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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
RAINBOW LAKE ESTATES CONSERVATION DEVELOPMENT

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
RAINBOW LAKE ESTATES CONSERVATION DEVELOPMENT

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
RAINBOW LAKE ESTATES CONSERVATION DEVELOPMENT

THIS DECLARATION is made by Steve Conder, (hereinafter referred to as "Declarant"),
on this 30th day of April 2002.

ARTICLE 1

GENERAL

1.1 **Subdivision.** The Declarant is the owner of the following property situated in the County of Larimer, State of Colorado, described as Rainbow Lake Estates Conservation Development, located in the South half (S½) of Section seven (7) and the North half (N½) of Section eighteen (18) Township four North (T.4.N.) Range sixty nine West (R.69W.) of the sixth Principal Meridian (6th P.M.), according to the Plat of said conservation development filed with the Larimer County clerk and Recorder on the _____ day of _____ 2002, at Reception No. _____. The above-described real property shall hereinafter be referred to as "the subdivision".

1.2 **Purposes of Declaration.** The Declarant will develop the Subdivision and will convey lots in the Subdivision to owners who will have residential dwellings constructed on such lots, together with other appropriate improvements pertaining to such residential dwellings. This Declaration establishes the rights and obligations of the owners of residential dwellings to be constructed, provides for maintenance of certain common improvements within the Subdivision, defines restrictions relating to the residential dwellings and common areas, establishes an association to govern common areas, and otherwise provides for the creation of the residential development and continued maintenance thereof.

1.3 **Declaration.** The Declarant, for itself, its successors and assigns, hereby declares that all property constituting the Subdivision and each part thereof, shall, from the date hereof, be owned, held, transferred, conveyed, sold, leased, rented, hypothecated, encumbered, used, occupied, maintained, altered, and improved subject to this Declaration of covenants, Conditions and Restrictions and all provisions herein set forth for the duration thereof, all of which are declared to be part of, pursuant to, and in furtherance of a common and general plan of development, improvement, enhancement, and protection of the Subdivision. The provisions of the Declaration are intended to and shall run with the land, and, until their expiration, shall bind, be a charge upon, and inure to the general benefit of (i) all of the property constituting the Subdivision; (ii) the Declarant, its successors and assigns; (iii) the Association and its successors and assigns; and (iv) all persons having or acquiring any right, title, or interest in any property which is a part of the Subdivision and their heirs, personal representatives, successors and assigns.

ARTICLE 2

DEFINITIONS

2.1 **"Assessment" or "dues"** When used herein shall mean the Assessments set from time to time by the Board of Directors of the Association to pay the Common Expenses and to maintain

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such reserves or sinking funds as shall be reasonably required, and shall mean those assessments defined in §38-33.3-315, C.R.S. and Article II of the Covenants.

2.2 **"Association"** Shall mean and refer to the RAINBOW LAKE ESTATES HOMEOWNERS ASSOCIATION, a Colorado nonprofit corporation, its successors, and assigns. Members of the Association shall be the Owners of Lots as hereinafter defined and as described in the bylaws of the Association and Article 9 of the Covenants.

2.3 **"Common Area"** Shall mean and refer to all real property owned or controlled by the Association for the common use and enjoyment of the owners. Shall include all out lots B, C, D, & E, as shown on the plat of the Property. Declarant shall convey title of all Common Areas to the Association after final approval of the Rainbow Lake Rural Plan by the Board of County commissioners of Larimer County.

2.4 **"Common Expenses"** Shall mean and refer to maintenance, insurance, taxes, repair, operations, capital improvements, management and administration expenses, legal and accounting expenses, and other expenses declared by the provisions of the Covenants and by bylaws and articles of incorporation of the Association to be Common Expenses, and all sums lawfully assessed against the Common Areas by the Association. Common Expenses shall include, without limitation, the cost to maintain all landscaping within the Common Areas, maintaining all fencing erected by Declarant adjacent to the Common Areas, and maintaining of all roads shown on the plat of the Property, and all easements and any entryway amenities, signage and lighting for the entryway(s) to the Subdivision. Common Expenses shall also mean those expenses described in §38-33 .3-103(7), C.R.S., and the expenses of the Architectural Review Committee, and the expenses described in Article 1.

2.5 **"Governmental Authority"** Shall mean and refer to Larimer County, Colorado; or if the Residual Land is annexed into any municipality, then Governmental Authority shall mean and refer to such municipality.

2.6 **"Lot"** Shall mean and refer to Lots 1- 71, inclusive as shown on the recorded subdivision plat of the Property, together with any improvements thereon.

2.7 **"Owner"** Shall mean and refer to the recorded owner, including the Declarant, whether one or more persons or entities, of the fee simple title of any Lot or Residual Land, which is part of the Property, including contract purchasers, but excluding those having such interest merely as security for the purpose of an obligation. An Owner shall be the "Unit Owner" as defined in §38-33 .3-103(31), C.R.S.

2.8 **"Property"** Shall mean and refer to that real property hereinbefore described on Exhibit "A" attached hereto and also to such additions – thereto as may hereafter be brought within the jurisdiction of the Association by annexation, or otherwise.

