

TABLE OF CONTENTS

DECLARATION CREATING COVENANTS, CONDITIONS,  
EASEMENTS, AND RESTRICTIONS FOR  
GREENWOOD TERRACE SUBDIVISION

	<u>Description</u>	<u>Page</u>
ARTICLE I	DEFINITIONS.....	2
Section 1.1	Architectural Control Committee .....	2
Section 1.2	Association.....	2
Section 1.3	Board or Directors .....	2
Section 1.4	Builder .....	2
Section 1.5	Building.....	2
Section 1.6	Common Easement Areas .....	2
Section 1.7	Common Face .....	2
Section 1.8	Declarant .....	2
Section 1.9	Declaration .....	2
Section 1.10	Drainage Easements .....	2
Section 1.11	First Mortgagee.....	2
Section 1.12	Lot.....	2
Section 1.13	Mortgage .....	3
Section 1.14	Owner or Member .....	3
Section 1.15	Plat for Greenwood Terrace Subdivision or Plat .....	3
Section 1.16	Private Fence .....	3
Section 1.17	Property .....	3
Section 1.18	Public Easements .....	3
Section 1.19	Residence.....	3

**ARTICLE II EASEMENTS .....3**

    Section 2.1 Easements Shown on Plat.....3

    Section 2.2 Encroachments Upon Lots and Common Easement Areas.....4

    Section 2.3 Utility Easements .....4

    Section 2.4 Underground Electric Service .....4

    Section 2.5 Maintenance Easement.....4

    Section 2.6 Easement For Drainage Maintenance.....5

**ARTICLE III PROPERTY RIGHTS IN THE COMMON EASEMENT AREAS .....5**

    Section 3.1 Members' Easements and Rights of Enjoyment.....5

    Section 3.2 Extent of Members' Rights and Easements .....5

    Section 3.3 Extension of Rights and Benefits .....6

**ARTICLE IV MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION.....6**

    Section 4.1 Membership .....6

    Section 4.2 Classes of Voting Membership.....6

**ARTICLE V ASSESSMENTS .....7**

    Section 5.1 Covenant of Personal Obligation of Assessments.....7

    Section 5.2 Purpose of Assessments .....7

    Section 5.3 Assessment Years .....8

    Section 5.4 Determination of Amount of Assessments .....8

    Section 5.5 Special Assessments .....8

    Section 5.6 Notice and Quorum Requirements For Certain Actions .....8

    Section 5.7 Due Dates For Assessment Payments .....8

    Section 5.8 Uniform Rate of Assessment.....9

    Section 5.9 Liens For Assessments and Other Charges .....9

    Section 5.10 Effect of Nonpayment of Assessments .....9

    Section 5.11 Successors' Liability For Assessments .....9

    Section 5.12 Certificate of Status of Assessments.....10

    Section 5.13 Subordination of Lien For Assessments .....10

**ARTICLE VI ARCHITECTURAL CONTROL COMMITTEE .....10**

    Section 6.1      Composition of Architectural Control Committee .....10

    Section 6.2      Addresses of Architectural Control Committee Members .....11

    Section 6.3      When Approval Required .....11

    Section 6.4      Applications, Standard of Review, and Action by  
                            Architectural Control Committee .....11

    Section 6.5      Drainage and Grading Plans.....12

    Section 6.6      No Design Responsibility .....12

    Section 6.7      Limitations.....12

    Section 6.8      Variations.....12

    Section 6.9      Enforcement .....12

    Section 6.10     Non-Liability .....13

**ARTICLE VII     RIGHT OF REPURCHASE BY DECLARANT .....13**

**ARTICLE VIII    RESTRICTIVE COVENANTS .....14**

    Section 8.1      Lots .....14

    Section 8.2      Subdivision and Combining of Lots .....19

    Section 8.3      Common Easement Areas .....19

**ARTICLE IX     INSURANCE .....20**

    Section 9.1      Public Liability and Additional Insurance Coverage .....20

    Section 9.2      Association's Duty to Obtain and Maintain Insurance .....20

    Section 9.3      Damage or Losses From Association's Insured Hazards.....20

**ARTICLE X      FENCES .....21**

<b>ARTICLE XI</b>	<b>ENFORCEMENT</b>	21
Section 11.1	Right to Enforce	21
Section 11.2	Remedies	21
Section 11.3	Enforcement By The City of Greenwood Village	22
<b>ARTICLE XII</b>	<b>DRAINAGE</b>	22
Section 12.1	Drainage and Grading Plans	22
Section 12.2	Responsibility For Drainage Related Improvements	22
Section 12.3	Landscaping On Drainage Easements	22
<b>ARTICLE XIII</b>	<b>DURATION AND AMENDMENT</b>	22
Section 13.1	Duration and Extension	22
Section 13.2	Amendment and Modification	22
<b>ARTICLE XIV</b>	<b>MISCELLANEOUS</b>	23
Section 14.1	Non-Waiver	23
Section 14.2	Severability	23
Section 14.3	Number and Gender	23
Section 14.4	Captions	23
Section 14.5	Notices	23
Section 14.6	Limited Liability	23
Section 14.7	Covenants Running With The Property	23
Section 14.8	Binding Upon and Inure To Successors	23
Section 14.9	Non-Waiver	24

DECLARATION CREATING COVENANTS, CONDITIONS,  
EASEMENTS, AND RESTRICTIONS FOR  
GREENWOOD TERRACE SUBDIVISION

THIS DECLARATION of covenants, conditions, easements, and restrictions (the "Declaration") is made this 28th day of June, 1985 by GREENWOOD TERRACE PARTNERSHIP, Colorado general partnership, ("Declarant").

RECITALS

A. Declarant is the record owner of certain real property located in the City of Greenwood Village, Arapahoe County, Colorado, more particularly described in Exhibit A attached hereto and by this reference made a part hereof (the "Property").

B. Declarant desires to establish on the Property an exclusive residential community.

C. Declarant desires to insure the attractiveness of the individual Lots and all improvements within the Property, to prevent any future impairment thereof, to prevent nuisances, to preserve, protect, and enhance the values and amenities of the Property, and to provide for the maintenance of the fences, berms, walkways, and entryways to the Property, and trails and landscaping located on the Public Easements. In order to achieve this, Declarant wants to subject the Property to the covenants, conditions, easements, restrictions, charges, and liens set forth herein, each of which is for the benefit of the Property and each owner thereof.

D. In order to preserve, protect, and enhance the value of the Property and the improvements thereon, and to insure the residents' enjoyment of the specific rights, privileges, and easements created by this Declaration, Declarant has deemed it desirable to create an association in the form of a nonprofit corporation, which shall be delegated and assigned the powers of administering and enforcing the provisions of this Declaration, together with collecting, disbursing, and accounting for the assessments and charges herein contemplated. To this end, Declarant has caused The Greenwood Terrace Homeowners Association, Inc., to be incorporated under the laws of the State of Colorado as a nonprofit corporation for the purpose of exercising the aforesaid functions.

NOW, THEREFORE, the Declarant hereby submits the Property together with all improvements, appurtenances, and facilities thereto and now or hereafter thereon, to the following terms, provisions, covenants, conditions, restrictions, easements, reservations, charges, liens, rights, uses, limitations, and obligations, which shall be deemed to run with the Property and shall be a burden and a benefit to Declarant, its successors, assigns, and any person acquiring or owning interest in the above-described Property, their grantees, successors, heirs, executors, administrators, devisees, or assigns.

**ARTICLE I  
DEFINITIONS**

The following terms when used in this Declaration or any supplementary declarations (unless the context shall prohibit or there shall be a specific statement to the contrary) shall have the following meanings:

1.1 **Architectural Control Committee** shall mean and refer to the committee appointed pursuant to Article VI herein.

1.2 **Association** shall mean and refer to The Greenwood Terrace Homeowners Association, Inc., a Colorado nonprofit corporation.

1.3 **Board or Directors** shall mean and refer to the Board of Directors of the Association.

1.4 **Builder** shall mean and refer to any person who acquires a Lot for the purpose of constructing a Building thereon for resale of the Lot and the Building.

1.5 **Building** shall mean and refer to any of the improvements located upon a Lot.

1.6 **Common Easement Areas** shall mean and refer to all land within the Property heretofore or hereafter in the possession of or maintained by the Association, and shall include, but not be limited to, all areas designated as Public Easements as shown on the Plat for Greenwood Terrace Subdivision and any improvements and landscaping thereon and Drainage Easements.

1.7 **Common Fence** shall mean and refer to any fence constructed upon Common Easement Areas.

1.8 **Declarant** shall mean and refer to Greenwood Terrace Partnership, a Colorado general partnership, and its successors and assigns.

1.9 **Declaration** shall mean and refer to this Declaration Creating Covenants, Conditions, Easements, and Restrictions for Greenwood Terrace Subdivision.

1.10 **Drainage Easements** shall mean and refer to all easements so designated by Declarant or Association pursuant to the provisions of paragraph 2.6 which shall be for the benefit of the Association, Declarant, and all Owners.

1.11 **First Mortgagee** shall mean and refer to any person, corporation, partnership, trust, company or other legal entity which takes, holds, owns, or is secured by a Mortgage which has priority of record over all other recorded liens, except those governmental liens made superior by statute (such as general ad valorem tax liens and special assessments).

1.12 **Lot** shall mean and refer to any parcel of property shown on a recorded plat and identified therein as a Lot or site in Greenwood Terrace Subdivision (or on a recorded plat of any other property made subject to this Declaration).

1.13 **Mortgage** shall mean and refer to any mortgage, deed of trust, or other document pledging a Lot as security for the payment of a debt or obligation.

1.14 **Owner or Member** shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated within the property which is subject to this Declaration, but notwithstanding any applicable theory relating to mortgages, deeds of trust, or other liens or encumbrances upon any such property, Owner shall not include or refer to a mortgagee, beneficiary of a deed of trust, or lien holder unless and until such party has acquired title pursuant to foreclosure or any applicable procedure in lieu of foreclosure.

1.15 **Plat for Greenwood Terrace Subdivision or Plat** shall mean the Plat filed for record in the office of the Clerk and Recorder of Arapahoe County, Colorado, on March 7, 1985, in Book 83, at Pages 17 and 18, Reception No. 2529767, as amended.

1.16 **Private Fence** shall mean and refer to any fence constructed by an Owner anywhere on the Property other than on Common Easement Areas.

1.17 **Property** shall mean and refer to the property which is described on Exhibit A attached hereto.

1.18 **Public Easements** shall mean and refer to all easements designated as public easements on the Plat for Greenwood Terrace Subdivision which are for the benefit of the general public.

1.19 **Residence** shall mean and refer to a single-family home or other similar single-family residential unit constructed upon a Lot for the permanent occupancy of an Owner and his or her family.

## ARTICLE II EASEMENTS

2.1 **Easements Shown on Plat.** The Property, and all portions thereof, shall be subject to the easements as shown on the Plat for Greenwood Terrace Subdivision. No fence, wall, hedge, patio, barrier, or other improvement which interferes with the use and maintenance of any easement shall be erected or maintained along, on, across, or within the areas reserved for such easements by an Owner without the prior written approval of the Association.

a. Declarant and the Association shall have the sole right to the extent permitted by the City of Greenwood Village to construct berms, trails, fences, paths, landscaping and similar improvements on all Public Easements and once constructed the Association shall have the obligation to maintain and repair all such improvements, with the exception of any Public Easements and improvements thereon which are to be maintained by the City of Greenwood Village.

b. Declarant and the Association shall have the sole right to determine the necessity for and to construct detention ponds, swales, spillways, spreader ditches, and similar improvements on the Property and to

create easements for the same (herein collectively referred to as "Drainage Easements"), and once constructed, the Association shall have the obligation to maintain and repair all such improvements, as set forth in more detail in Article XII below.

