

**SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS
FOR
REUNION CARRIAGE HOUSE
(Filing No. 34, Amendment No. 1)**

THIS SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR REUNION CARRIAGE HOUSE (Filing No. 34, Amendment No. 1) (the “**Supplemental Declaration**”), dated for reference purposes as of April 7, 2020, 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 C.R.S. § 32-1-1004(8)(a)(II), designate the 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.

“**Additional Easements**” has the meaning set forth in Section 5.4(a).

“**Advisory Board**” has the meaning set forth in Section 6.4.

“**Applicable Laws**” means all 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.

“**Arbitration**” has the meaning set forth in Section 7.3(c).

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

“**Attachments**” has the meaning set forth in Section 2.3.

“**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.

“**Benefited Parties**” means Declarant, the District Parties, and their respective affiliates, agents, assigns, directors, employees, heirs, members, managers, partners, representatives, shareholders, and successors.

“**Bound Parties**” has the meaning set forth in Section 7.1.

“**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.

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

“**Claimant**” has the meaning set forth in Section 7.3(b).

“**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 any Improvements or Residences, (c) any statements, representations, promises, warranties, or other communications made by or on behalf of any Bound Party, and (d) the Common Area Risks.

“**Claim Notice**” has the meaning set forth in Section 7.3(b).

“**Common Area**” means the Tracts, facilities, and other improvements designated for access, drainage, open space, streets, utility, and other purposes on the Final Plat.

“**Common Area Risks**” means all Claims and risks attendant to or associated with the Common Area, as well as other common spaces and public facilities similar to the Common Area including Claims for injury to person, property, or both arising out of, or resulting from, (a) the activities of the District and the District Parties, (b) the construction, design, maintenance, operation, and use of the Common Area, (c) the construction, marketing, and sales activities of Declarant that utilize the Common Area and are associated with the construction, marketing, and sale of Residences in the Supplemental Community Area, (d) drainage resulting from the Established Drainage Pattern and drainage easements established for, or existing on, the Supplemental Community Area, (e) lights, noise, odors, and vibrations associated with the Common Area (including lights, noise, odors, and vibrations generated by air compressors, crowds, lawn mowers, leaf blowers, lights used to illuminate night time activities, mulchers, parking, public events, pumps, tractors, traffic, and Vehicles), (f) trespass, acts, or omissions of Residents and other Persons employed in connection with using, or otherwise present on or about, the Common Area, (g) the use of fertilizers, insecticides, and pesticides in connection with the maintenance of the Common Area, together with overspray in connection with such use, and (h) the use of reclaimed water, treated waste water, or other sources of non-potable water for irrigation and overspray.

“**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 Parties**” means Declarant and its respective affiliates, agents, consultants, directors, officers, owners, property managers, representatives, shareholders, and successors.

“**Declarant Rights**” has the meaning set forth in Section 6.1.

“**Declarant Rights Period**” means a one-hundred (100) year period beginning on the date of the Recording of this Supplemental Declaration during which Declarant shall have the right to exercise the Declarant Rights.

“**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, (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, and (d) any other metropolitan or other type of special district organized as quasi-public corporations under the laws of the State of Colorado to which any district described in (a) through (c) above has delegated all or part of its duties.

“**District Parties**” means the District and its respective agents, assigns consultants, directors, officers, property managers, representatives, and successors.

“**Easements**” has the meaning set forth in Section 5.4.

“**Established Drainage Pattern**” means, with respect to any portion of the Supplemental Community Area, the drainage pattern established by the grading of such portion of the Supplemental Community Area in accordance with improvement plans for such drainage as evidenced by the Approval of the City at the completion of such grading and includes the drainage pattern from (a) Common Area over other portions of the Common Area, over a Lot, or over properties outside the Supplemental Community Area, (b) a Lot over Common Area, (c) any property owned by the City, a District, or other Persons over a Lot, (d) any Lot over property owned by the City, a District, or other Persons, and (e) any Lot over another Lot.

“**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 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(d)(i).

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

“**Governing Documents**” means the Final Plat, the construction drawings or improvement plans that set forth the Established Drainage Pattern, the Design Standards, the Master Declaration, the Regulations and Rules, the Site Plan, and this Supplemental Declaration.

“**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 real property described in a Notice of Inclusion that an Including Party adds to, includes in, and makes 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(c).

"Irrigation Water" means the water used to maintain the Front-Yard Landscaping on a Lot.

"Lot" means any lot or parcel of land (a) described on, and established by, the Final Plat, (b) located within the Supplemental Community Area, and (c) upon which a Builder or Person 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.

“**Mediation**,” “**Mediation Period**,” “**Mediation Request**,” and “**Mediator**” have the meanings set forth in Section 7.3(a).

“**Mortgage**” means any Recorded deed of trust, mortgage, or other security instrument given voluntarily by an Owner of a Lot that encumbers a Lot to secure the performance of an obligation or the payment of a debt.

“**Mortgagee**” means a beneficiary of, or mortgagee under, a Mortgage and includes (a) the assignees of such mortgagee, (b) any Person named as the mortgagee or beneficiary under any First Mortgage, or (c) any insurer or guarantor of a First Mortgage, including the VA.

“**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 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(c).

“**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.

“**Owner Party**” means an (a) an Owner, (b) an agent, assign, contractor, family member, guest, heir, invitee, licensee, or representative of an Owner, (c) an Occupant residing in the Residence of an Owner, (d) an agent, assign, contractor, family member, guest, heir, invitee, licensee, or representative of an Occupant, or (e) a Utility Provider (including an employee or representative of a Utility Provider) present in the Supplemental Community Area at the invitation or request of an Owner.

“**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(c).

“**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(g).

“**Regulations and Rules**” has the meaning set forth in Section 4.2(a).

“**Reserved Rights**” has the meaning set forth in Section 6.2.

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

“**Resident**” means an Occupant or an Owner.

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

“**Respondent**” has the meaning set forth in Section 7.3(b).

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

“**Special Districts Act**” means C.R.S. § 32-1-101, et seq.

“**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 as set forth in Section 6.3. 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**” has the meaning set forth in Article 5.

“**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).

“**Term**” has the meaning set forth in Section 8.1.

“**Tracts**” means Tracts A through E, inclusive, Reunion Filing No. 34, Amendment No. 1 according to the Final Plat thereof.

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

“**Unightly Condition**” means a condition on a Lot that the District determines, in its absolute and sole judgment, (a) detracts from the aesthetic nature, attractiveness, desirability, quality, and value of the Supplemental Community as a whole, (b) is inconsistent with the common and general plan established by Declarant for the benefit and betterment of the Supplemental Community as a whole, (c) is unattractive, unsightly, or otherwise detrimental to the aesthetic values of the Supplemental Community, or (d) violates the Supplemental Covenants and Easements regarding the appearance or attractiveness of the Supplemental Community as a whole.

“**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 4 and depicted on the Site Plan.

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

“**Utilities**” means all utility services necessary for the convenient use and enjoyment of the Lots and Residences and the Common Area, and includes cable television, electric, gas, water, sanitary water, storm sewers, telephone, telecommunication facilities, and similar services.

“**Utility Equipment**” means all equipment of every kind, nature, or type convenient or necessary for making available or providing Utilities to the Common Area, the Residences, and the Lots, and including all equipment, junction boxes (including utility lines from junction boxes to a Residence), lines, manholes, meter pits (including utility lines from meter pits to a Residence), poles, pipelines and sleeves, and similar equipment.

“**Utility Provider**” means the City Utilities or any other provider of Utilities to the Supplemental Community Area, as the context may require.

“**Vehicle**” means any vehicle of any kind, nature, or type (including motorized and non-motorized) and including an abandoned vehicle, an all-terrain vehicle, automobiles, boats, campers (including on or off supporting vehicles), cars, disabled or junk vehicles, mobile homes, motor homes, motorcycles, nonfunctioning vehicles, recreational vehicles, snowmobiles, tractors, towed trailer units, trailers, trucks, utility vehicles, or other machines used for transporting materials or people.

“**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 Supplemental Community Area and (b) subject land to, and withdraw land from, the conditions, provisions, and terms of this Supplemental 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 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 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 Supplemental 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. By acceptance of title to such property, any Person acquiring any interest in any land comprising part of the Includible Area hereby acknowledges and agrees that Declarant shall have the right to include such land into the Supplemental Community Area without the consent of such owners who shall be deemed to have designated the Declarant as

their attorney-in-fact with full, irrevocable power to accomplish the inclusion of such land into the Supplemental Community Area. 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) if the Approval of Declarant is required pursuant to Section 3.3(b) above, contain the Approval of Declarant, (iii) describe the Included Property, (iv) refer to this Supplemental Declaration, including the date and reception number for the Recordation of this Supplemental Declaration, (v) contain a supplement that identifies the Benefited Lots, the Burdened Lots, the Paired Benefited Lots, and the Paired Burdened Lots in the Included Property, and (vi) contain a Site Plan that shows in reasonable detail the Use Easement Premises in the Included Property.

