improvement obligations which may be incurred by virtue of agreement with City, County or other governmental authorities. The assessments shall further be used to provide adequate insurance of any and all types and amounts deemed necessary by the Board of Directors with respect to the Common Area and public ways and to provide such reserves as may be deemed necessary in order to accomplish the objects and purposes of the Association.

Section 3. Basis and Payment of Annual Assessments.

(a) The annual assessments with respect to each Lot shall be estimated by the Board of Directors prior to the conveyance of the first Lot and shall be payable in equal monthly installments; provided, however, that until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Two Hundred Seventy-Six dollars (\$276.00) per Lot.

(i) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 3% above the maximum assessment for the previous year without a vote of the membership.

(ii) From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased above 3% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for such purpose.

(iii) The board of Directors may fix the annual assessment at an amount not in excess of the maximum.

(b) Monthly installments of annual assessments shall be payable on or before the 10th day of each month, but shall be and become a lien as of the date of the annual assessment as

hereinafter provided. Written notice of the annual assessment shall be sent to every Owner immediately following the assessment date. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty per cent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto.

Section 7. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots.

Section 8. Effect of Nonpayment of Assessments - Remedies of the Association. Any assessment installment which is not paid when due shall be delinquent. If the assessment installment is not paid within thirty (30) days after the due date, the assessment installment shall bear interest from the date of delinquency at the rate of six (6) per cent per annum. The Association may bring an action at law against the Owner personally obligated to pay the delinquent installments. In addition to such action or as an alternative thereto, the Association may file with the Clerk and Recorder of the County wherein the property is situate a Statement of Lien with respect

to the property, setting forth the name of the Owner, the legal description of the property, the name of the Association, and the amount of delinquent assessments then owing, which Statement shall be duly signed and acknowledged by the President or a Vice President of the Association, and which shall be served upon the owner of the Property by mail to the address of the property or at such other address as the Association may have in its records for the Owner of the Property. Thirty (30) days following the mailing of such notice the Association may proceed to foreclose the Statement of Lien in the same manner as provided for the foreclosure of mortgages under the statutes of the State of Colorado. In either a personal or foreclosure action, the Association shall be entitled to recover as a part of the action, the interest, costs and reasonable attorney's fees with respect to the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot as a result of court foreclosure of a mortgage, foreclosure through the Public Trustee, or any proceeding in lieu of foreclosure, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer, but shall not relieve any former Owner of personal liability therefor. No sale or transfer shall relieve such from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein:

- (a) all Properties dedicated to and accepted by a local public authority;
- (b) the Common Area.

ARTICLE VI PARTY WALLS

Section 1. Party Wall Easements. Mutual reciprocal easements are hereby established, declared and granted for all party walls between improvements constructed or to be constructed on Lots, which reciprocal easements shall be for mutual support and shall be governed by this Declaration and more particularly the succeeding Sections of this Article. Every Deed, whether or not expressly so stating, shall be deemed to convey and to be subject to such reciprocal easements.

Section 2. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 3, Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be

shared by the Owners who make use of the wall in proportion to such use.

Section 4. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 5. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligence or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 6. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 7. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose an arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE VII ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location for the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural control committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and allocation within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VIII EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces.

In addition to exterior maintenance, the Association shall also provide maintenance in the interior garage area of each building, including but not limited to, painting, repair and

replacement where necessary. An easement for the purpose of such maintenance is hereby granted unto the Association.

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family or guests, or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessments to which such Lot is subject.

ARTICLE IX
USE RESTRICTIONS

(a) The use of the Common Area shall be subject to the restrictions set forth in Article IV, Section 1, and to those restrictions hereinafter set forth.

(b) No use shall be made of the Common Area which will in any manner violate the statutes, rules or regulations of any governmental authority having jurisdiction over the Common Area.

(c) No Owner shall place any structure whatsoever upon the Common Area, nor shall any Owner engage in any activity which will temporarily or permanently deny free access to any part of the Common Area to all Members.

(d) The use of the Common Area shall be subject to such rules and regulations as may be adopted from time to time by the Board of Directors of the Association.

(e) No use shall ever be made of the Common Area which will deny ingress and egress to those Owners having access to Lots only over Common Area, and the right of ingress and egress to said Lots by vehicle and otherwise is hereby expressly granted.

(f) The Property is hereby restricted to residential dwellings for residential use and uses related to the convenience and enjoyment of such residential use. All buildings or structures erected upon the Property shall be on new construction and no buildings or structures shall be moved from other locations onto said premises. No structures of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any portion of the premises at any time as a residence either temporarily or permanently.

(g) No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes.