**2.2 Encroachments Upon Lots and Common Easement Areas.** The Property and all portions thereof, shall be subject to an easement for encroachments created by construction, settling, and overhangs, as designed or constructed by the Declarant. A valid easement for said encroachments and for the maintenance thereof shall exist.

**2.3 Utility Easements.** In addition to the easements contained in Sections 2.1 and 2.2, there is hereby created for the benefit of the Declarant and the Association, and Declarant and the Association reserve the right to grant to utility companies, easements upon, across, over, and under all Common Easement Areas, within the Property for ingress, egress, installation, replacing, repairing, and maintaining all utilities, including but not limited to water, sewer, gas, telephone, electrical, and a master television/cable system; provided that all utility lines shall be underground in accordance with Section 8.1a(XI) below. By virtue of these easements, it shall be expressly permissible and proper for the companies providing electrical telephone and television services to erect and maintain the necessary equipment on the Common Easement Area within the Property and to affix and maintain electrical and telephone wires, circuits, and conduits on, above, across, and under the roofs and exterior walls of the Residences and all improvements situated on the Common Easement Areas. Notwithstanding anything to the contrary contained in this Section 2.3, no water, sewer, gas, telephone, electrical, or antenna lines, systems, or facilities may be installed or relocated over, across, and on the Lots, or Common Easement Areas, except as initially approved by Declarant, or thereafter as approved by Declarant, the Board, or the Architectural Control Committee. Should any utility company furnishing a service covered by the general easement herein created request a specific easement by separate recordable document, Declarant shall have, and is hereby given, the right and authority to grant such easement upon, across, over, or under any part of all of the Common Easement Areas of the Property without conflicting with the terms hereof. The easement provided for in this Section 2.3 shall in no way affect, avoid, extinguish, or modify any other recorded easement on the Property.

**2.4 Underground Electric Service.** All easements for the underground electrical service may be crossed by driveways and walkways provided that prior arrangement with the appropriate utility company furnishing such electrical service has been made. Such easements for the underground electrical service shall be kept clear of all other improvements, including Buildings, patios, or other paved improvements (other than crossing walkways or driveways) and no electrical utility company using the easements shall be liable for any damage done by it or its agents or employees to shrubbery, trees, flowers, or other improvements of the Owner of the Lot covered by said easement.

**2.5 Maintenance Easement.** An easement is hereby granted to the Association, its officers, agents, and employees and to any management companies selected by the Association, upon, across, over, and under the Common Easement Areas, Lots, and Residences to perform any duties of maintenance and repair of the improvements on the Common Easement Areas as provided for in this Declaration.



2.6 **Easement For Drainage Maintenance.** An easement is hereby granted to the Association, its officers, agents, and employees to enter upon, across, over, and under any Lot for the purpose of changing, correcting, or otherwise modifying the grade or drainage channels of a Lot to comply with the drainage plan in effect for the Property, including but not limited to detention ponds.

### ARTICLE III PROPERTY RIGHTS IN THE COMMON EASEMENT AREAS

3.1 **Members' Easements and Rights of Enjoyment.** Subject to the provisions hereinafter set forth in this Article III, every member of the Association shall have a nonexclusive right and easement of enjoyment in and to Public Easements to the extent permitted by the City of Greenwood Village.

3.2 **Extent of Members' Rights and Easements.** The rights and easements created, or that may be created under this Declaration, shall be subject to the following:

a. The right of the Association, as provided in its bylaws, to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid, and for such period as it considers appropriate for any infraction of its published rules and regulations.

b. The right of the Association or the Declarant to dedicate all or any part of the Public Easements, to the extent permitted, (except with respect to easements and rights-of-way as provided below in this Article III) to any public agency, authority, or utility company serving the Property, for such purposes and subject to such conditions as may be agreed to by the members; provided, that no such dedication, determination as to the purposes or as to the conditions thereof, if made by the Association, shall be effective unless approved by fifty-one percent (51%) of the total votes outstanding, upon written ballot which shall be sent to all members at least thirty (30) days in advance of the vote thereof which shall set forth the reasons for such proposed action. The Declarant shall, however, have the right to make such dedication or cause the Association to do so, without such consent at any time prior to December 31, 2005, or until such time as Declarant voluntarily relinquishes such right, whichever occurs earlier.

c. The easements set forth in Article II herein.

d. The right of the Declarant and the Association to grant temporary easements for storage of construction materials, dirt, and similar items to Owners of lots or to the Declarant during the construction of improvements upon any areas within the Property, provided that following the completion of such construction such Owners and Declarant, whichever shall have been granted such privilege, shall forthwith proceed to remove all materials and dirt from such portion of the Property and restore the same to the condition existing before such use therefor, or to a condition acceptable to the Architectural Control Committee, all at the sole cost and expense of the Owner or the Declarant, as the case may be.

e. The right of the Declarant to impose reasonable covenants, conditions, restrictions, easements, charges, liens, and rights with respect to the Common Easement Areas in addition to those set forth herein.

f. The right of the Declarant to enter into reciprocal agreements with other business entities and with governmental entities for the rental and use of equipment and exchange of services on a fee basis or otherwise, together with the right of the Declarant to construct emergency facilities and to erect information and identification signs as the Declarant deems appropriate.

g. The right of the Association or the Declarant to enter into contractual agreements to provide services similar to those provided by the Associations of other nonprofit homeowners associations; provided, however, that the Association shall be fully reimbursed for its costs and expenses in providing such services. The Association shall also have the right to enter into contractual agreements to exchange services with other nonprofit homeowners associations on such basis as the Directors shall deem appropriate.

3.3 Extension of Rights and Benefits. Every member of the Association shall have the right, subject to rules and regulations promulgated by the Directors, to extend the rights and easements of enjoyment vested in such member under this Article to each of such member's tenants, guests, household employees, and to each family member who resides with such member of the Association within the Property and to such other persons as may be permitted by the Association.

#### ARTICLE IV MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

4.1 Membership. Every Owner of a Lot shall be a member of the Association and shall remain a member for the period of his ownership of a Lot; provided, however, except as provided in subsection 4.2(b), in no event shall more than one vote be cast for each such Lot as provided in Section 4.2 hereof. Membership in the Association shall be appurtenant to and may not be separated from, ownership of a Lot.

4.2 Classes of Voting Membership. The Association shall have two classes of voting membership as follows:

a. The Class A members shall be all Owners with the exception of Declarant, and shall be entitled to one vote for each Lot owned. If more than one Owner holds an interest in a Lot, all such Owners shall be members, and the vote for such Lot shall be cast as the Owners thereof agree, but in no event shall more than one vote per question be cast with respect to such Lot. If the Owners of such Lot do not agree as to the manner in which their vote should be cast when called upon to vote, then they shall be treated as having abstained.

b. The Class B member shall be Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and

be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(i) when the total votes outstanding in the Class A membership equal to the total votes outstanding in the Class B membership; or

(ii) on December 31, 2005.

#### ARTICLE V ASSESSMENTS

5.1 **Covenant of Personal Obligation of Assessments.** Every Owner of every Lot, by acceptance of the deed or other instrument of conveyance thereof (whether or not it shall be so expressed in such deed or other instrument of conveyance) is deemed to personally covenant and agree, jointly and severally, and hereby does so covenant and agree, to pay to the Association: (a) periodic assessments for maintenance and upkeep, (b) special assessments, and (c) default assessments applicable to such Lot; such assessments to be established and collected as hereinafter provided. No Owner may waive or otherwise escape personal liability for the payment of the assessments provided for herein by non-use of the Common Easement Areas or by abandonment or leasing of such Owner's Lot.

5.2 **Purpose of Assessments.** The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, convenience, and general welfare of the Owners, including the improvement and maintenance of the Common Easement Areas to be maintained by the Association, and the improvements thereon. Proper uses of the assessments levied by the Association shall include, but are not limited to, the expenditures of funds for taxes, fees, expenses, charges, levies, premiums, expenditures, or other costs incurred by the Association for:

a. maintenance, and repair of underground utilities upon, across, over, and under any part of the Common Easement Areas;

b. maintenance, and repair of improvements constructed at any entryway to the Property;

c. garbage and trash pickup and water and sewer service furnished to the Lots by the Association;

d. providing services to the Common Easement Areas, as may be required, such as mowing grass, caring for the grounds, and sprinkling and irrigation system, landscaping, maintenance, trees, shrubs, grass, walkways, and pathways;

e. providing for the establishment of an adequate reserve fund for the maintenance, repair, and replacement of improvements on the Common Easement Areas to be maintained by the Association on a periodic or "as needed" basis, which reserve fund shall be a part of the regular periodic assessments;

f. maintaining any Drainage Easements and the improvements thereon, including without limitation, detention ponds, swales, culverts; and required landscaping; and

g. any other purposes and uses that the Board shall determine to be necessary to meet the primary purposes of the Association.

**5.3 Assessment Years.** The first assessment year for the levying of the Association's periodic assessments shall commence upon the first day of the month immediately following the date of the first conveyance of a Lot to an Owner other than Declarant and shall continue thereafter until the following 31st of December. Subsequent assessment years shall thereafter commence on the first day of January and continue until the following 31st of December.

**5.4 Determination of Amount of Assessments.** The Board, in its discretion, may determine and levy assessments in accordance with the guidelines set forth herein. Assessments shall be paid in advance and shall initially be levied in two (2) equal installments due on the first day of January and July of each year.

**5.5 Special Assessments.** Generally, in addition to the assessments authorized above, the Board may, at any time and from time to time, determine and levy in any assessment year a special assessment applicable to that particular assessment year for the purpose of defraying, in whole or in part, the costs, fees, and expenses of any construction, reconstruction, repair, demolishing, replacement, or maintenance of the Common Easement Areas and improvements thereon specifically including any fixtures, personal property, and other improvements related thereto; provided, however, that any such special assessment which exceeds \$1,000 per Lot must be approved by at least fifty-one percent (51%) of the voting membership of the Association in attendance, in person or by proxy, at a meeting duly called for such purpose.

**5.6 Notice and Quorum Requirements For Certain Actions.** Written notice of any meeting required under Section 5.5 above shall be given by the Board to each Owner not less than ten (10) days prior to any meeting and shall notify the Owner of the purpose, date, time, and location of such meeting. At such meeting called, the attendance, in person or by proxy, of at least fifty percent (50%) of the Class A membership of the Association and the Class B member thereof shall constitute a quorum. If the required quorum is not present at such meeting called, then subsequent meetings may be called, subject to the same notice requirements and the required quorum at each subsequent meeting shall be one-half of the required Class A members required at the preceding meeting, plus the Class B member. No such subsequent meeting shall, however, be held less than ten (10) nor more than thirty (30) days following the preceding meeting.

**5.7 Due Dates For Assessment Payments.** Unless otherwise determined by the Board, the assessments and any special assessments which are to be paid in installments shall be paid in advance and shall be due and payable to the Association at its office, without notice, on the first day of January and the first day of July of each year. If the conveyance of a Lot occurs on other than these two dates, the Owner of that Lot shall pay at the closing a prorated portion of the current annual assessment. If any such assessment is not paid within fifteen (15) days after it shall have become due and payable, then the Board may assess a "late charge" thereon in an amount not to exceed

ten percent (10%) of the amount of the assessment due to cover the extra expenses involved in handling delinquent assessment payments and in addition may charge interest on the amount past due at the rate of eighteen percent (18%) per annum from the due date.