(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, covenants, equitable servitudes, provisions, restrictions, and terms of this Supplemental Declaration.

(e) Consent of Owners. By acceptance of title to property in the Supplemental Community Area, each Owner acknowledges and agrees that Declarant and Including Parties shall have the right to add Included Property into the Supplemental Community Area and to Record such Notices of Inclusion as Declarant may determine without the prior Approval of such Owners who, by acceptance of title to such property, hereby designate Declarant as their attorney-in-fact with full and irrevocable power to accomplish the inclusion of such land into the Supplemental Community Area and to record such Notices of Inclusion as Declarant may determine.

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 C.R.S. § 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 (the "**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, (iii) maintenance, repair, and replacement, as necessary, of the Perimeter Fences and the Auto Courts, and (iv) maintenance, repair, and replacement, as necessary, of the Front-Yard Landscaping and the Irrigation Water systems.

(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 enforce this Supplemental Declaration, including the following with respect to the Regulations and Rules and Supplemental Covenants and Easements:

(i) Fines. Establish and levy fines against Owners who do not comply with (A) this Supplemental Declaration, (B) the Supplemental Covenants and Easements, and (C) the Regulations and Rules established by the Subdistrict pursuant to this Supplemental Declaration; and

(ii) Remedies Pursuant to Special Districts Act. Enforce the

Supplemental Covenants and Easements by such remedies as may be available to special districts established pursuant to the Special Districts Act, as amended from time to time, including the following:

(A) The commencement of civil actions against Owners to collect such fines and specifically enforce this Supplemental Declaration and the Regulations and Rules 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 this Supplemental Declaration, the Supplemental Covenants and Easements, and the Regulations and Rules;

(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 Supplemental Community); and

(E) After reasonable prior 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(c) 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, (iv) the Water Billing Services, and (v) maintenance, repair, and snow removal from sidewalks in the Supplemental Community. 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 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 Perimeter 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 and Supplemental Covenants Easement. 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 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. Declarant hereby declares, establishes, grants, and reserves to itself, Declarant Parties, the Districts, and the District Parties, a nonexclusive Additional Easement over the Lots for the purpose of exercising its rights and performing its duties regarding the Supplemental Covenants, as more particularly set forth in Article 5 below.

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 Sections 4.2 and 4.3 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, including the Regulations and Rules.

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 Vehicles, except to the extent that the Site Plan provides for such private driveway, off-street parking of Vehicles in a particular Auto Court and in a specific location or as allowed by the Subdistrict, (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) Condition of Improvements. Each Owner shall maintain its Lot and the Residence located thereon in an attractive, clean, and safe condition, in good repair, and in strict compliance with Applicable Laws and the Governing Documents. The Subdistrict shall (i) determine whether an Owner is maintaining its Lot and Residence in the condition required by this Section 5.2(b), (ii) determine whether any condition on a Lot constitutes an Unsightly Condition, and (iii) maintain, operate, and repair the Common Area except as may otherwise be provided in this Supplemental Declaration. Notwithstanding the foregoing right of the Subdistrict and unless otherwise provided, it shall be the sole and exclusive duty and obligation of each Owner to maintain its Lot and Residence in the condition required by this Section 5.2(b), and the Subdistrict shall have no authority, duty, power, obligation, or right to maintain such Improvements.

(c) 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 location generally depicted in the Site Plan and fences around the perimeter (the “**Perimeter Fences**”) of the Supplemental Community at the locations generally depicted on the Site Plan. 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.

(d) Front-Yard Landscaping. Except for the Front-Yard Landscaping of front yards of Residences described in this Section 5.2(d), 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 maintenance, repair, and replacement of Front-Yard Landscaping for a one-year warranty period beginning with the month of the initial installation of such Front-Yard Landscaping. Declarant hereby declares, establishes, grants, and reserves access easements across, on, over, or under each Lot, but not the interior of a Residence, for the benefit and use of the Builder for the purpose of maintaining, repairing, or replacing the Front-Yard Landscaping during the warranty period.

(iii) Maintenance of Front-Yard Landscaping. Following the expiration of the one-year warranty period, as stated above in Section 5.2(d)(ii) 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, 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, together with interest on such costs and expenses from the date of demand for payment until the date paid in full.

(e) Short-Term Rentals of Residences. As it deems appropriate or desirable in its sole discretion, the Subdistrict shall have the right, but not the obligation, to impose (i) such limitations, Regulations and Rules, and other restrictions regarding and regulating the rental, subleasing, and use of Residences for bed-and-breakfast, hotel, transient, or vacation-type rentals, whether offered by Airbnb, HomeAway, VRBO, and similar online rental sites for short-term, temporary, or transient occupancy and use and (ii) such fines and penalties as the Subdistrict deems appropriate for violations of such limitations, Regulations and Rules, and other restrictions.

(f) Structures. In addition to the requirements set forth in Article 8 of the Master Declaration requiring Approval from the Architectural Review Committee (as defined in the Master Declaration), 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.

(g) 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) within twenty-four hours 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 or designates a common 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.

(h) Reconfiguration of Lots. Without the prior Approval of the Subdistrict being first obtained in each instance and except for the rights of the Declarant set forth in Section 6.2(d) below, an Owner shall not (i) combine Lots, (ii) reconfigure Lots, (iii) subdivide a Lot, or (iv) convert a Lot to condominium ownership.

(i) Yard and Recreation Equipment. An Owner shall store at a location not visible from the street or the rear ground level door, any garden, snow removal, yard, or other equipment and all temporary, portable backboards, goals, nets, and other recreation equipment. Without the prior Approval of the Subdistrict and except in compliance with the Governing Documents, an Owner shall not (i) attach a basketball backboard to the exterior of a Residence, (ii) erect, install, maintain, or use playground equipment above six feet in height, as measured from the rear ground level door or porch of a Residence, (iii) maintain or use exterior recreation equipment (including basketball poles, backboards, and soccer or street hockey goals and nets) on Common Area and public streets, or (iv) use temporary exterior basketball backboards that are not made from a manufacturer's standard colors and materials.

(j) Irrigation Water Service. Each Lot is part of a Residential Cluster, as set forth on Attachment 3, and each Owner shall obtain Irrigation Water for the Lot 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 Irrigation 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 Irrigation 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.

(iii) Maintenance of Irrigation Water System. The Subdistrict shall be responsible for the maintenance, repair, and replacement of the Irrigation Water system on the Lots (including Irrigation Water lines on the Lots) provided that if an Occupant or an Owner damages the Irrigation Water system, 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 Irrigation Water system, together with interest on such costs and expenses from the date of demand for payment until the date paid in full.

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 Section 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 Section 5.3(c) below) subject to (i) the Use Easement Restrictions (as set forth in Section 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, barbecue grills, barbecue smokers, 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) Indemnification by Owner of a Benefited Lot. The Owner of a Benefited Lot shall indemnify and hold the Owner of 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) Indemnification by Owner of a Burdened Lot. The Owner of a Burdened Lot shall indemnify and hold the Owner of 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 Additional Easements: Benefited Parties.

(a) Subject to Section 1.2 above and in addition to the Easements and any other easements granted or reserved elsewhere in this Supplemental Declaration or in the Master Declaration, Declarant hereby declares, establishes, and imposes upon the Supplemental Community Area the (a) additional covenants, easements, limitations, and restrictions (collectively, the "**Additional Easements**") more particularly specified in this Article 5, (b) the Common Area Risks set forth in Section 5.5(b)(ii), and (c) limitations on the Additional Easements and other matters to which the Supplemental Community Area is, or may be, subject as set forth in Section 5.4(d). Unless otherwise specified in this Article 5, the Additional Easements are for the use and benefit of Builders, Builder Parties, Declarant, Declarant Parties, Districts, District Parties, Government Agencies, Owners and Owner Parties, and Utility Providers.