(h) No advertising sign (except one of not more than five square feet "For Rent" or "For Sale" sign per parcel), billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on the premises, nor shall the premises be used in any way or for any purpose which may endanger the health or unreasonably disturb the owner of any Lot or any resident thereof. Further, no business activities of any kind whatever shall be conducted in any building or in any portion of the property. Provided, further, however, the foregoing covenants shall not apply to the business activities, signs and billboards, or the construction and maintenance of buildings, if any, of the Declarant its agents and assigns during the construction and sale period and of the Association, its successors and assigns, in furtherance of its powers and purposes as hereinafter set forth.

(i) All clotheslines, equipment, garbage cans, service yards, wood piles or storage piles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring lots and streets. All rubbish, trash or garbage shall be regularly removed from the premises, and shall not be allowed to accumulate thereon. All clotheslines shall be confined to patio areas.

(j) Except in the individual patio areas, no planting or gardening shall be done, and no fences, hedges, walls, balconies or additions shall be erected or maintained upon said premises, except such as are installed in accordance with the initial construction of the buildings located thereon or as approved by the Association's Board of Directors or their designated representatives. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all owners of lots and is necessary for the protection of said owners.

(k) The Association, or its duly delegated representative, shall maintain and otherwise manage all property up to the exterior building lines and patio enclosures, including, but not limited to the landscaping, parking areas, streets and recreational facilities, roofs, common elements and exteriors of the buildings located upon the above described properties, except windows of buildings on individual lots, and shall maintain and otherwise manage and be responsible for the rubbish removal from all areas within the above described property.

(l) No exterior television or radio antennas of any sort shall be placed, allowed or maintained upon any portion of the improvements to be located upon the premises, nor upon any structure situated upon said real property, except as may be approved, in writing, by the Board of Directors of the Association.

ARTICLE X

EASEMENTS

The easements over and across the Common Area shall be those shown or provided for upon the recorded plat of Jefferson Green Filing No. 2 and such other easements across and upon Lot 169, Block 1 and Lot 170, Block 2 as may be necessary or required for drainage and construction, installation, repairing and maintaining of all utilities, including but not limited to sewer, water, gas, telephone and electricity and as may be established pursuant to the provisions of this Declaration of Covenants, Conditions and Restrictions.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any other Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Membership Succession. Any person, firm, corporation, or other entity which shall succeed to the title of any Owner through foreclosure of a Deed of Trust or other type of security instrument or through other legal proceedings, shall upon issuance of the official deed to any Lot, become thereupon a member of the Association as Owner and shall succeed to the rights, duties and liabilities of the previous Owner as herein provided. Conveyance by such person, firm, corporation or other entity shall pass membership in the Association to the Buyer as herein provided.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants and restrictions of this Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety per cent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five per cent (75%) of the Lot Owners.

Section 4. Water and Sewer Assessments. In addition to all assessments hereinabove provided for, the Association shall bill each Owner for water and sewer services. Should the individual Owners in the area be provided water and/or sewer services through master meters or on a per unit basis, the Association shall bill each owner for such services upon either a flat rate basis or such other basis as the Directors of the Association deem equitable. Funds paid to the Association by Owners as water and/or sewer assessments shall not be commingled with other Association funds. Upon failure to pay water and/or sewer assessments, the Association may, after such delinquency period as it may deem to be reasonable, terminate the water service to any individual Lot and such service shall not be restored until such past due assessments, together with any costs and fees in connection with the termination of service or resumption thereof, have been paid.

In the event that sewer or water services are provided through master meters, the Association shall enter an agreement with the governmental entity responsible for such service that in the event the Association is able to make partial payment for either water service or sewer service to the Properties, such partial payment will itemize those Properties for which such service is being paid and those Properties which are delinquent. The agreement shall provide that the governmental entity responsible for the water or sewer service will terminate service or impose such other legal penalties as the entity may have the right to use only with respect to delinquent Properties as evidenced by the itemized list furnished by the Association.

Section 5. Declarant's Easements. Anything to the contrary herein notwithstanding, Declarant hereby reserves an easement and right of way over all Common Area and all Lots not conveyed for its sole use for the purpose of constructing improvements, utilities and other matters including the right to erect temporary buildings to store any and all materials.

Section 6. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of members.

Section 7. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veteran's Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 8. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein has hereunto set its hand and seal this 1st day of March, 1973.

HALLCRAFT HOMES CO, a Colorado corporation

By _____
Vice President

Secretary

STATE OF COLORADO)
) SS.
CITY AND COUNTY OF DENVER)

The foregoing Declaration of Covenants, Condition and Restrictions was acknowledged before me this 1st day of March, A.D. 1973, by Lynn M. Ashton as Vice President and Ian E. Tanner, Jr. as Secretary of Hallcraft Homes Co., a Colorado corporation.

Witness my hand and official seal.
My commission expires: 2/26/76

Notary Public

(Signed and notarized copy is on file in the office of the management company.)