**5.8 Uniform Rate of Assessment.** Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis, except that Lots owned by Declarant shall be assessed at thirty-three and one-third percent (33 1/3%) of the assessment upon Lots not owned by the Declarant.

**5.9 Liens For Assessments and Other Charges.** The periodic and special assessments provided for in this Article V together with any and all interest, penalties, fines, costs, late charges, expenses, and reasonable attorneys' fees which may arise under this Article V and under Article XI, shall be burdens running with, and a perpetual lien in favor of the Association upon the specific Lot and Residence to which such assessments apply. To evidence and perfect such lien upon a specific Lot and Residence, the Board shall prepare a written lien notice setting forth the description of the Lot, the amount of assessments thereon which are unpaid as of the date of such lien notice, the name of the Owner thereof, an address for notice to be given to the Association, and any and all other information that the Board may deem proper. The lien notice shall be signed by the President or a Vice President of the Association, or such other person as may be so authorized by the Board whose signature shall be attested by the Secretary or an Assistant Secretary of the Association, and shall be recorded in the office of the Clerk and Recorder of Arapahoe County, Colorado.

**5.10 Effect of Nonpayment of Assessments.** The Association shall, within a reasonable time after perfecting its lien as described in Section 5.9 above, if such assessments or other charges remain unpaid, thereafter bring an action at law or in equity, or both, against any Owner personally obligated to pay the same and shall also proceed to foreclose its lien against the specific Lot and Residence in the manner and form provided by Colorado for foreclosure of mechanics' liens in and through the courts. In the event that the Association shall commence such an action (or shall counterclaim or cross claim in any such action) or take any action to collect past due assessments against any Owner personally obligated to pay the same or shall proceed to foreclose its lien against the specific Lot and Residence, then the Association shall be entitled to collect all unpaid assessments, together with interest thereon from the date of such assessments at the rate of eighteen percent (18%) per annum, its costs and expenses of collection including a reasonable attorney's fee and late charges under Section 5.8 and the Association shall have the power and right to bid in or purchase any Lot and Residence at foreclosure or other legal sale and to acquire and hold, lease, mortgage, vote the Association vote appurtenant to ownership thereof, convey, or otherwise deal with the same.

**5.11 Successors' Liability For Assessments.** Notwithstanding the personal obligation of each Owner of a Lot to pay all assessments thereon and notwithstanding the Association's perpetual lien upon a Lot for such assessments, all successors in interest to the fee simple title of a Lot shall be jointly and severally liable with the prior Owner thereof for any and all unpaid assessments, interest, late charges, fines, costs, expenses, and attorneys' fees against such Lot (as more fully described in Section 5.10), without prejudice to any such successor's right to recover from any prior Owner any amounts paid thereon by such successor; provided, however, that a successor in interest to the fee

simple title of a specific Lot shall be entitled to rely upon the existence and status, or absence thereof, of unpaid assessments, interest, late charges, costs, expenses, and attorneys' fees as shown upon any certificate issued by the Association to such named successor in interest pursuant to Section 5.12.

5.12 **Certificate of Status of Assessments.** Upon request in writing by any person, and payment of a reasonable charge therefor, the Association shall furnish within fourteen (14) days after such request is received, a certificate setting forth the amount of any unpaid assessments, interest, late charges, costs, expenses, and attorneys' fees then existing against a specific Lot, the amount of the current assessments and the date that the next periodic assessment is due and payable, and the amount of any special assessments and default assessments then existing against the Lot and the date of the payment or payments thereof. Upon the issuance of such a certificate signed by an officer of the Association, the information contained therein shall be conclusive upon the Association.

5.13 **Subordination of Lien For Assessments.** Notwithstanding anything contained in this Article V, any First Mortgagee who shall come into ownership of a Lot pursuant to remedies provided in its mortgage, whether through foreclosure of its mortgage or the taking of a deed in lieu of foreclosure, shall take the Lot free of any claims for unpaid assessments or charges which accrue prior to the time such mortgagee comes into ownership of said Lot.

## ARTICLE VI ARCHITECTURAL CONTROL COMMITTEE

6.1 **Composition of Architectural Control Committee.** The Architectural Control Committee shall consist of a chairman and two other members. The chairman shall appoint a secretary, who shall not be a member of the Architectural Control Committee. The chairman shall preside over all meetings of the Architectural Control Committee and shall be responsible for the coordination and direction of its work and for the promulgation of its rules and any amendments to the rules. The secretary shall keep the minutes of the Architectural Control Committee's proceedings and its records. At the direction of the chairman, the secretary shall publish and disseminate such rules as may be necessary or desirable for the guidance of Owners and the enforcement of the provisions of this Declaration.

Until such time as Declarant conveys all Lots in the Property to the first Owners thereof (other than Declarant), Declarant shall have the sole right to appoint, replace, and remove members of the Architectural Control Committee. At such time as Declarant has conveyed all Lots in the Property to the first Owners thereof (other than Declarant), appointments to the Architectural Control Committee shall be made as follows: the existing Architectural Control Committee shall notify all Owners that it will, for thirty (30) days from the date of the notice, accept nominations for the Architectural Control Committee. After the date upon which nominations must be submitted, the Architectural Control Committee shall then hold an election for the Architectural Control Committee by mail in which all Owners may vote. If there are more than six nominees, the Architectural Control Committee shall hold a second election, and the Owners shall select from among the six nominees receiving the most votes in the first election. The three nominees receiving the most votes in the second

election shall serve as the Architectural Control Committee. If there are six or fewer nominees, the Architectural Control Committee shall hold only one election. In each such election, an Owner shall be entitled to cast one vote for each of three nominees. The Architectural Control Committee shall consist of the three nominees receiving the most votes. The number so selected shall serve for a term of two years. At the end of said two-year period, the Architectural Control Committee shall notify the Owners, as provided above, that it will accept nominations. The election, and all subsequent nominations and elections, shall be held as provided above.

6.2 **Addresses of Architectural Control Committee Members.** The address of the Architectural Control Committee shall initially be c/o Greenwood Terrace Partnership, 9250 East Costilla Avenue, Suite 600, Englewood, Colorado 80112. The current record of the names, qualifications, and business addresses of the members of the Architectural Control Committee shall be kept there. The Architectural Control Committee shall meet at the convenience of the members thereof, by mail or phone, and as often as is necessary to transact its business, acting on the concurrence of two of its three members. Applicants for Architectural Control Committee action may, but need not, be given an opportunity to be heard in support of their application.

6.3 **When Approval Required.** All improvements (including landscaping) and any modifications to improvements, including without limitation, swimming pools, poolhouses, tennis courts, out-buildings, trash and storage facilities, and other structures, porches, patios, sidewalks, mailboxes, solar devices, changes of the elevation on any part of a Lot, roofing, and exterior siding, must have the written approval of the Architectural Control Committee prior to commencement of any construction on such improvements or modifications. Approval shall be based, among other things, on: suitability of exterior design, colors, materials and size; relation of the proposed improvements to the natural topography, grade and finished ground elevation; relation, size and dimensions of the structure to that of neighboring structures and natural features of the Property; and conformity of the plans and specifications to the purpose and general plan and intent of these restrictions and the design guidelines which may be adopted from time to time by the Architectural Control Committee (hereinafter the "Design Guide"). The Architectural Control Committee shall have the right to require and approve landscaping plans.

6.4 **Applications, Standard of Review, and Action by Architectural Control Committee.** Applications for Architectural Control Committee approval, the standards by which such applications shall be reviewed, and the procedures for review shall be controlled by the Design Guide adopted by and from time to time amended by the Architectural Control Committee; provided, however, the Design Guide shall not be amended in a way which would materially diminish the value or desirability of the Property. The standards of review shall require compliance with any drainage and grading plans approved for the Property, and all applications submitted for approval shall contain evidence of such compliance. Each Owner shall be entitled to a copy of the Design Guide and the drainage and grading plans currently in effect upon written request. Each application for construction of a Residence shall be accompanied by complete, detailed plans and specifications, soil tests, and such other engineering tests and reports as are appropriate or deemed necessary by the Architectural Control Committee. The Architectural Control Committee shall have the right to charge persons submitting applications, other than Declarant or the Association, a reasonable fee for reviewing each application with respect to any single submittal with reference to

construction or expansion of a dwelling on a Lot or remodeling thereof, and a reasonable fee for any application regarding approval of landscaping plans or modification to existing landscaping; provided, however, that no separate landscaping submittal fee shall be charged for landscaping plans submitted in connection with initial construction of a dwelling on a Lot.

**6.5 Drainage and Grading Plans.** The Architectural Control Committee shall be responsible for assuring that drainage and grading plans currently in effect for the Property are available to Owners and their agents. The approved plans shall be kept at the Architectural Control Committee offices and shall be made available upon reasonable notice during normal business hours. All applications submitted to the Architectural Control Committee for the addition of improvements or the modification of existing improvements shall comply in all respects with the approved drainage and grading plans currently in effect. The Architectural Control Committee shall also have the right to inspect Lots, at reasonable times and in a reasonable manner, to assure compliance with the drainage and grading plans. The Architectural Control Committee shall have the right, but not the obligation, to publish such rules and regulations as it deems appropriate concerning the use of the Drainage Easements and the type of improvements and vegetation which may be installed thereon.

**6.6 No Design Responsibility.** Neither the Architectural Control Committee nor any member or agent thereof nor Declarant shall be responsible in any way for any defects in any plans or specifications submitted, revised, or approved in accordance with the foregoing provisions, or for any structural or other defects in any work done according to such plans and specifications.

**6.7 Limitations.** Notwithstanding anything to the contrary herein contained, any work performed upon any Lot which requires the prior approval of the Architectural Control Committee shall be deemed approved if no action has been taken by the Architectural Control Committee within ninety (90) days of the date of submittal of the application and all documents required by the Architectural Control Committee.

**6.8 Variations.** The Architectural Control Committee may authorize variances from compliance of any of the provisions, covenants, conditions and restrictions contained in this Declaration or in the Design Guide when circumstances such as topography, natural obstructions, or hardship so require. Such variances must be evidenced in writing and may be recorded. If such variances are granted, no violation of the provisions, covenants, restrictions and conditions contained in this Declaration or in the Design Guide shall be deemed to have occurred with respect to the matter of which the variance was granted and subsequent owners may rely on and shall be bound by the provisions set forth in the variance. The granting of such a variance shall not operate to waive any of the provisions, conditions, and restrictions contained in this Declaration for any purpose except as to the particular property and the particular provision covered by the variance.

**6.9 Enforcement.** The Association and the Architectural Control Committee shall have the responsibility to enforce the provisions of this Article VI. In addition to the enforcement within the process of approval of building design, construction, and alteration, the Architectural Control Committee may receive the complaints of Owners, inform noncomplying Owners of the nature of any noncompliance, and request that such noncomplying Owners remedy any violation. In the event that the Architectural Control



Committee is unsuccessful in any request to an Owner to remedy a violation, the Association or the Architectural Control Committee may use any of the remedies set forth in Article XI.

6.10 Non-Liability. Neither the Architectural Control Committee nor the Declarant nor their respective successors or assigns shall be liable in damages to anyone submitting plans to them for approval, or to any Owner by reason of mistake in judgment, negligence, or nonfeasance in connection with the approval, disapproval, or failure to approve any plans and specifications. Approval by the Architectural Control Committee shall not be deemed to constitute compliance with the requirements of any local building codes, and it shall be the responsibility of the Owner or other person submitting plans to the Architectural Control Committee to comply therewith.