(b) Additional Easements. Notwithstanding anything to the contrary contained herein, the Additional Easements declared, established, granted, and reserved in this Article 5: (i) shall in no way affect, avoid, extinguish, or modify any other Recorded covenants, easements, limitations, reservations, or restrictions affecting all or part of the Supplemental Community Area (including those created by the Master Declaration), (ii) may be amended, limited, modified, restricted, or terminated by Declarant by means of a Recorded instrument, and (iii) shall not be interpreted or construed as interfering with, preventing, or precluding the construction, operation, and use of any structure or use on any Lot which is otherwise permitted by the terms of this Supplemental Declaration or which is otherwise Approved by the Subdistrict. In addition to all easements and rights-of-way of Record at or before Recordation of this Supplemental Declaration, the Supplemental Community Area, and all portions thereof, are subject to the easements shown on the Final Plat and created by the Master Declaration.

5.5 Easements. In addition to any other easements granted or reserved elsewhere in this Supplemental Declaration, this Section 5.5 declares, establishes, grants, and reserves (a) easements (the "**Easements**") more particularly specified in Sections 5.5(a) through (c), (b) the limitations on the Easements set forth in Section 5.5(d), and (c) the easements and other matters to which the Supplemental Community Area is, or may be, subject as set forth in Section 5.5(e).

(a) Access Easements. Declarant hereby declares, establishes, grants, and reserves access easements across, on, over, or under each Lot, but not the interior of a Residence, for the benefit and use of the Subdistrict, the District Parties, and providers of Utilities for the purpose of (a) maintaining, repairing, or replacing the Auto Courts, Front-Yard Landscaping, Irrigation Water system, Common Area, and Utility Equipment and (b) performing other services as provided in this Supplemental Declaration including (i) the installation, maintenance, repair, or replacement of the Perimeter Fences and Utility Equipment and (ii) mitigating damage, injury, or loss in emergency circumstances. The rights and easements granted in this Section 5.4 may be exercised only during reasonable hours after reasonable Notice or oral communication to the Occupants or Owners of any affected Lot, but no such Notice or oral communication shall be necessary in emergency situations if the Occupants or Owners of an affected Lot receive as much advance notice or warning as is reasonably possible under the circumstances.

(b) Common Area. The following disclosures are made, and easements established, with respect to the Common Area:

(i) Common Area Easements. Declarant hereby declares, establishes, grants, and reserves to itself, to the Subdistrict and the District Parties, a nonexclusive easement over the Supplemental Community Area for (i) performing every act necessary and proper for the operation and use of the Common Area, (ii) the effect on such Lot of one or more of the risks disclosed hereby as one of the Common Area Risks, (iii) light, noise, and sound emanating from the operation and use of the Common Area for their intended uses and purposes, and (iv) overspray in connection with the watering or fertilizing of the Common Area.

(ii) Common Area Risks. Portions of the Supplemental Community Area (including Lots and Residences) adjoin, are adjacent to, border, or are otherwise in the vicinity of the Common Area and are subject to the Common Area Risks. Each Owner and each Occupant,

by acceptance of a deed to a Lot or the use or occupancy of a Residence (i) assumes, and agrees to accept, the Common Area Risks, (ii) acknowledges that portions of the Supplemental Community Area adjoin, are adjacent to, are affected by, border, or are otherwise in the vicinity of the Common Area and are subject to the Common Area Risks, (iii) discharges and releases the Benefited Parties from all Claims and waives all Claims against the Benefited Parties, and (iv) covenants and agrees that it will not assert, institute, maintain, or prosecute any action, Arbitration, civil action, or other proceeding against the Benefited Parties based upon, for, or on account of any Claim. The foregoing covenant not to sue, discharge, release, and waive Claims is made by each Owner and Occupant to the fullest extent permitted by the law and for and on behalf of itself, its assigns, executors, heirs, guests, invitees, lessees, Occupants, personal representatives, representatives, and Residents.

(c) Drainage Easements.

(i) Established Drainage Patterns. Declarant hereby declares, establishes, grants, and reserves, to itself, to the Subdistrict, and the District Parties easements for the Established Drainage Patterns. Declarant reserves to itself and to the Subdistrict and the District Parties the right to enter in and upon each easement set forth on the Final Plat to construct, repair, replace, or change drainage structures or drainage ways, or to perform such grading, drainage, or corrective work as Declarant or the Subdistrict and the District Parties may deem necessary or desirable, in their sole discretion and from time to time, to maintain drainage in accordance with the Established Drainage Patterns.

(ii) Lots. Declarant hereby declares, establishes, grants, and reserves to itself, the Subdistrict, and the District Parties (i) easements for drainage and drainage facilities from the nearest Lot line to the exterior wall of the Residence nearest to such Lot line and (ii) at any time and from time to time, the right to (A) enter in and upon each such drainage easement to construct, repair, replace, or change drainage structures or drainage ways and (B) perform such drainage, grading, or other corrective work as Declarant, the Subdistrict, or the District Parties may deem desirable or necessary in their sole discretion.

(d) Limitations on Easements. Notwithstanding anything to the contrary contained herein, the Easements declared, established, granted, and reserved in Sections 5.5(a) through (c) hereof (a) shall in no way affect, avoid, extinguish, or modify any other Recorded covenants, easements, limitations, reservations, or restrictions affecting all or part of the Supplemental Community Area, (b) may be amended, limited, modified, restricted, or terminated by Declarant by means of a Recorded instrument, and (c) shall not be interpreted or construed as interfering with, preventing, or precluding the construction, operation, and use of any structure or use on any Lot which is otherwise permitted by the terms of this Supplemental Declaration or which is otherwise Approved by the Subdistrict.

(e) Recorded Easements. In addition to all easements and rights-of-way of Record at or before Recordation of this Supplemental Declaration, the Supplemental Community Area, and all portions thereof, are subject to the easements shown on the Final Plat.

5.6 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 this Article 6 below with respect to the Lots ("**Declarant Rights**").

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 (as defined in the Act) 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 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 Area.

(f) Reasonable Use. The Declarant reserves the right to the reasonable use of the Common Area and 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 Builder, may (i) erect and maintain on any part of the Common Area and on any Lots owned by the Declarant or a Builder such signs, temporary buildings, and other structures as the Declarant or such 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 portions of the Common Area and on the Lots owned by the Declarant or a 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 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.

(g) Construction of Common Area. Declarant and the Subdistrict shall have, and hereby reserve, the right, but not the obligation, to construct additional Improvements on the Common Area at any time and from time to time in accordance with this Supplemental Declaration for the improvement and enhancement thereof and for the benefit of the Owners.

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 Alternative Dispute Resolution. Declarant intends by this Article 7 to encourage the amicable resolution of all Claims without the emotional and financial costs of litigation. In furtherance of this intention and as provided in Section 7.2, the Persons (“**Bound Parties**”) bound by this Article 7 are (a) Builders, together with their respective officers, directors, employees, and agents, (b) Declarant, (c) the Subdistrict, North Range Metropolitan District No. 2, Subdistrict No. 1, and Reunion Metropolitan District, (d) Occupants, Owners, and Owner Parties, (g) 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 (h) any Person asserting a Claim by, through, or under any of such Persons. Notwithstanding the foregoing, Mortgagees enforcing rights pursuant to a Mortgage shall not be Bound Parties. Mortgagees and Mortgagors shall not be bound by the alternative dispute resolution procedures set forth in this Article 7 and shall have the right to enforce Mortgages, and resolve disputes regarding such Mortgages, at such time, in such forums, and in such manner as the Mortgagees and Mortgagors may determine.

7.2 Claims.

(a) Claim Resolution. Except as provided in this Section 7.2, Claims among or between Bound Parties arising under, based upon, in connection with, or otherwise regarding this Supplemental Declaration, the Common Area, the Districts, the Governing Documents, the Improvements, the Regulations and Rules, the Supplemental Covenants and Easements, and the Additional Easements shall be subject to this Article 7 and the Bound Parties shall resolve such Claims in the manner specified in Section 7.3.

(b) Exception to Claim Resolution. Notwithstanding anything to the contrary in this Supplemental Declaration, unless all Bound Parties thereto otherwise agree, (i) a Claimant may assert a Claim or file a Claim Notice against only one Bound Party in a Claim, (ii) only one Claimant shall have the right to assert a Claim or file a Claim Notice against a Bound Party, (iii) other Bound Parties shall not have the right to join in, or seek recovery, in an Arbitration or other proceeding pending against a Bound Party unless all Bound Parties agree to their joinder, (iv) a Claimant cannot recover, or seek the recovery of, damages or relief on behalf of any Person other than such Claimant, and (v) a Claimant cannot claim, recover, or seek the recovery of, consequential, exemplary, or punitive damages.