#### ARTICLE VII RIGHT OF REPURCHASE BY DECLARANT

If any Owner fails to commence construction of a Residence upon a Lot purchased from Declarant within twenty-four (24) months from the date of conveyance of the Lot from Declarant to an Owner, or if an Owner fails to complete construction of a Residence within forty-two (42) months of the date of conveyance of the Lot from Declarant to an Owner, Declarant shall have the right to repurchase the Lot from the Owner at any time within six (6) months after the expiration of the twenty-four (24) month or forty-two (42) month period upon giving to the Owner fifteen (15) days' prior written notice of its intention to repurchase the Lot. The twenty-four (24) month period (six (6) months period if the Owner is a Builder) shall commence on the date of conveyance from Declarant to the first Owner of the subject Lot; no new twenty-four (24) month period or forty-two (42) month period shall commence upon conveyance from one Owner to another. If Declarant repurchases any Lot from an Owner pursuant to this Article VII and reconveys the Lot to another Owner, a new twenty-four (24) month period and forty-two (42) month period shall commence. The repurchase price shall be the price received by Declarant for the Lot, less the unpaid balance of any mortgage or deed of trust and less other amounts owing with respect to the Lot the nonpayment of which other amounts may be assessed as liens against the Lot. The provisions of this Article shall be specifically enforceable by Declarant. If Declarant fails to give written notice exercising its right of repurchase within the six (6) month period, it shall waive its right of repurchase. Commencement of construction of a Residence shall be deemed to occur when the Owner (a) has obtained all necessary approvals of the Architectural Control Committee, (b) has obtained permits from the appropriate governmental authorities authorizing construction of a Residence as approved by the Architectural Control Committee, (c) has entered into a construction contract with a contractor licensed to do business in Colorado, (d) has expended no less than the sum of Fifteen Thousand and No/100 Dollars (\$15,000.00) pursuant to the construction contract for on-site construction work, and (e) is diligently pursuing completion of the Residence. Completion of the Residence shall be deemed to occur when the Owner is issued a certificate of occupancy by appropriate governmental authorities. Declarant shall have no right of repurchase under this Article VII after December 31, 2005.

ARTICLE VIII  
RESTRICTIVE COVENANTS

In the event of any conflict between the requirements of this Article VIII and the requirements of the zoning code of the City of Greenwood Village, Colorado, the more restrictive of the two shall govern.

## 8.1 Lots.

a. Permitted Uses.

(i) No noxious or offensive activity shall be carried on at any Lot, nor shall anything be done or placed therein which may be or become a nuisance or cause unreasonable embarrassment, disturbance, or annoyance to other Owners in the enjoyment of their Lots or the Common Easement Areas.

(ii) No oil or gas drilling or the extraction thereof or mining operations nor any septic or sewage disposal systems shall be permitted on any Lot. No Lot Owner shall be permitted to drill a well intended for the extraction of water from the ground on any Lot without prior approval of the Architectural Control Committee. The Declarant shall install or cause to have installed water distribution and sewer collection lines to a point proximate to the property line of each Lot, and connection by the Lot Owner to these facilities shall be mandatory.

(iii) A Lot shall be used exclusively and solely for residential purposes. No dwelling shall be used or occupied for any purpose other than for a single-family dwelling. No business, manufacturing, commercial, profession or other activity conducted for gain shall be carried on or within any Lot.

(iv) All construction shall be new. No building previously used at another location nor any building or structure originally constructed as a mobile dwelling or structure may be incorporated as a temporary or permanent structure on any Lot.

(v) No structure of temporary character, nor any trailer, basement, tent, shack, barn or other out-buildings shall be used on any Lot at any time as a residence, either temporarily or permanently.

(vi) No building material of any kind or character shall be placed or stored upon any Lot except in connection with continuous construction or maintenance approved by the Architectural Control Committee. As soon as building materials are placed on any Lot in such connection, construction shall be promptly commenced and diligently prosecuted from the time of the commencement until fully completed.

(vii) In order to preserve the natural quality and aesthetic appearance of the Property, fencing or plantings simulating fencing shall be

permitted only after approval of the Architectural Control Committee of the color, material, and design thereof in accordance with the procedures set forth in Article VI hereof to insure that such fencing or planting will be in keeping with the character of the Property. Fencing along the perimeter of any Lot is prohibited unless a variance for good cause shown is granted by the Architectural Control Committee. Security fencing in connection with any swimming pool and fences utilized in connection with any tennis court or recreational facilities must likewise have the prior approval of the Architectural Control Committee as described in Article VI.

(viii) No clothes lines shall be placed within the Lot.

(ix) No exterior antenna or other communication receiving devices shall be permitted on any Lot.

(x) No elevated tanks, or similar permanently affixed equipment or machinery of any kind shall be erected, placed, or permitted upon any part of a Lot. Any tank used in connection with any dwelling (e.g., for storage of gas, oil, or water) and any type of refrigeration or heating apparatus must be located underground or concealed by appropriate fencing or screening to be approved by the Architectural Control Committee.

(xi) All electric, telephone, television, radio, and other utility lines shall be placed underground when extended from the street or Lot line to any dwelling or other improvement on a Lot.

(xii) All areas of Lots shall be maintained in a clean condition, with all grass and plantings thereon periodically trimmed and free at all times of all trash and rubbish.

(xiii) No light shall be emitted from any Lot or dwelling which is unreasonably bright or causes unreasonable glare beyond the boundaries of such Lot.

(xiv) No modifications to any Lot shall be permitted which are inconsistent with any drainage plan currently in effect for the Property.

b. Special Lot Restrictions.

(i) Height and Setback. All height and setback restrictions are subject to the zoning code of the City of Greenwood Village. All dwellings will be set back from the boundaries of the Lot as provided in the setback limitations set forth in the zoning code of the City of Greenwood Village, and as shown on the Plat. Further, no dwelling, garage, pool house, tennis court, or other structure shall be located on any Lot nearer the front, rear, or side Lot lines than is permitted by the zoning code of the City of Greenwood Village. No Building shall encroach upon any utility or drainage easement provided for in this Declaration. Further, no dwelling and no other structure or above-ground improvement on any Lot shall exceed the height limitations imposed by the zoning code of the City of Greenwood Village. In the event that a variance is requested from the City of Greenwood Village,

Colorado, of any of the aforesaid setback or height limitations, a like variance must also be obtained from the Architectural Control Committee before such improvements may be constructed on a Lot.

(ii) Restrictions on Orientation of Residence. The Architectural Control Committee shall have the right to designate the direction in which a Residence shall face if constructed on a double frontage Lot and the right to designate the direction in which all garage doors shall face. Residences placed on Lots without a double frontage shall face a street located on the interior of the Property.

(iii) Pools and Tennis Courts. No swimming pool constructed on a Lot shall have lights for night use or other equipment which will constitute a nuisance to any other Owner, and no tennis court so constructed shall have lights for night use. All pools shall be enclosed by a fence or covered in a manner so as to prevent accidental injury and to avoid being classified as an attractive nuisance. All pools and tennis courts will be kept in good repair and shall be used only at times and in such a manner as to not unreasonably disturb any other Owners.

(iv) Access. Access to Lots shall be provided only from the platted roads within the Property with the exception of Lots 8, 9, and 10, (as designated on the Plat), which shall be accessed only from the public street known as Cottonwood Lane.

c. Pets. No animals, livestock, poultry or insects of any kind shall be raised, bred, kept or boarded on the Property; provided, however, that dogs, cats or other generally recognized household pets not to exceed three (3) in number, as such Owner complies with all additional restrictions upon such animals contained in this Declaration. If an Owner chooses to keep house or yard pets, said Owner shall at all times have them under his or her control, whether within the Owner's Lot or in any other location within the Property. Animals shall not be permitted to roam at will, and at the option of the Association, steps may be taken to control any animals not under the immediate control of their Owners, including the right to impound animals not under such control and charge substantial fees to their Owners for their return. The Association shall have the right to adopt further rules and regulations to enforce this provision.

d. Horses and Livestock. No horses or livestock shall be kept or otherwise maintained within Lots. Further no horses shall be ridden or otherwise permitted on any of the roadways, Public Easements or Common Easement Areas within the Property.

e. Animal-Related Maintenance. Any animal allowed to be kept by an Owner pursuant to Section 8.1c shall not create or allow to occur any conditions upon the Property which are a nuisance to other Owners. All facilities and grounds used in connection with such animals, shall at all times be kept in good repair. All areas on a Lot set aside for animal care shall have a surface that provides drainage adequate to avoid standing water and shall be maintained to avoid excess mud and unsightliness.

f. Landscaping and Maintenance.

(f) Lot Owners are encouraged to landscape their Lots using indigenous species. At least eighty percent (80%) of the surface area of each Lot must be landscaped with grass or growing plants. Drainage Easements and areas which are subject to the Right of Way granted to the Denver Water Board shall be landscaped only with vegetation conducive to continued efficient operation of the improvements located thereon. Specific vegetation or other landscaping improvements permitted on the Drainage Easements shall be only as approved by the Architectural Control Committee. All plantings of trees and shrubbery and all structures shall be located in conformity with traffic visibility requirements and setback restrictions of the ordinances and buildings codes of the City of Greenwood Village.

(ii) No Lot shall be used or maintained as a dumping ground for rubbish. No garbage or trash or other waste shall be placed anywhere other than in covered sanitary containers which shall be maintained in good and clean condition. Containers must be screened from view from roads, and other Lots by plantings, fences, or in such other manner as approved by the Architectural Control Committee. No waste shall be burned upon any Lot.

(iii) No exterior fires shall be permitted except for barbeque fires contained within receptacles designed for that use. No coal or other type of fuel which gives off smoke, excepting wood and charcoal, shall be used for heating, cooking, or any other purpose within a Lot.

(iv) A Lot and all improvements thereon shall be maintained at all times by the Owner in good condition and repair. The Owner shall cause all dwellings and other improvements to be refinished, resurfaced, or repaired periodically as effects of damage, deterioration, or weather become apparent. Appearance, color, type of painting, or stain or other exterior condition shall not be changed without prior approval of the Architectural Control Committee. All appropriate repairs and replacements shall be made as often as necessary. Unsightly conditions shall constitute a nuisance as defined in Section 8.1a(i) hereof.

(v) At the time of, or as soon as reasonably possible following, construction of a Residence on a Lot but not later than the latter of seven (7) months or one (1) growing season after substantial completion of the Residence, the Lot shall be suitably landscaped with grass, shrubs, and trees. Thereafter, all grass, shrubs, and trees shall be kept and maintained in an attractive, healthy, live, and growing condition, and all dead or diseased grass areas, shrubs, and trees shall be promptly removed and replaced with suitable replacement landscaping. Each Lot Owner shall maintain the landscaping as approved by the Architectural Control Committee upon his Lot in good condition.

g. Automobile, Boat, and Camper Parking.

(i) Recreational vehicles, trucks, trailers, mobile homes, truck campers, boats, and commercial vehicles shall not be kept, placed, or maintained upon any Lot, platted road, or on the Common Easement Areas in such a manner that such vehicle or boat is visible from neighboring Lots, Private or Public Easements, or platted roads. The provisions of this paragraph shall not apply to temporary construction shelters or facilities maintained during and used exclusively in connection with the construction of any Building or other improvement permitted by this Article VIII. Commercial vehicles engaged in the delivery or pickup of goods or services shall be exempted from the provisions of this paragraph providing that they do not remain within a Lot in excess of the reasonable period of time required to perform such commercial function.

(ii) Each Residence shall include at least two completely enclosed and two outside parking places within the Lot. Temporary parking shall be permitted on platted roads only in designated areas and may be prohibited from time to time in order to permit the clearance of snow accumulation on and maintenance of the platted roads.