(c) Exception for Claims by Districts. The Districts shall have the right to enforce the Master Declaration, the Supplemental Covenants and Easements, and the Additional Easements without having to mediate or arbitrate such Claims pursuant to this Article 7. The Subdistrict shall have the right to enforce the Regulations and Rules without having to mediate or arbitrate such Claims pursuant to this Article 7. Notwithstanding the foregoing, if the Districts exercise their remedies and rights as set forth in the Master Declaration and an Owner contests such action or asserts a counterclaim, then, at its option, the Districts shall have the right to stay such proceeding pending resolution of the Claims asserted by an Owner by Arbitration or mediation pursuant to Section 7.3.

(d) Exception for Claims by Mortgagees. Notwithstanding anything to the contrary contained in this Article 7, Mortgagees enforcing rights pursuant to a Mortgage shall (i) not be Bound Parties, (ii) not be bound by the alternative dispute resolution procedures set forth in this Article 7, and (iii) have the right to enforce Mortgages, and resolve disputes regarding such Mortgages, as provided in such Mortgages and at such time, in such forums, and in such manner as permitted by Applicable Law (including the foreclosure of Mortgages and the appointment of a receiver).

7.3 Procedure. Subject to Section 7.3(a) below, each Bound Party covenants and agrees to submit Claims to binding Arbitration as specified in this Section 7.3. By acceptance of a deed for a Lot, each Owner agrees to abide by the terms of this Article 7, and by occupancy of a Residence, each Occupant, Owner, and Owner Party agrees to submit any Claims to the procedures specified in this Section 7.3. Any applicable statute of limitation shall apply to the alternative dispute resolution procedures specified in this Article 7.

(a) Amicable Resolution by Mediation. Before submitting a Claim Notice demanding resolution of a Claim by Arbitration, the Bound Parties shall make every reasonable effort to meet, confer, and resolve a Claim within forty-five days (the "**Mediation Period**") after a Bound Party initiates efforts to resolve a Claim by giving Notice (a "**Mediation Request**") requesting that the Bound Parties involved in such Claim mediate or otherwise meet to negotiate an amicable resolution (a "**Mediation**"). Following the making of a Mediation Request, the participants to the Mediation shall (i) agree in writing that (A) participation in a Mediation is not an admission of any fact or liability or waiver of any Claim or defense and (B) any statement made during the course of a Mediation shall not be admissible into evidence in any subsequent Arbitration or proceeding, (ii) identify a Person to conduct the Mediation (a "**Mediator**"), (iii) establish the procedures and rules that will govern such Mediation (including the manner in which the participants to the Mediation shall share its cost), and (iv) instruct the Mediator to reduce any successful resolution of a Claim to writing that the participants to the Mediation shall execute and thereafter perform. If the parties to the Mediation are unable to resolve a Claim amicably within the Mediation Period, then either participant in the Mediation may submit a Claim Notice, in which event the participants to the Mediation shall proceed as specified in Sections 7.3(b) and 7.3(c) below.

(b) Claim Notice. If the Bound Parties are unable to resolve a Claim by Mediation on or before the expiration of the Mediation Period, then the Bound Parties shall resolve such Claim through mandatory, binding Arbitration. Notwithstanding the foregoing, Bound

Parties may not give a Claim Notice and initiate Arbitration unless one or both of the Bound Parties have made a Mediation Request and the Mediation Period has expired without resolution of the Claim. Following the making of a Mediation Request and the expiration of the Mediation Period without an amicable resolution of the Claim, either participant to the Mediation (a “**Claimant**”) may initiate Arbitration by giving a Notice of a Claim (the “**Claim Notice**”) to the other Bound Parties (each, a “**Respondent**”) in which the Claimant demands binding Arbitration pursuant to the procedures specified in Section 7.3(c). The Claim Notice shall state plainly and concisely (i) the nature of the Claim, including all Persons involved and role of the Respondent in the Claim, (ii) the factual and legal basis of the Claim (*i.e.*, the facts underlying the Claim and the specific legal authority supporting the Claim), and (iii) the relief or remedy requested.

(c) Procedure for Resolution of Claims. Each Bound Party shall submit all Claims to mandatory, binding arbitration (“**Arbitration**”) conducted in accordance with the Colorado Uniform Arbitration Act, C.R.S. §§ 13-22-201, *et seq.*, or such other Applicable Law as the Bound Parties may mutually agree. The procedure for the Arbitration shall be as follows:

(i) Arbitration. Within a commercially reasonable period following the giving of a Claim Notice, either Bound Party may initiate Arbitration in accordance with the rules established by the Arbitrator for such Arbitration. Any court having jurisdiction over a Claim may enforce any judgment upon the award rendered by the Arbitrator. Unless otherwise agreed by the 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 of the Claim including legal expertise if legal issues are involved.

(ii) Arbitration 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 Arbitration without the prior written consent of all Parties.

(iii) Arbitration Rules. 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. Subject to the foregoing, the Arbitrator shall conduct the Arbitration in accordance with (A) the Construction Industry Arbitration Rules of the American Arbitration Association Industry Arbitration Rules and the Procedures for Large, Complex Construction Claims 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 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.

(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 any court having jurisdiction over such matters in Adams County, Colorado may enter and enforce judgment upon an Arbitration award.

(v) Cost and Expense of Arbitration. The Bound Parties participating in an 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 make such adjustments in the Arbitration award as 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 an 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.

7.4 Construction Defect Action Reform Act. Declarant does not intend that the provisions of this Supplemental Declaration be applied as an express waiver of, or limitation on, the legal rights, remedies, or damages of a property owner provided by (a) the Construction Defect Action Reform Act (C.R.S. §§ 13-20-801 *et seq.*), (b) the Colorado Consumer Protection Act as specified in C.R.S. § 13-20-806, (c) the ability of a homebuyer 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 specified in the foregoing statutes and other Applicable Law.

7.5 Consent to Mandatory Binding Arbitration. By acceptance of title to a Residence, whether by a deed from Declarant or from a subsequent Owner, each Owner acknowledges, consents to, and agrees to (a) the resolution by binding, mandatory Arbitration of all disputes between Owners and between Owners and Bound Parties that arise in connection with, are based upon, or are otherwise related to the Benefited Parties, the Supplemental Community, the Common Area, Declarant, the Subdistrict, the Districts, the District Parties, the Lots, the Residences, and this Supplemental Declaration and (b) conduct such Arbitration pursuant to the Dispute Resolution Procedures set forth in this Article 7. This Supplemental Declaration shall not extend any rights or obligation under this Supplemental Declaration to any Occupant that is not also an Owner.

7.6 Amendment. This Article 7 runs in favor of the Declarant in relation to any claim in law or equity that may be brought against the Declarant and, notwithstanding Section 8.1, may not be removed or amended without the written consent of the Declarant for all claims in which it

may be a party regardless of when brought and whether or not the Declarant owns any property in the Supplemental Community Area.

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 First Mortgagees execute, deliver, and Record an instrument terminating the Supplemental Declaration. If the requisite Owners and First 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 then current 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 Subdistrict, 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.

8.5 Amendment. Notwithstanding anything to the contrary contained in this Supplemental Declaration, for a period commencing as of the Recording of this Supplemental Declaration and ending twenty years thereafter, all of the Owners must consent in advance in writing to an amendment of this Article 8.

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 covenants or restrictions contained in this Supplemental Declaration and/or any Rules and Regulations, 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 same.

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 District, 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 construction, enforcement, and 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. Declarant, Successor Declarants, Districts (including the Subdistrict and the District), Builders, and any agent, board of directors (including the individual directors on such board), employee, manager, member, officer, owner, principal, representative, or shareholder of Declarant, Successor Declarant, District, or Builder 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. Nothing contained in this Supplemental Declaration shall be a waiver by the Districts of any covenant, provision, protection, or term of, or as a waiver of any immunity afforded by, the Colorado Governmental Immunity Act (C.R.S. §§ 24-10-101, *et seq.*).

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.

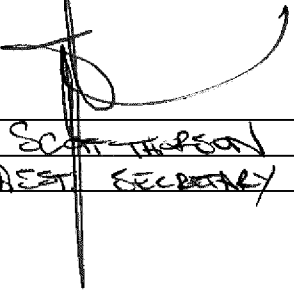
9.10 Violations of Law. Any violation of any Applicable Law pertaining to the ownership, occupation, or use of any property within the Supplemental Community Area is hereby declared to be a violation hereof and shall be subject to any and all enforcement procedures set forth in this Supplemental Declaration.

[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 Reunion Carriage House (Filing No. 34, Amendment No. 1) as of the date of its Recordation.

Declarant:

CLAYTON PROPERTIES GROUP II, INC.,
a Colorado corporation

By: 
Name: SCOTT THORSON
Title: ASST. SECRETARY

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

The foregoing instrument was acknowledged before me this 7 day of April, 2020, by Scott Thorson as Asst. Secretary of CLAYTON PROPERTIES GROUP II, INC., a Colorado corporation.

WITNESS my hand and official seal.

Joclyn Alexandria King
Notary Public
My commission expires: January 17, 2021

<p>JOCLYN ALEXANDRIA KING NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20174002154 MY COMMISSION EXPIRES JANUARY 17, 2021</p>
--

CONSENT OF SUBDISTRICT

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. 34, Amendment No. 1).

IN WITNESS WHEREOF, the undersigned as hereto set its hand this 7th day of April, 2020.

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

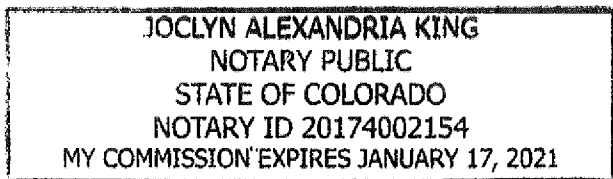
By: [Signature]
Title: President

STATE OF Colorado)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me this 7 day of April, 2020, by Bruce Raw, as President of North Range Metropolitan District No. 2, Subdistrict No. 1.

Witness my hand and official seal.

{S E A L}



Joclyn Alexandria King
Notary Public
My Commission expires: January 17, 2021

ATTACHMENT 1
(Supplemental Community Area)

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

Lots 1 through 125, inclusive,
Lots 130 through 141, inclusive,
Lots 146 through 165, inclusive,
Tracts A through E, inclusive,
Reunion Filing No. 34, Amendment No. 1,
according to the plat thereof recorded February 21, 2019,
at Reception No. 2019000012695.
City of Commerce City, County of Adams, State of Colorado.

ATTACHMENT 2
(Includible Area)

None

ATTACHMENT 3
(List of Residential Clusters)

Residential Clusters in Filing No. 34, Amendment No. 1	
Lots	
Lots 1, 2, 3, 4, 5, and 6	Lots 74, 75, 76, and 77
Lots 7, 8, 9, 10, and 11	Lots 78, 79, 80, and 81
Lots 12, 13, 14, and 15	Lots 82, 83, 84, and 85
Lots 16 and 17	Lots 86, 87, 88, 89, and 90
Lots 18 and 19	Lots 91, 92, 93, and 94
Lots 20 and 21	Lots 95, 96, 97, and 98
Lots 22 and 23	Lots 99, 100, 101, 102, and 103
Lots 24 and 25	Lots 104 and 105
Lots 26 and 27	Lots 106, 107, 108, and 109
Lots 28 and 29	Lots 110, 111, 112, and 113
Lots 30, 31, 32, and 33	Lots 114, 115, 116, and 117
Lots 34 and 35	Lots 118, 119, 120, and 121
Lots 36, 37, and 38	Lots 122, 123, 124, and 125
Lots 39, 40, 41, and 42	Lots 130, 131, 132, and 133
Lots 43, 44, 45, and 46	Lots 134 and 135
Lots 47, 48, and 49	Lots 136 and 137
Lots 50, 51, 52, and 53	Lots 138, 139, 140, and 141
Lots 54, 55, 56, and 57	Lots 146, 147, 148, and 149
Lots 58, 59, 60, and 61	Lots 150, 151, 152, and 153
Lots 62, 63, 64, and 65	Lots 154, 155, 156, and 157
Lots 66, 67, 68, and 69	Lots 158, 159, 160, and 161
Lots 70, 71, 72, and 73	Lots 162, 163, 164, and 165

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.

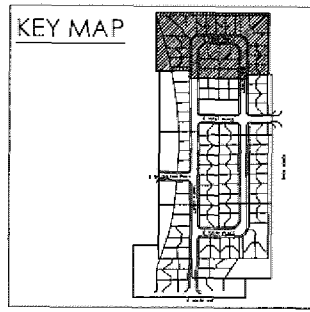
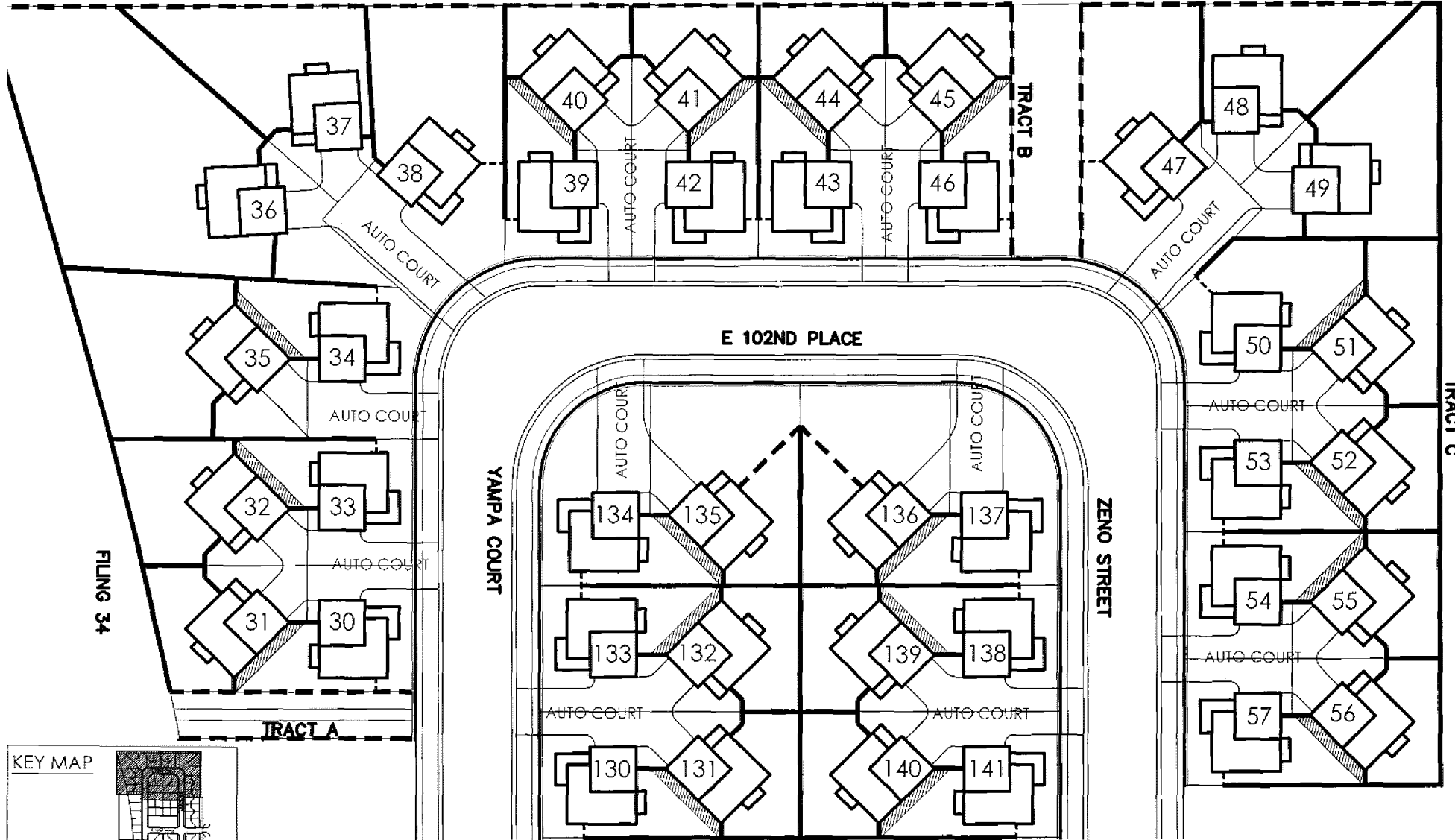
ATTACHMENT 4
(Paired Lots)