(iii) No trailer, vehicle, or boat shall be constructed, reconstructed, or repaired upon any Lot in such a manner that such activity is visible from neighboring Lots, Private and Public Easements or platted roads.

(iv) All garage doors shall be kept closed at all times, with the exception of those times a vehicle is actually entering or exiting the garage. The door may remain open for periodic maintenance of the door or garage area.

h. Signs. No signs whatsoever shall be permitted within any Lot, with the exception of those listed below provided the same are permitted by the zoning code of the City of Greenwood Village, Colorado:

(i) Signs required by legal proceedings.

(ii) Residential identification signs constructed of materials which are compatible with the architecture of the area, and these shall be subject to the approval of the Architectural Control Committee prior to erection thereof. Such signs shall not exceed a total face area of six (6) square feet.

(iii) Signs of the type usually used by contractors, subcontractors, and tradesmen may be erected during the authorized time of construction; provided that such signs are of the style, color, and material approved by Declarant and do not exceed a total face area of six (6) square feet.

(iv) The Architectural Control Committee has designed signs to be used in connection with the sale of Lots or rental of homes on Lots by

Owners. These signs are the only for sale or for rent signs which shall be permitted in connection with any such sales or rentals.

(v) No sign shall exceed a height of four (4) feet from grade.

(vi) The Architectural Control Committee shall have the right to promulgate standards for the color, style, materials, and location of the foregoing signs (except signs required by legal proceedings) and in such event, all signs shall conform therewith.

i. Show Homes Prohibited. No Owner or other person may utilize any Lot or dwelling constructed thereon for the purposes of a show home without the consent of the Declarant being first obtained. The term "show home" shall mean and refer to a home used for the purposes of sale of similar homes constructed or to be constructed in residential developments other than the Property or other homes within the Property.

8.2 Subdivision and Combining of Lots. No Lot may be divided or subdivided or a fractional portion thereof sold or conveyed so as to be held in divided ownership, except that adjoining Lot owners may sell or purchase adjoining property to accomplish relocation of the boundary line between such Lots if first approved in writing by the Architectural Control Committee, if such sale and purchase will not cause a resulting violation of any setback, building, or other restriction contained herein, and if such steps are taken as are necessary to comply with the building and zoning and subdivision codes for the City of Greenwood Village. In such cases, the new boundary line thus established shall be deemed a new boundary line between the respective Lots but no setback line or easement established with respect to the former boundary line shall be shifted or changed by reason of the change of boundary line. Two (2) or more adjoining Lots which are under the same ownership may also be combined and developed as one (1) Lot, but only if first approved in writing by the Architectural Control Committee and if such approvals as may be necessary are obtained from the City of Greenwood Village. Setback lines along the common boundary line of the combined Lots shall be deemed removed and easements created or established along the common boundary line of the combined Lots may be changed without the consent of any person entitled to the use thereof if no improvements have been constructed on such easements provided that the written consent of the Architectural Control Committee is first obtained. The Architectural Control Committee shall have the right to require alternative easements to be granted or created by the Owner of the combined Lots. If setback lines are removed or easements are changed along the common boundary line of the combined Lots, the combined Lots shall thereafter be deemed one (1) Lot, and may not thereafter be split or developed into two (2) or more Lots. Further, in the event that two (2) or more adjoining Lots are combined hereunder, they shall be deemed one (1) Lot for the purpose of voting rights pursuant to Article IV and assessments pursuant to Article V hereof.

### 8.3 Common Easement Areas.

a. No noxious or offensive activity shall be carried on at any of the Common Easement Areas, nor shall anything be done or placed thereon which may be or become a nuisance or cause unreasonable embarrassment, disturbance, or annoyance to Owners in the enjoyment of their Lots or the Common Easement Areas.



b. All uses of Common Easement Areas shall be subject to rules and regulations of the Association as promulgated and revised by the directors thereof from time to time.

c. Uses of the Common Easement Areas shall be limited to those activities which do not materially injure or scar the Common Easement Areas or the vegetation thereon, substantially increase the cost of maintenance thereof, or cause unreasonable embarrassment, disturbance, or annoyance to Owners in their enjoyment of their Lot or the Common Easement Areas unless sanctioned or approved by the Architectural Control Committee.

d. No domestic animals shall be permitted on the Public Easements, except generally recognized house or yard pets accompanied by and under the control of their owners are permitted on the Public Easements, provided that the provisions of Section 8.1c are followed. Declarant and the Association shall have the right to adopt further rules and regulations to enforce such provisions.

e. The use of snowmobiles, motorcycles, or other motorized vehicles within the Common Easement Areas is expressly prohibited, except as required for emergency and maintenance purposes.

## ARTICLE IX INSURANCE

### 9.1 Public Liability and Additional Insurance Coverage.

a. Each Owner shall obtain in his own name and keep in force at all times during his ownership of a Residence public liability insurance in minimum amounts prescribed from time to time by the Association.

b. Any Owner may, if he so desires and at the Owner's sole expense, carry any and all other insurance coverage the Owner deems advisable.

9.2 Association's Duty to Obtain and Maintain Insurance. The Association shall be required to maintain liability insurance insuring against injury to persons or property as a result of use of the Common Easement Areas including, but not limited to, any loss as the result of the failure of the storm water retainage and drainage systems. Such insurance shall be maintained with a company licensed to do business in the State of Colorado and shall have minimum limits of liability for injury or damage to persons or property in the amount of One Million and No/100 Dollars (\$1,000,000.00), with such amount to be adjusted periodically and increased if the same is required in the reasonable judgment of the Directors and if such increased amounts of insurance are available for purchase at such time.

9.3 Damage or Losses From Association's Insured Hazards. In the event of loss, damage, or destruction by fire or other casualty to any property covered by insurance written in the name of the Association or for which the Association is named as co-insured, whether in its own name or as trustee, the Board shall, upon receipt of the insurance proceeds, contract to repair, reconstruct, or rebuild any damaged or destroyed portions of the Common Easement Areas to as good condition as formerly existed. All



insurance proceeds received by the Association shall be deposited in a bank, savings and loan association, or other financial institution with the proviso agreed to by said bank, or association, or institution, that such funds may be withdrawn only by signature of a least two-thirds (2/3) of the members of the Board. The Board or, if it shall be agreed to by the Board, the insurance company or companies providing insurance proceeds, shall advertise for sealed bids from any licensed contractor, and then may negotiate with any contractor, who shall be required to provide a full performance and payment bond for the repair, reconstruction, or rebuilding of such destroyed Common Easement Area.

## ARTICLE X FENCES

**Permitted Fences.** Perimeter or Lot fencing shall not be permitted. Any other fences constructed by Owners must have the prior written approval of the Architectural Control Committee.

## ARTICLE XI ENFORCEMENT

**11.1 Right to Enforce.** The provisions herein contained shall run with the land and be binding upon and inure to the benefit of the Declarant and the Owners of every Lot within the Property. These provisions may be enforced as hereinafter provided by Declarant acting for itself, the Architectural Control Committee, or as trustee on behalf of all of the Owners of Lots. These provisions may also be enforced by the Association upon the transfer to it of Declarant's duties and responsibilities under the Declaration at any time after the termination of the Class B membership pursuant to Section 4.2b herein. Each Owner, by acquiring an interest in the Property, irrevocably appoints the Declarant as such Owner's attorney-in-fact for such purposes; provided, however, that if an Owner notifies Declarant in writing of a claimed violation of the provisions herein contained and Declarant fails to take action to remedy the violation within thirty (30) days after receipt of such notification, then, and in that event only, an Owner may separately at such Owner's own costs and expense, enforce the provisions herein.

**11.2 Remedies.** Violation of any of the provisions of this Declaration shall give the Declarant the right: (a) to enter upon the portion of the Property wherein said violation or breach exists and summarily abate and remove, at the expense of the Owner, any structure, thing, or condition that may exist thereon contrary to the intent and meaning of the provisions hereof; (b) to take such actions as are necessary to bring the subject property into compliance with the provisions hereof or to hire services to effect such compliance; (c) to prosecute a proceeding at law or in equity against the person or persons who have violated or are attempting to violate any of the provisions herein, to enjoin or prevent them from doing so and to collect such damages as are appropriate; and (d) to cause said violation to be remedied or to recover damages for said violation. Any costs, expenses, and attorneys' fees incurred in connection with any actions taken pursuant to this Article XI by Declarant or the Association shall be immediately due and payable to such party by the Owner or Owners of the Lot or Lots affected and all such costs, expenses, and attorneys' fees shall immediately become a lien against the Lots and the Residences thereon, which lien shall be treated in the same manner as liens discussed in Article V.

11.3 **Enforcement By The City of Greenwood Village.** The City of Greenwood Village shall also have the right to enforce the provisions of this Declaration relating to the "Drainage Easements" and the "drainage plan"; provided, however, that such right of enforcement shall accrue only after the City has notified Declarant or the Association in writing of a claimed violation, specifying the nature of such violation, and neither Declarant nor the Association has taken any action to remedy the violation within sixty (60) days after receipt of such notification.

## ARTICLE XII DRAINAGE

12.1 **Drainage and Grading Plans.** The Association shall maintain currently approved drainage and grading plans indicating the proper elevations, Drainage Easements, and drainage related improvements for the Property. These plans shall be maintained by the Association and available in accordance with Section 6.5 above.

12.2 **Responsibility For Drainage Related Improvements.** The Association shall maintain and repair all improvements to be located on the Drainage Easements, including without limitation, detention ponds, swales, culverts, trickle channels, and spreader ditches to assure proper drainage.

12.3 **Landscaping On Drainage Easements.** All Drainage Easements shall be landscaped and maintained by the Owner of the Lot on which that portion of the Drainage Easement is located in a manner to assure proper drainage and to minimize the time for which water will stand in the Drainage Easements. Such maintenance will include, without limitation, cleaning sediment from the detention ponds, trimming the vegetation as necessary, and using types of vegetation to assure continued proper water drainage on the Property.

## ARTICLE XIII DURATION AND AMENDMENT

13.1 **Duration and Extension.** This Declaration, every provision hereof and every covenant, condition, restriction and reservation contained herein shall run with and bind the land and shall continue in full force and effect for a period of fifty (50) years from the date hereof, and shall thereafter be automatically extended for successive periods of five (5) years unless otherwise terminated or modified as hereinafter provided.

13.2 **Amendment and Modification.** This Declaration or any provision hereof, or any covenant, condition or restriction contained herein, may be terminated, extended, modified or amended, as to the whole of the Property or any portion thereof, with the written consent of the members holding at least sixty-six and two-thirds percent (66 2/3%) of the Class A membership in the Association and the consent of the Class B members thereof, if any, during the first twenty-five (25) year period of these Covenants and thereafter by not less than a majority of the Class A membership in the Association and the consent of the Class B member thereof, if any; except that so long as a Class B member exists, Declarant shall have the right to amend this Declaration without the consent or approval of any Class A members for any amendment which is solely for the purpose of correction or clarification, and does not substantively modify the covenants,

conditions, easements, or restrictions created hereby. Such termination, extension, modification or amendment shall be immediately effective upon recording the proper instrument in writing, executed and acknowledged by such Owners and/or by Developer as required herein in the office of the Clerk and Recorder of Arapahoe County, Colorado.

**ARTICLE XIV**  
**MISCELLANEOUS**

**14.1 Non-Waiver.** Failure by the Declarant, the Association, or any Owner to enforce any covenant, condition, restriction, easements, reservation, or other provision contained in this Declaration shall in no way or event be deemed to be a waiver of the right to do so thereafter.