Attached

Filing	Benefited Lot	Burdened Lot
Filing 34 Amendment I	Lot 2	Lot 3
	Lot 5	Lot 4
	Lot 12	Lot 13
	Lot 15	Lot 14
	Lot 30	Lot 31
	Lot 33	Lot 32
	Lot 34	Lot 35
	Lot 39	Lot 40
	Lot 42	Lot 41
	Lot 43	Lot 44
	Lot 46	Lot 45
	Lot 50	Lot 51
	Lot 53	Lot 52
	Lot 54	Lot 55
	Lot 57	Lot 56
	Lot 58	Lot 59
	Lot 61	Lot 60
	Lot 62	Lot 63
	Lot 65	Lot 64
	Lot 66	Lot 67
	Lot 69	Lot 68
	Lot 70	Lot 71
	Lot 73	Lot 72
	Lot 74	Lot 75
	Lot 77	Lot 76
	Lot 78	Lot 79
	Lot 81	Lot 80
	Lot 82	Lot 83
	Lot 85	Lot 84
	Lot 90	Lot 89
	Lot 91	Lot 92
	Lot 94	Lot 93
	Lot 95	Lot 96
Lot 98	Lot 97	
Lot 100	Lot 101	
Lot 104	Lot 105	
Lot 106	Lot 107	
Lot 109	Lot 108	
Lot 110	Lot 111	
Lot 113	Lot 112	
Lot 114	Lot 115	
Lot 117	Lot 116	
Lot 118	Lot 119	
Lot 121	Lot 120	
Lot 122	Lot 123	
Lot 125	Lot 124	
Lot 130	Lot 131	
Lot 133	Lot 132	
Lot 134	Lot 135	





Filing 34 Amendment I	Lot 137	Lot 136
	Lot 138	Lot 139
	Lot 141	Lot 140
	Lot 146	Lot 147
	Lot 149	Lot 148
	Lot 150	Lot 151
	Lot 153	Lot 152
	Lot 154	Lot 155
	Lot 157	Lot 156
	Lot 158	Lot 159
	Lot 161	Lot 160
	Lot 162	Lot 163
	Lot 165	Lot 164

ATTACHMENT 5
(Site Plan)
Attached



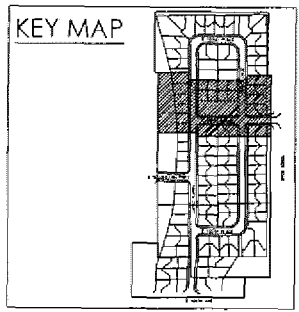
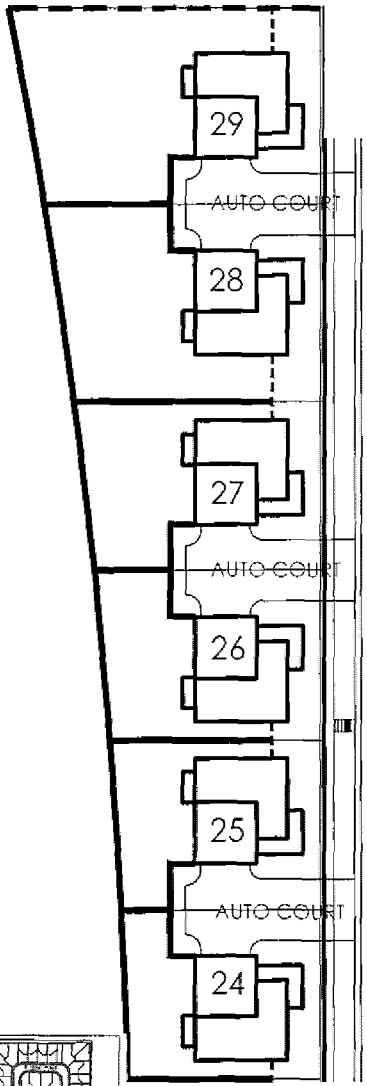
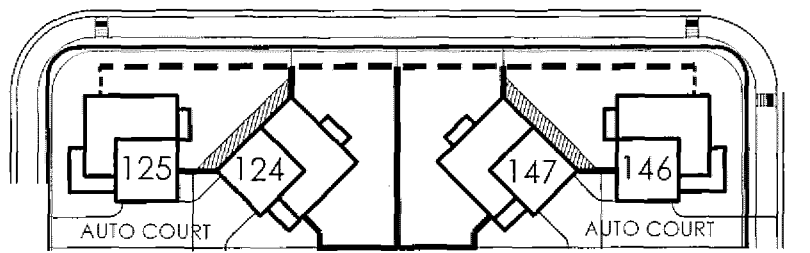
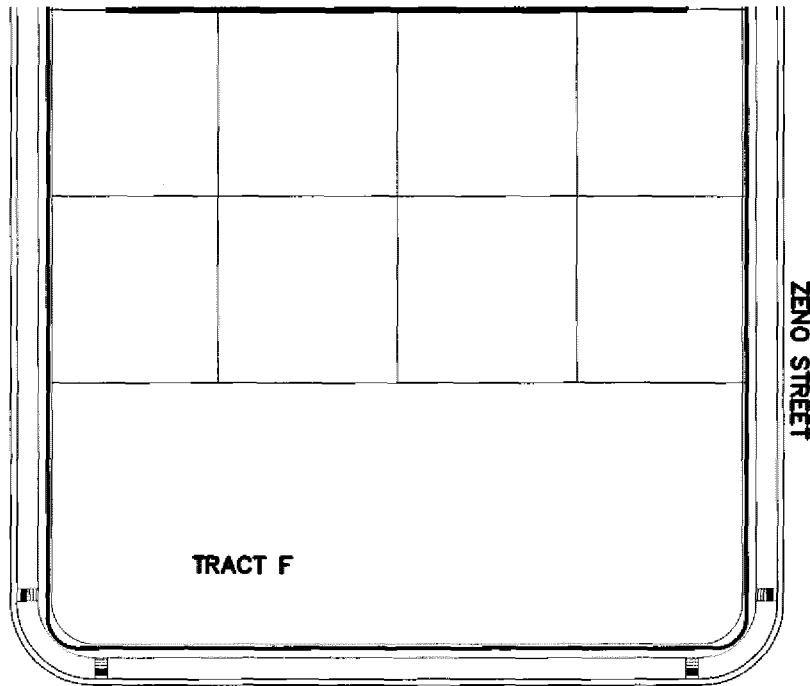
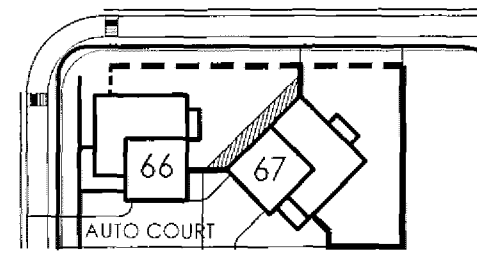
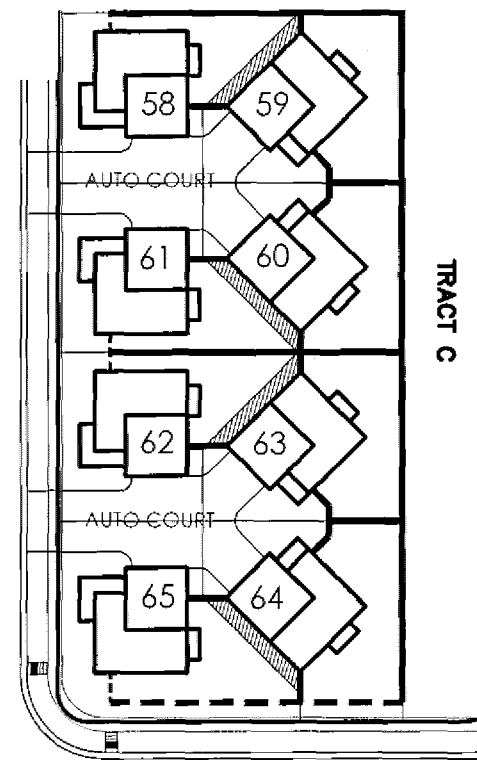
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LEGEND

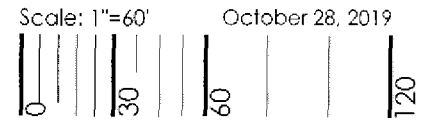
-  5' PRIVACY FENCE (INTERIOR)
-  48" OPEN RAIL FENCE (PERIMETER)
-  42" OPEN RAIL FENCE (INTERIOR)
-  USE EASEMENT

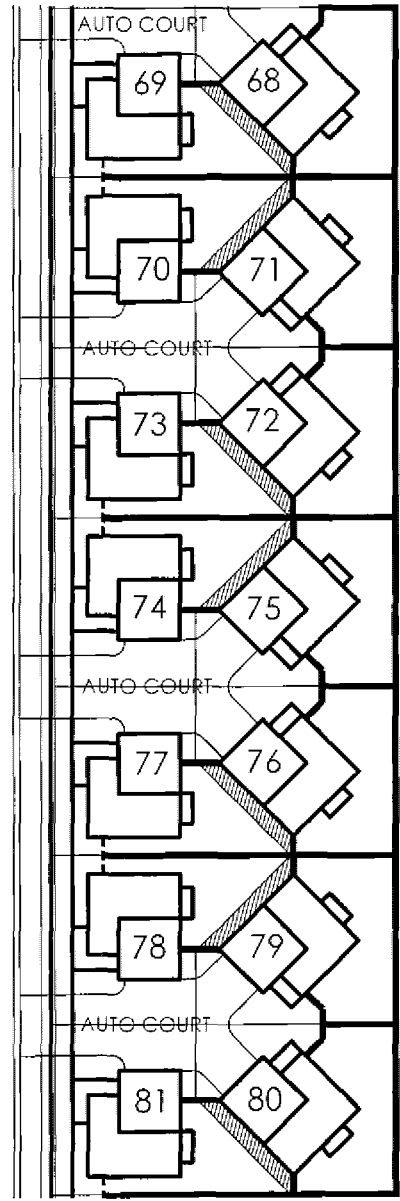
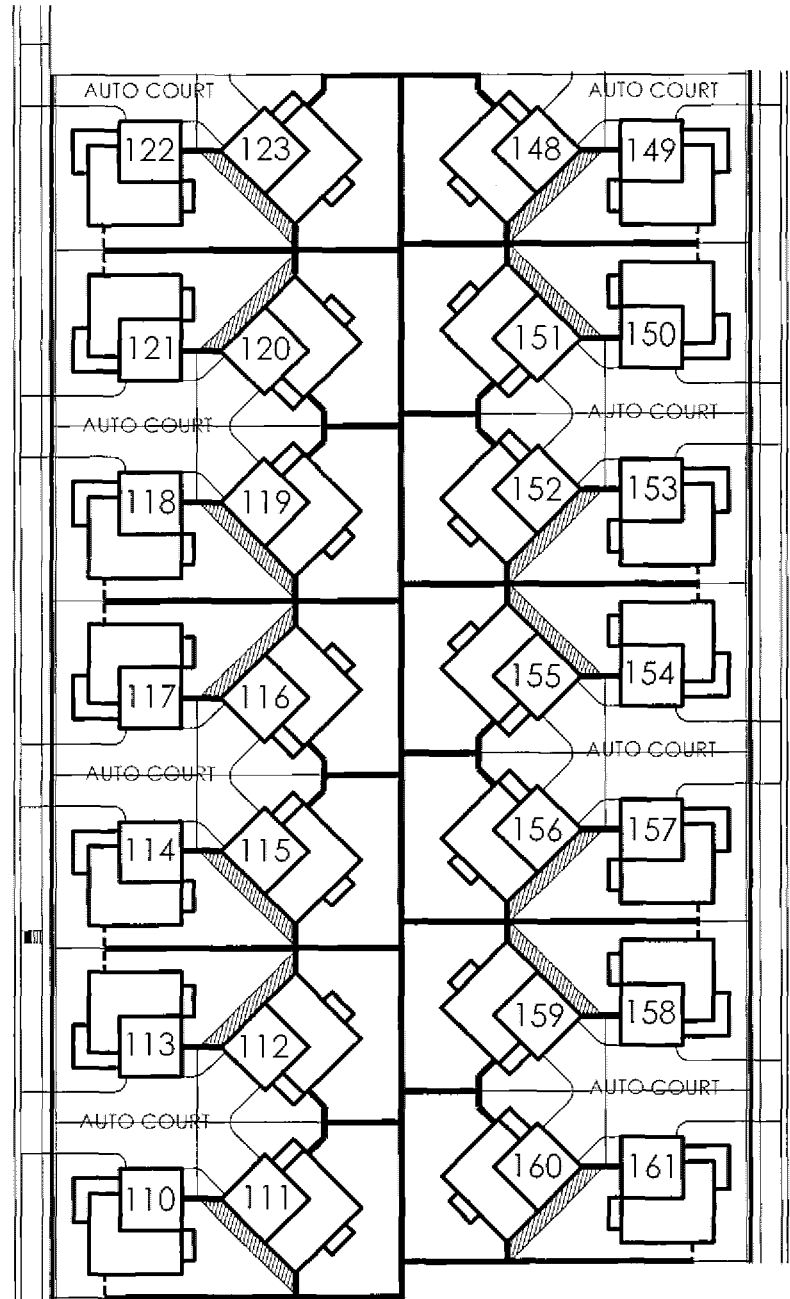
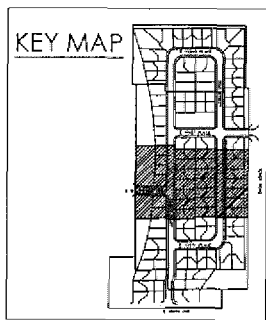
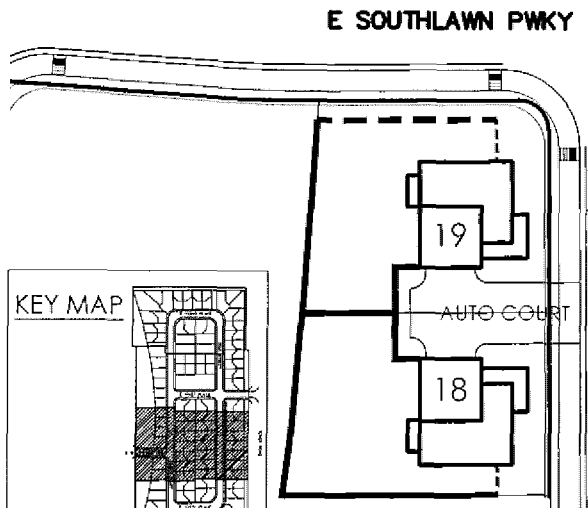
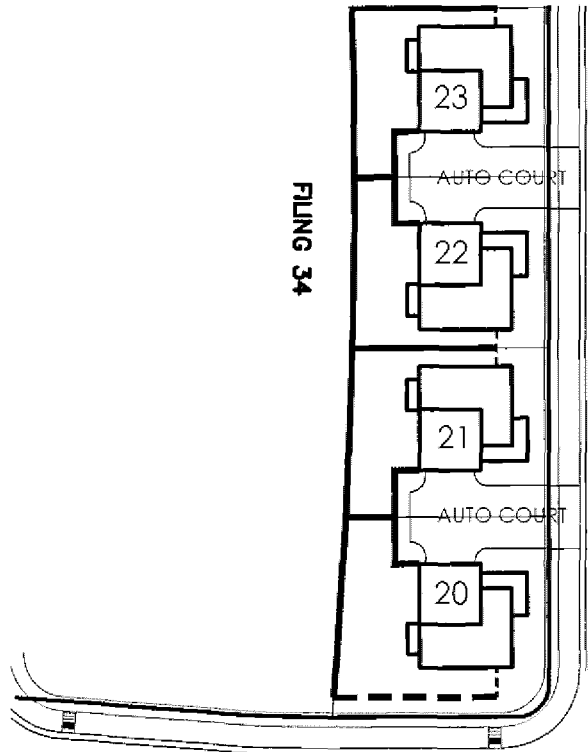


Scale: 1"=60' October 28, 2019



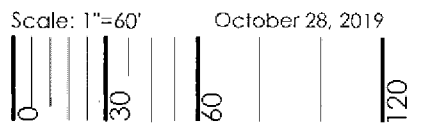
- LEGEND**
- 5' PRIVACY FENCE (INTERIOR)
 - 48" OPEN RAIL FENCE (PERIMETER)
 - 42" OPEN RAIL FENCE (INTERIOR)
 - USE EASEMENT