**14.2 Severability.** The provisions of this Declaration shall be deemed to be independent and severable, and the invalidity of any one or more of the provisions hereof, or any portion thereof, by judgment or court order or decree shall in no way affect the validity or enforceability or any of the other provisions, which other provisions shall remain in full force and effect.

**14.3 Number and Gender.** Unless the context provides or requires to the contrary, the use of the singular herein shall include the plural, the use of the plural shall include the singular, and the use of any gender shall include all genders.

**14.4 Captions.** The captions to the Sections are inserted herein only as a matter of convenience and for reference and are in no way to be construed to define, limit, or otherwise describe the scope of this Declaration nor the intent of any provision hereof.

**14.5 Notices.** Any notice required to be sent to any member or Lot Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the person who appears as such member or Owner on the records of the Association at the time of such mailing.

**14.6 Limited Liability.** Neither Declarant, the Association, the Board of Directors of the Association, the Architectural Control Committee, nor any member, agent or employee of any of the same, shall be liable to any party for any action or for any failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice and such parties shall be reimbursed by the Association for any costs and expenses, including attorneys' fees, reasonably incurred by them with the prior approval of the Association (which approval shall not unreasonably be withheld) as a result of threatened or pending litigation in which they are or may be named as parties.

**14.7 Covenants Running With The Property.** The benefits, burdens, and other provisions contained in this Declaration shall be covenants running with and binding upon the Property.

**14.8 Binding Upon and Inure To Successors.** The benefits, burdens, and other provisions contained in this Declaration shall be binding upon, and inure to the benefit of the Declarant, the Association, and all Owners and upon and to their respective heirs, executors, administrators, successors, and assigns.

14.9 Non-Waiver. All of the conditions, covenants, restrictions and reservations contained in this Declaration shall be construed together, but if it shall at any time be held that any one of said conditions, covenants, restrictions and reservations, or any part thereof, is invalid, or for any reason become unenforceable, no other conditions, covenants, restrictions and reservations or any part thereof shall be thereby affected or impaired.

The parties hereby agree that this reservation does not constitute an agreement to sell, or negotiation of a sale, and is merely a document to evidence this first right to purchase.

IN WITNESS WHEREOF, the parties hereunto placed their hands and seals the day and year first above written.

GREENWOOD TERRACE PARTNERSHIP,  
a Colorado general partnership

BY: Sebring Development Corporation, a  
Colorado corporation, general partner



By: *Gary L. Miles*  
Gary L. Miles, President

BY: The Willardsen Corporation, a  
Colorado corporation, general partner

By: *DeWayne Willardsen*  
DeWayne Willardsen, President

STATE OF COLORADO )  
COUNTY OF ARAPAHOE ) ss.

Subscribed and sworn to before me this 27th day of June, 1985 by Gary L. Miles as President of Sebring Development Corporation, general partner of Greenwood Terrace Partnership, a Colorado general partnership.

WITNESS my hand and official seal.

My commission expires: My Commission expires October 7, 1987  
3648 E. Laredo St  
Aurora, CO 80013



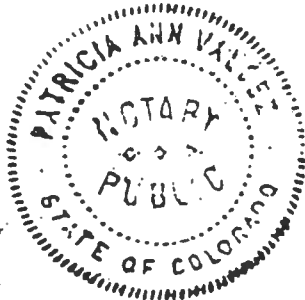
Virginia S. Wilkins  
Notary Public

STATE OF COLORADO )  
COUNTY OF ARAPAHOE ) ss.

Subscribed and sworn to before me this 28th day of June, 1985 by DeWayne Willardsen as President of The Willardsen Corporation, general partner of Greenwood Terrace Partnership, a Colorado general partnership.

WITNESS my hand and official seal.

My commission expires: \_\_\_\_\_



Patricia Ann Varley  
Notary Public

My Commission expires January 11, 1989  
2000 W. Littleton Blvd.  
Littleton, CO 80120

Exhibit A to Declaration Creating Covenants, Conditions, Easements, and Restrictions  
for Greenwood Terrace Subdivision.

Lots 1 - 15 and 17 - 29,  
Greenwood Terrace Subdivision,  
County of Arapahoe,  
State of Colorado.

FILED IN BOOK 4480  
PAGE 700  
BY THE COUNTY CLERK

BY LAWS  
OF  
GREENWOOD TERRACE HOMEOWNERS ASSOCIATION  
(a Colorado non-profit corporation)

ARTICLE I

Object

The purpose for which Greenwood Terrace Homeowners Association ("Association") is formed is to govern the Property situated in Arapahoe County, Colorado described in the Declaration Creating Covenants, Conditions, Easements and Restrictions for Greenwood Terrace Subdivision and all amendments and supplements thereto ("Declaration"). All terms defined in the Declaration or in the Association's Articles of Incorporation ("Articles") shall have the same meanings herein unless otherwise defined.

ARTICLE II

Definitions

Section 1. Association. Shall mean and refer to Greenwood Terrace Homeowners Association, a Colorado non-profit corporation, its successors and assigns.

Section 2. Common Area. Shall mean and refer to all land (including improvements thereon) now or hereinafter owned or in the possession of or maintained by the Association.

Section 3. Lot. Shall refer to any parcel of real property designated as a Lot on the Plat, or on any amended plat that is hereinafter recorded for the Greenwood Terrace Subdivision.

Section 4. Owner. Shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

ARTICLE III

Membership, Voting, Quorum and Proxies

Section 1. Membership Voting. There shall be two classes of Members of the Association, to-wit:

Class A - Members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event

shall more than one vote be cast with respect to any Lot. The Declarant may, however, become a Class A member upon the termination of his Class B membership as hereinafter provided for.

Class B - The Declarant shall be the sole Class B member. The Class B member shall be entitled to three (3) votes for each Lot it owns. The Class B membership shall cease and be converted to a Class A membership upon the happening of any of the following events, whichever first occurs:

- a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- b) On December 31, 2005.

Section 2. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Members entitled to vote more than one-third of the total votes of the Members shall constitute a quorum for the transaction of business at any meeting of the Association.

Section 3. Proxies. Members of the Association may vote at Association meetings either in person or by proxy. Every proxy must be executed in writing by the Member or his duly authorized attorney-in-fact. No proxy shall be valid after the expiration of eleven months from the date of its execution unless otherwise provided in the proxy.

Section 4. Voting. At any meeting of Members, if a quorum is present, the affirmative vote of a majority of the votes represented at the meeting in person or by proxy shall be the act of the Members, unless a vote of a greater number is required by law, the Articles, the Declaration, or these By-Laws.

#### ARTICLE IV

##### Membership Meetings

Section 1. Annual Meetings. The annual meetings of the Association shall be held on the second Monday of the month of May of each year, commencing with the year 1991 at such time and place as may be designated by the Board of Directors.

Section 2. Special Meetings. Special meetings of the Members of the Association may be called by the President, or by resolution of the Board of Directors or upon a petition delivered to the Secretary and signed by Members representing at least 25% of the total votes of the Members of the Association. A notice of any special meeting shall state the time and place of the meeting and the purpose thereof.



Section 3. Place of Meeting. Meetings, both annual and special, of the Association shall be held at such place as may be designated by the Board of Directors.

Section 4. Notice of Meeting. Notice of the annual meeting of the Members shall be mailed to the Members at least 15 days prior to the date fixed for such meeting. Notices of special meetings shall be given to the Members at least ten (10) days before such meeting is to be held. All such notices shall be mailed by the Secretary, postage prepaid, and addressed to the Member at the Member's last known address as shown on the records of the Association. Notice of all meetings shall be sent in a similar manner to all holders of First Mortgages on Lots who have made a prior written request therefor.

Section 5. Adjourned Meetings. If any meeting of the Members cannot proceed by reason of the fact that a quorum is not present, the President may adjourn the meeting to a later date which shall not be more than ten days from the time of the original meeting. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 6. Unanimous Consent. Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Members.

## ARTICLE V

### Board of Directors

Section 1. Number and Qualifications. The affairs and business of the Association shall be conducted by a Board of Directors consisting of at least three members, and no more than five members, who shall be elected at the annual meeting by Members of the Association. Each Member of the Board of Directors shall be an Owner if such Owner is an individual, or an individual designated by an Owner to exercise its rights with respect to a Lot if such owner is more than one person or a corporation or other entity. Members of the Board shall serve until the expiration of their term and until their successors are duly elected and qualified.

Section 2. Election and Term of Office. At each annual meeting of the Association, three members of the Board of Directors shall be elected for a one-year term. There will be no cumulative voting for Directors.

Section 3. Vacancies. Vacancies on the Board of Directors caused by any reason shall be filled by a vote of the majority of the remaining Directors then in office although they may consti-

tute less than a quorum. Each person so elected shall serve for the unexpired term of his predecessor in office except that any Director elected to fill a vacancy created by reason of an increase in the number of directors shall serve until his successor is elected and qualified at the next annual meeting of the Association.

Section 4. Compensation. Directors shall not be paid any compensation for their services performed as Directors unless a resolution authorizing such remuneration shall have been adopted by the Association. Directors may be reimbursed for actual expenses incurred in connection with their duties as Directors.

Section 5. Organization Meeting. Within a period of ten days following election of a new Board of Directors or the election of Directors at the annual meeting of the Association, an organization meeting shall be held at a time and place fixed by the Board of Directors following which officers of the Association shall be elected as provided for in Article V hereof.

Section 6. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as shall be determined from time to time by the President of the Association or by a majority of its Board of Directors. Notice of regular meetings of the Board of Directors shall be given each Director personally or by mail, telephone or telegraph at least three days prior to the time of such meeting.

Section 7. Special Meetings. Special meetings of the Board of Directors may be called by the President or the Secretary upon 48 hours' notice to each Director given personally, by mail, telephone or telegraph, which notice shall state the time and place of the meeting and the purposes thereof.

Section 8. Waiver of Notice. Before or at any meeting of the Board of Directors any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof, unless such Director appears for the sole purpose of objecting to the notice given and raises such objection before the transaction of any business.

Section 9. Unanimous Consent. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting, if a consent in writing setting forth the action so taken, shall be signed by all of the Directors. Such consent shall have the same force and effect as a unanimous vote of the Directors.

Section 10. Quorum. A majority of the Board of Directors then in office shall constitute a quorum for the transaction of any business of the Board, and the acts of a majority of the

Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If a quorum is not present at any meeting of the Board of Directors, a majority of those present may adjourn the meeting to a later date, which shall not be more than ten days from the time of the original meeting. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. Duties. The Board of Directors shall carry on the duties and manage the affairs of the Association, pursuant to and in accordance with the Declaration. The Board may exercise for the Association all powers, duties and authority vested in or delegated to the Association and not specifically reserved to the membership by other provisions of the By-Laws, Articles of Incorporation or the Declaration. The Board shall keep complete records of all its acts and corporate affairs, and shall present a statement thereof to the Members at the annual meeting of the Members or at any special meeting when requested by at least 25% of all voting Members. The Board may designate and remove personnel necessary for the operation, maintenance, repair and replacement of the Common Areas. The Board also shall supervise all officers, agents and employees of the Association and see that their duties are properly performed. The Board shall cause the Association to perform all duties incumbent upon it.

Section 12. Manager. The Board of Directors may employ the services of a Manager, and may delegate to such Manager any of the duties, powers or authority of the Board, but notwithstanding such delegation, the Board shall not be relieved of its responsibilities under the Declaration.

Section 13. Rules. The Board of Directors may adopt or amend rules and regulations governing the Common Areas at any time by a majority vote of the Directors present at any meeting of Directors.

Section 14. Indemnification. The Manager, employees of the Association, and each Director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon them in connection with any proceeding to which they may be a party, or in which they may become involved, by reason of being or having acted as such upon behalf of the Association, provided that this indemnification shall not apply if said person is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided further that in the event of a settlement, the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such person may be entitled.

Section 15. Removal from the Board. At any annual or special meeting of the Members, duly called, any one or more of the Directors may be removed, with or without cause, by a majority vote of the Members, and a successor may then and there be elected to fill the vacancy thus created.

## ARTICLE VI

### Officers

Section 1. Designation. The principal officers of the Association shall be a President (who shall be chosen from among the members of the Board of Directors), Vice President, Secretary and Treasurer, all of whom shall be elected by the Board of Directors. The officers of the Association may be combined, except that the President and Secretary shall not be the same person. Other officers may be appointed or elected by the Board of Directors from time to time.

Section 2. Election of Officers. The officers shall be elected annually by the Board of Directors at the organization meeting of each new Board.

Section 3. Removal of Officers. Upon an affirmative vote by a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and the successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Board of Directors and Members. He shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds of trust, deeds, contracts, and other written instruments and shall co-sign all promissory notes.

Section 5. Vice President. The Vice president shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

Section 6. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members, keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Section 7. Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the

Board of Directors; keep proper books of account; cause annual financial statements of the Association to be made at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

Section 8. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

## ARTICLE VII

### Committees

Section 1. Committees. The Board of Directors shall appoint an Architectural Control Committee as set forth in the Declaration and any other committees it deems appropriate in carrying out its purposes.

## ARTICLE VIII

### Books and Records - Inspection

Section 1. Books and Records. The Board of Directors shall cause to be maintained at the principal office of the Association complete books of account of the affairs of the Association.

Section 2. Inspection. Such books of account shall be open to inspection upon demand of any Member or holder of a Mortgage on any Lot and shall be exhibited to such Owner or holder at any reasonable business hours upon ten (10) days notice made to the Manager, or Board of Directors. Such inspection may be made in person, or by agent or attorney, and the right of inspection includes the right to make extracts or perform audits. All of the foregoing shall be at the expense of the inspecting party. Any Member or holder of a First Mortgage shall be furnished a statement of the Member's account setting forth the amount of unpaid assessments or other charges owing by such Member upon fourteen (14) days advance notice in writing to the Manager or Board of Directors and payment of a reasonable fee.

Section 3. Budget. The Board of Directors shall hold a meeting before the end of each fiscal year of the Association at which it shall adopt a budget for the next fiscal year. The budget so adopted may be used as a basis for the assessments against Owners authorized by the Declaration.

Section 4. Audits. The Board may obtain an audit of the books and records of the Association from time to time, which audit shall be made available to each owner and First Mortgagee upon request.

## ARTICLE IX

### Obligations of the Owners

Section 1. Assessments. Each Owner shall pay the share of assessments imposed by the Association to meet the expenses described in the Declaration. Each assessment shall be allocated among the Owners as determined by the Declaration. If a Lot is owned by two or more Owners, each co-owners shall be jointly and severally liable for the portion of the assessment attributable to such Lot. Assessments shall be due and payable in accordance with the Declaration and on the date specified in the assessment notice. All unpaid assessments shall bear interest as provided in the Declaration and shall be secured by a lien on the Lot owned by the defaulting Owner, in accordance with the provisions of the Declaration.

Section 2. Compliance with Declaration, Articles, By-Laws and Rules. Each Owner shall comply with all of the provisions of the Declaration, the Articles and By-Laws of the Association and any rules and regulations issued by the Board of Directors. If an Owner fails to so comply, the Association shall have the power, during the period of such delinquency, (a) to remove a delinquent Owner's right to use Common Areas designated for recreational purposes, and (b) to suspend an Owner's voting privileges.

## ARTICLE X

### Evidence of Ownership, Registration of Mailing Address and Lien Holders

Section 1. Proof of Ownership. Any person, upon becoming an Owner, shall furnish the Association with an address for the mailing of all communications and, if the Owner is more than one person or a corporation, partnership or other entity, shall designate an agent to receive notices regarding such Lot. In addition, any such Owner who is not the initial purchaser of the Lot from the Declarant shall deliver to the Association a photocopy or certified copy of the recorded instrument vesting that person with title. Such copy shall remain in the files of the Association. A Member shall not be deemed to be in good standing and shall not be entitled to vote at any annual or special meeting of Members unless these requirements are first satisfied. The Association may issue membership certificates to its Members; however, such certificates shall not be deemed to be shares of stock in the Association.

Section 2. Liens. The Board of Directors, when giving notice to an Owner of default in payment of an assessment or other default, shall send a copy of such notice to each First Mortgagee who has previously requested such notices in writing.

Section 3. Address of the Association. The address of the Association shall be Bank Western, a Federal Savings Bank, 700

17th Street, Denver, Colorado 80202. Such address may be changed from time to time upon written notice to all Members and all First Mortgagees who so request.

#### ARTICLE XI

##### Seal

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association, the state of incorporation, and the word "Seal".

#### ARTICLE XII

##### Amendments

Section 1. By-Laws. These By-Laws may be amended by a majority vote of the Board of Directors at any regular meeting or at any special meeting called for such purpose, or by a majority of a quorum of Members. The notice of any meeting to amend the By-Laws shall specify such purpose, and notice of any meeting wherein a material amendment to the By-Laws is contemplated shall be sent by the Secretary of the Association to all holders of first deeds of trust and first mortgages on Lots requesting the same in writing. No By-Law shall be amended and no supplemental By-Laws shall be added hereto which shall be in conflict with the statutes of the State of Colorado, the Declaration, or the Articles.

Section 2. Articles of Incorporation. The Articles of Incorporation of the Association may be amended by a two-thirds (2/3) vote of the Members present, in person or by proxy, entitled to vote thereon, at any regular or special meeting called for such purpose. The Board shall adopt a resolution setting forth the proposed amendment and directing its submission to such vote. Amendments shall also be submitted to vote upon the request of at least one-fourth of the Members entitled to vote thereon at least ten (10), but not more than thirty (30), days before such meeting. Such notice shall also be sent to all First Mortgagees which request the same in writing.

#### ARTICLE XIII

##### Conflicts of Provisions

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these By-laws, the Declaration shall control; and in the case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

ARTICLE XIV

Miscellaneous

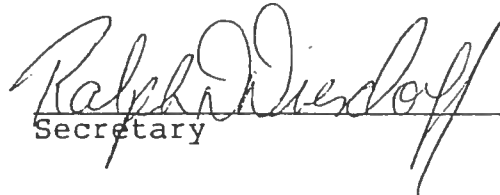
The fiscal year of the Association shall begin on the first day of January and end on the last day of December every year, except that the first fiscal year shall begin on the date of incorporation.

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of Greenwood Terrace Homeowners Association, a Colorado non-profit corporation, and

THAT the foregoing By-laws constitute the By-laws of said Association, as duly adopted by the Board of Directors thereof, pursuant to the Minutes dated as of September 16, 1988.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 16th day of September, 1988.

  
Secretary

[SEAL]



NOT FOR PROFIT

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ARTICLES OF INCORPORATION  
OF

STATE OF COLORADO  
THE GREENWOOD TERRACE HOMEOWNERS ASSOCIATION, INC.  
(Not For Profit)

In order to form a corporation not for profit pursuant to the Colorado Non-profit Corporation Act (Articles 20 through 29 of Title 7, Colorado Revised Statutes 1973) the undersigned, as incorporator signs and acknowledges these Articles of Incorporation in duplicate and states:

ARTICLE I  
Name

The name of this Corporation is: The Greenwood Terrace Homeowners Association, Inc. (hereinafter called the "Association").

ARTICLE II  
Duration

The Association shall exist in perpetuity.

ARTICLE III  
Objects and Purposes

The objects and purposes for which this Association is formed (none of which shall be for pecuniary profit) are:

Section 1. To advance the common interests of the Lot owners and to protect the living environment and residential standards in Greenwood Terrace Subdivision, a subdivision in the City of Greenwood Village (the "Subdivision"), Arapahoe County, Colorado and in any other residential areas in Arapahoe County, Colorado for which the Association may accept responsibility.

Section 2. To accept conveyance of title in fee simple or lesser interests in real property in the Subdivision; to administer, care for and maintain the real property in the subdivision which is conveyed to and accepted by the Association for common enjoyment or benefit of a substantial number or all of the members of the Association.

Section 3. To implement and enforce in its own name or on behalf of Lot owners or members of the Association, protective covenants or restrictions, now or hereafter adopted for the Subdivision or for any additional areas later subjected to the same or similar protective covenants or restrictions, including without limitation, that certain Declaration Creating Covenants, Conditions, Easements and Restrictions for Greenwood

11 0947 7/21/71

**Section 2.** No part of the assets of the Association shall inure to the benefit or be distributable to any organization whose income or net earnings or any part thereof inure to the benefit of any private shareholder or other individual.

**Section 3.** Upon dissolution of the Association, all of its assets shall be paid over or transferred to one or more exempt organizations of the kind described either in Section 528 or in Section 501(c) of the Internal Revenue Code of 1954, as amended from time to time, or dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created.

**Section 4.** Except insofar as they may also be bona fide employees or independent contractors of the Association and entitled as such to reasonable compensation, directors appointed by the Declarant and officers appointed by Declarant or by a Board of Directors containing a majority of directors appointed by Declarant shall not be entitled to compensation during the Period of Declarant Control. All other directors or officers of the Association may be compensated for services rendered as directors or officers in an amount or amounts determined by the Board of Directors.

**Section 5.** Unless at least fifty-one percent (51%) of the first mortgagees of lots (based upon one vote for each mortgage) have given their prior written approval, the Association shall not:

a. by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer any common areas to which the Association may hold title; except that minor adjustments may be made in the location of the common easement and drainage areas pursuant to the Declaration as a part of any amendment to the development plan or final plat of Greenwood Terrace Subdivision;

b. change the method of determining the obligations, assessments, due or other charges which may be levied against each owner;

c. by act or omission waive, change or abandon its obligations in reference to architectural control and maintenance of the lots and the common easement and drainage areas;

d. fail to maintain the insurance provided for in the Declaration; and

e. use hazard insurance proceeds for losses to any common easement and drainage areas, for other purposes than the repair, replacement or restoration of the damaged and destroyed portions thereof.

#### **ARTICLE VI** **Members; Voting Rights**

**Section 1.** Each owner of a Lot in the Subdivision shall be virtue of such ownership be a member of the Association. If a Lot is owned by more than one person, the membership for such Lot shall be vested in one of such persons as they themselves determine. In no event shall there be more than one person who is a member of the Association by virtue of owning any one Lot.

Terrace Subdivision (hereinafter called the "Declaration") adopted for the Subdivision and recorded or to be recorded in the office of the Clerk and Recorder for Arapahoe County, Colorado, as the Declaration may be amended from time to time as therein provided.

Section 4. To act for the benefit of the members of the Association in regard to matters delegated to the Association by vote of the membership.

#### ARTICLE IV Additional Powers of the Association

In addition to the objects and purposes set forth in Article III, which shall be construed as powers as well as objects and purposes and in addition to all other powers provided by the Colorado Nonprofit Corporation Act the Association shall have power and authority:

Section 1. To provide for its members services commonly required by home owners including water for domestic use; refuse removal; snow removal; cleaning of streets, driveways, driveway courts, parking areas, lighting, guard services, patrols, other security and surveillance services, and any other similar or dissimilar services which will benefit members generally.