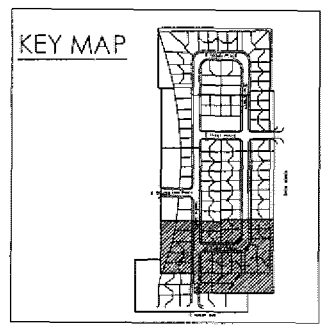
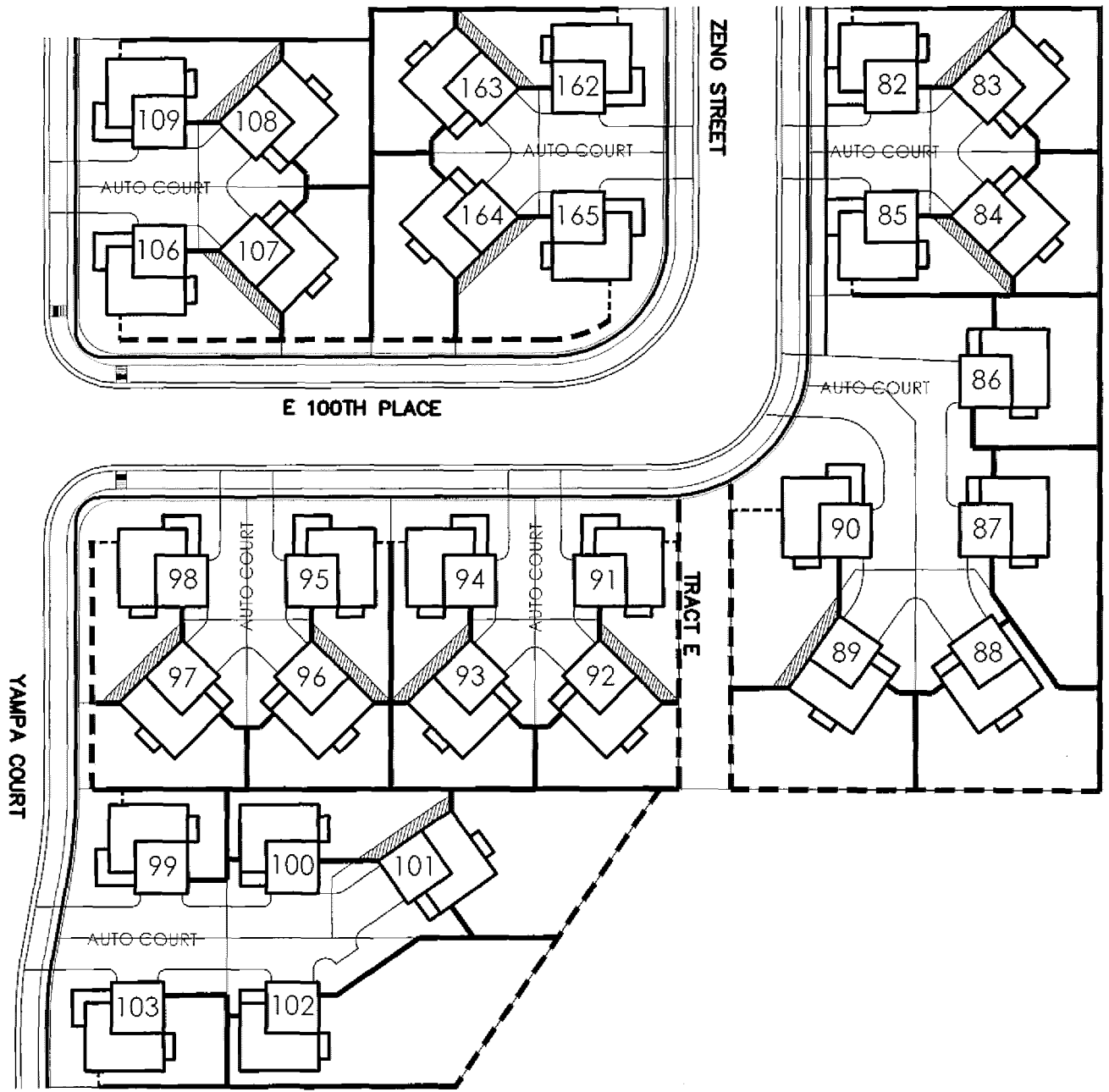
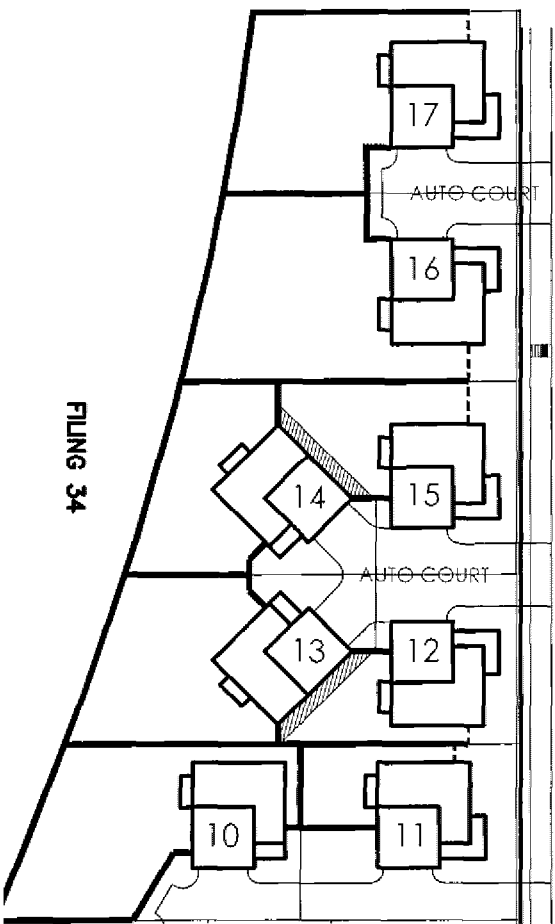








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 Amendment 1

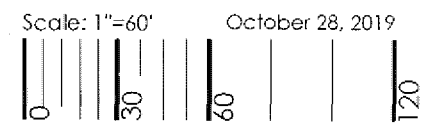
- LEGEND**
-  5' PRIVACY FENCE (INTERIOR)
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 -  42" OPEN RAIL FENCE (INTERIOR)
 -  USE EASEMENT

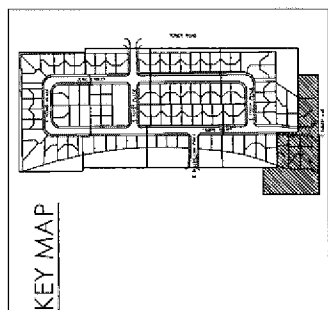
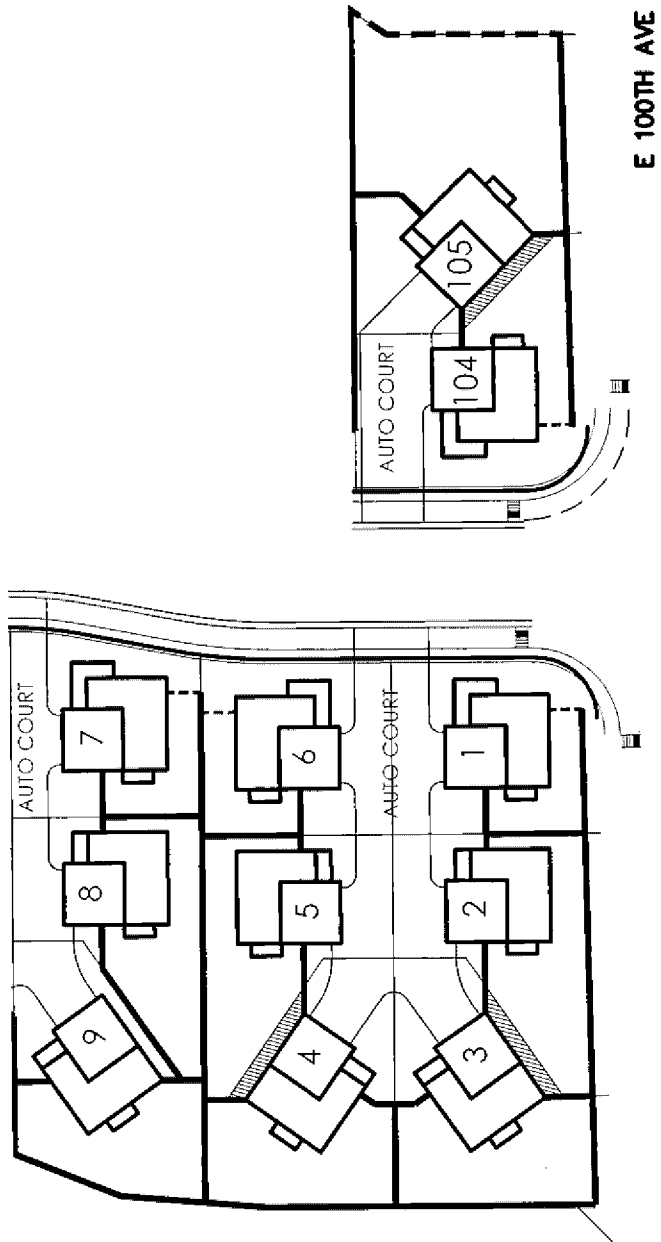




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- LEGEND**
-  5' PRIVACY FENCE (INTERIOR)
 -  48" OPEN RAIL FENCE (PERIMETER)
 -  42" OPEN RAIL FENCE (INTERIOR)
 -  USE EASEMENT





- LEGEND**
- 5' PRIVACY FENCE (INTERIOR)
 - - - 48" OPEN RAIL FENCE (PERIMETER)
 - - - 42" OPEN RAIL FENCE (INTERIOR)
 - ▨ USE EASEMENT

Scale: 1"=60'

October 28, 2019

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