Section 2. To adopt and enforce rules and regulations for the use of areas and property administered or owned by the Association.

Section 3. To fix, levy, collect and enforce assessments for promoting the recreation, health, safety, property values and welfare of the members, for the improvement and maintenance of areas administered by the Association and for the provision of services for members, subject always to the terms and provisions of the Declaration.

Section 4. To own real estate, personal property and tangible and intangible rights and interests of every kind; to take conveyances and accept gifts of property or rights; to convey, lease, encumber and otherwise deal in and dispose of any property of the Association; to make contracts, to conduct businesses, to borrow money and generally to engage in any enterprise not prohibited by law or by the Declaration which the Directors deem appropriate to carry out the general objectives of the Association.

Section 5. To accept and hold title to or any legal interests in areas administered by the Association and any other areas in which a substantial number or all of the members have common rights or use and enjoyment.

Section 6. To grant easements, rights-of-way, leaseholds, estates, licenses in, on, over or under any property to which the Association accepts or holds title.

Section 7. To dedicate, sell or transfer all or any part of the common area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless such dedication, sale or transfer has been made in accordance with the applicable provisions of the Declaration; provided, however, that until December 31, 2005, Greenwood Terrace Partnership, a Colorado general partnership, or its successors or

assigns (collectively, "Declarant"), shall have the right to make such dedication or transfer on behalf of the Association, without the assent of any of the members of the Association, and the Declarant is hereby designated as the attorney-in-fact of the Association for such purpose.

Section 8. To borrow money, and with the approval of fifty-one percent (51%) of the Class A members and the approval of the Class B member, if any, mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

Section 9. Subject to the restrictions set forth in the following Article V to participate in mergers and consolidations with other nonprofit corporations organized for the same purposes provided that any such merger, or consolidation shall have the approval of fifty-one percent (51%) the Class A members and the approval of the Class B member, if any; provided, however, that at any time prior to December 31, 2005, the Declarant, or its successors or assigns, shall have the right to participate in such mergers, or consolidations as aforesaid on behalf of the Association without the assent of any of the members of the Association, and the Declarant is hereby designated as the attorney-in-fact of the Association for such purpose.

Section 10. To have and exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Law of the State of Colorado by law may now or hereafter have or exercise.

Section 11. To take action and make elections for the taxation of the Association, its income and property, including without limitation the determination from time to time whether the Association shall elect to be taxed in accordance with Section 528 of the Internal Revenue Code of 1954, as amended.

Section 12. To act generally for the common welfare and protection of members of Greenwood Terrace Subdivision, to perform and carry out responsibilities and obligations for administering and enforcing the Declaration; to arrange for and provide all services necessary or desirable in accomplishing its objects and purposes; and to do all things and perform all acts which the Directors shall deem necessary or desirable in connection with these objects and purposes and powers.

#### ARTICLE V Restrictions

Section 1. No part of the income or net earnings of the Association shall inure to the benefit of, or be distributable to, any member, director or officer of the Association or any other private individual (except that reasonable compensation may be paid for services rendered to or for the Association affecting one or more of its objects and purposes, as limited by Section 4 of this Article V, and except that reimbursement may be made for any expenses incurred for the Association by any officer, director, agent or employee or any other person or corporation, pursuant to and upon authorization of the Board of Directors; and provided further that no member, director or officer of the Association, or any other private individual, shall be entitled to share in any distribution or any of the corporate assets on dissolution of the Association or otherwise. The Association shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.



Section 2. The Association shall have two classes of voting membership as follows:

a. The Class A members shall be all Owners with the exception of Declarant, and shall be entitled to one vote for each Lot owned. If more than one Owner holds an interest in a Lot, all such Owners shall be members, and the vote for such Lot shall be cast as the Owners thereof agree, but in no event shall more than one vote per question be cast with respect to such Lot. If the Owners of such Lot do not agree as to the manner in which their vote should be cast when called upon to vote, then they shall be treated as having abstained.

b. The Class B member shall be Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(1) when the total votes outstanding in the Class A membership equal to the total votes outstanding in the Class B membership; or

(2) on December 31, 2005.

Section 3. Declarant, during the times that it shall be a member of the Association, shall have the right, at the option of Declarant, to appoint all of the officers and directors of the Association and to conduct the business of the Association, subject to the Declaration.

Section 4. Members may vote in person or by proxy.

Section 5. Cumulative voting shall not be allowed.

#### ARTICLE VII Registered Office and Agent

The registered office of the Association shall be 1940 Grant Street, Suite 300, Denver, Colorado 80202, and the registered agent of the Association at such address shall be John W. O'Dorisio, Jr.

#### ARTICLE VIII Board of Directors

The affairs of this Association shall be managed by a board of three (3) directors, who need not be members of the Association and who shall be selected in accordance with the provisions of the Declaration. The number of directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of the initial board of directors until the selection of their successors in accordance with the Bylaws are:

<u>Name</u>	<u>Address</u>
Gary L. Miles	9250 East Costilla Avenue, Suite 600 Englewood, Colorado 80112
DeWayne Willardson	5420 South Quebec Englewood, Colorado 80111
Stephen E. Gelst	9250 East Costilla Avenue, Suite 600 Englewood, Colorado 80112

**ARTICLE IX**  
**Non-Profit Corporation**

**Section 1.** The Association is organized for the mutual benefit of its members and not for profit. No member, director, officer or employee of the Association shall receive any pecuniary profit from the operation of the Association but reasonable compensation may be paid them for services actually performed in affecting one or more of the objects or purposes of the Association.

**Section 2.** The members, directors, officers and employees shall not as such be liable for its obligations.

**Section 3.** No loans shall be made by the Association to its directors or officers.

**ARTICLE X**  
**By-Laws**

The Board of Directors of the Association shall have power to adopt such prudential By-Laws, rules and regulations as they may deem proper not inconsistent with these Articles of Incorporation, or the laws of the State of Colorado, or of the Declaration, which By-Laws shall provide for the regulation and management of the affairs of the Association, shall describe the duties and tenure of the officers and the procedures for levy and enforcement of assessments. The By-Laws may from time to time be amended or repealed by resolution of the Board of Directors subject to such approval by the members as the By-Laws may from time to time prescribe.

**ARTICLE XI**  
**Dissolution**

The Association may be dissolved with the approval given in writing and signed by not less than two-thirds (2/3) of the Class A members and the approval of the Class B member, if any. Subject to the restrictions contained in the foregoing Article V, upon dissolution of the Association, other than incident of a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that

such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

**ARTICLE XII**  
**Reserved Powers of Amendment**

The Association reserves the right to alter, amend, change or repeal any provision of these Articles of Incorporation in the manner now or hereafter prescribed by law. These Articles and any provision thereof may be altered, amended, changed or repealed only by affirmative vote of two-thirds (2/3) of each class of votes vested in the members of the Association at the time of the vote; provided, however, that at any time prior to December 31, 2005, except as restricted by the restrictions contained in the foregoing Article V, the Declarant, its successors and assigns, may amend these Articles on behalf of the Association without the assent of any of the members of the Association and Declarant is hereby appointed as attorney-in-fact for the Association to effectuate such amendments.

**ARTICLE XIII**  
**Incorporator**

The name and address of the incorporator is:

Name

John W. O'Donoghue, Jr.

Address

1640 Grant Street, Suite 300  
Denver, Colorado 80203

  
John W. O'Donoghue, Jr.

IN WITNESS WHEREOF, the Incorporator has signed and acknowledged these Articles of Incorporation in duplicate this 7th day of June, 1985.

  
John W. O'Donoghue, Jr.

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

The foregoing instrument was acknowledged and sworn to before me this 27th  
day of June, 1985 in the City and County of Denver by John  
W. O'Dorisio, Jr.

WITNESS my hand and official seal.

My commission expires June 1988.

Louise M. Hork  
Notary Public  
Address:  
1640 Grant St.  
Denver, Co. 80203



AMENDMENT TO DECLARATION CREATING COVENANTS,  
 CONDITIONS, EASEMENTS, AND RESTRICTIONS FOR  
 GREENWOOD TERRACE SUBDIVISION

Pursuant to ARTICLE XIII of the Declaration Creating Covenants, Conditions, Easements, and Restrictions for Greenwood Terrace Subdivision (the "Declaration"), recorded July 3, 1985, at Reception Number 2550552, Book 4480 and Page 671 of the records of the Clerk and Recorder of the County of Arapahoe, State of Colorado, the Greenwood Terrace Homeowners Association hereby amends the Declaration in the following manner:

1. Section 8.1 a.(vii) of the Declaration is hereby deleted and a new section substituted therefor, reading as follows:

In order to preserve the natural quality and aesthetic appearance of the Property, Private Fences shall not be permitted. Fences required by government action, including codes, ordinances, regulations, or statutes, or required by section 8.1 b.(iii) of these covenants shall be permitted, but shall be subject to the approval of the Architectural Control Committee in accordance with Article VI hereof.

2. Article X of the Declaration is hereby deleted and a new Article substituted therefor, reading as follows:

**Permitted Fences.** Except as may be required by government action or by section 8.1 b. (iii) of these covenants, Private Fences shall not be permitted.

All other terms and conditions of the Declaration Creating Covenants, Conditions, Easements, and Restrictions for Greenwood Terrace Subdivision shall remain the same as recorded.

IN WITNESS WHEREOF, the Association has caused this Amendment of the Declaration Creating Covenants, Conditions, Easements, and Restrictions for Greenwood Terrace Subdivision to be executed this 27 day of September, 1994.

GREENWOODTERRACEHOMEOWNERSASSOCIATION

By: \_\_\_\_\_

Edward S. Adams, Jr.  
 President

00141595  
 10/14/1994 04:05P  
 Book 7741 Page 313  
 Rec Fee: \$10.00  
 Doc Fee: \$0.00  
 Marjorie Page, Clk/Rec  
 Arapahoe County, CO



2000

Greenwood Terrace Homeowners Association, Inc.

Greenwood Terrace Homeowners

Re: Design Review Guidelines

Dear Homeowner:

At our homeowners meeting on June 27, 2000, a motion was made and approved to employ legal counsel to draft architectural guidelines consistent with our declarations.

Section 6.4 of our Declaration Creating Covenants, Conditions, Easements, and And Restrictions For Greenwood Terrace Subdivision stipulates the architectural control committee should adopt a design guide, which would provide applications for architectural control committee approval, the standards by which such applications shall be reviewed and the procedures for review.

Rob Cohen provided our committee consisting of Lisa Terry, Lisa Taussig, and Steve Hoffenberg with three law firms that provide legal services to homeowners associations.

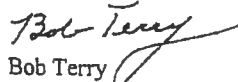
The committee interviewed Barbara Purvis a partner with the law firm of Winzenburg, Leff, Purvis and Payne, LLP and authorized Ms Purvis to review and update our governing documents with the City of Greenwood Village, act as our registered agent with the city, and to prepare ACC guidelines for the Greenwood Terrace Homeowners Association.

After reviewing the guidelines of several other associations and having several draft sessions with Ms. Purvis, the committee adopted the enclosed guidelines. The adoption of these guidelines along with the Declarations of Covenants, Conditions, Easements and Restrictions are the standards by which the architectural control committee will oversee, interpret, enforce, and ensure that the community retains the high quality standards of the Greenwood Terrace Homeowners.

The committee would like to review these guidelines with you, solicit your input and answer any questions you may have at our annual meeting on July 17, 2001 at 7:00p.m. at the home of Robert and Lisa Terry at 5402 S. Cottonwood Court.

Look forward to seeing all of you there.

Sincerely



Bob Terry  
President