2.9 **"Residual Land"** Shall mean and refer to out lot A through F areas shown on the recorded subdivision plat of the Property. The use of the Residual Land is limited by the terms of the Covenants to remain undeveloped in perpetuity (i.e. No further subdivision or construction of dwellings on the Residual Land shall be allowed), buildable only for support buildings and shall be dedicated to general open land purposes and activities customary in the Northern Colorado region including: the cultivation of soil and the production of crops; and horses for the use of property owners of lots 15 - 20 and their guests. Agricultural purposes shall not include boarding stables,

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feedlots, or commercial poultry farm without special review. No application for any special review use may be filed without the express permission of Larimer County Board of Commissioners.

2.10 **"Roads and Easements "** Shall mean and refer to all Roads and easements shown on the recorded plat of the Property.

2.11 **"Rural Land Use Process" or "RLUP"** Shall mean the Larimer County Rural Land Use Process Resolution adopted by the Larimer County Commissioners effective April 7, 1997, and applicable to the Property.

ARTICLE 3

LAND USE AND BUILDING TYPE

3.1 Lots 1 through 71 shall not be used for any purpose other than solely for single-family residential purposes, buildings other than single-family dwellings with private attached or unattached garages (if desired), non-residential outbuildings, and structures for the maintenance of equipment. May be erected, placed, or permitted to remain on any Lot.

ARTICLE 4

BUILDING LOCATION AND EASEMENTS

4.1 No building or other structure shall be located on any Lot so as to interfere with any Easement. There shall be a right-of-way Easement each direction from the centerline of all roads presently existing or subsequently constructed on the Property as shown on the plat of the Property. There shall be utility Easements ten feet in width on each side of the boundary line on all lots, tracts, or parcels as currently in existence or as may be required by the utility involved; and all such easements shall be shown on the plat of the Property. All Road Easements may be used for the installation of utility services.

4.2 Accessory buildings on any Lot shall be permitted as follows: Garages, and small sheds for storage of lawn furniture, yard equipment, fanning equipment, and/or livestock, which are well constructed and of neat appearance and as to which the size, design and location have been approved by the Architectural Review Committee may be constructed on the Property within the Lot shown on the plat of the Property. All out buildings shall be of similar design and materials of the house.

4.3 All residential dwellings shall have a ground floor area of the main structure, exclusive of one-story open porches and garage, of not less than 1850 square feet for a one-story dwelling; and for multi-level homes, the main floor shall not be less than 1000 square feet and the combined floor space of all levels shall not be less than 1900 square feet. All buildings erected on any Lot or Residual Land shall conform to county setback requirements. All inspections, soil tests, drainage tests, percolation tests, surveys, engineering and architectural drawings and utility installation shall be accomplished by the Owner at the Owner's expense. Declarant shall have no responsibility or liability regarding such matters or for the suitability of the Property for the use and/or for the structures to be placed on the Property by the Owner.

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ARCHITECTURAL STANDARDS

SECTION 1 - **DIVERSITY OF ARCHITECTURAL STYLES** -It is the intent of these guidelines to insure that each home remains compatible with the neighborhood as a whole. Domes, hyperbolic parabolas, mansard roofs and flat roofs will not be permitted in Rainbow Lake Estates Subdivision unless specifically approved by the Architectural Review Committee.

SECTION 2 - **MINIMUMS-SQUARE FOOTAGE AND BUILDING HEIGHT** - The minimum living area of any residence constructed on a single family lot within Rainbow Lake Estates Subdivision shall be 1850 square feet for a ranch style floor plan or 1900 square feet for multi-level homes. Each residence shall have a minimum of a three-car garage. The maximum building height of any residence constructed within Rainbow Lake Estates Subdivision shall be forty (40) feet measured from the top of the foundation to the crest of the highest roofline (excluding chimneys, cupolas, etc.).

SECTION 3 - **BUILDING DESIGN** - Designs which are low around the perimeter and high towards the center of the residence will be preferred by the Architectural Review Committee. Wings, sheds, porches, and walls, which visually tie the residence to the Lot and plans which produce exterior courtyards and semi-enclosed patios will be preferred by the Architectural Review Committee.

SECTION 4 - **ROOF PITCHES** - The roof pitch on any residence must be between 6/12 and 12/12. Porches and shed elements may have pitches as low as 4/12.

SECTION 5 - **STANDARDS REGARDING USE OF EXTERIOR MATERIALS** - Exterior materials are as follows:

- a) Wood Siding shall be restricted to natural wood boards or shingles, stained or painted, with a minimum recommended 20% pigment. Lapboard siding must have a maximum exposed board width of 6" unless approved by the Architectural Review Committee.
- b) Hard board siding shall be restricted to pre-finished, painted with natural colors as defined in Section 7.
- c) Roofing shall be restricted to tile, slate, or certain brands of 25 year heavy textures, 25 year or more asphalt shingles. Cement tile and metal roofs may be approved, provided they are necessary to the architectural style of the residence and they are a natural color as defined in Section 7. Standard asphalt shingles are NOT acceptable in the Rainbow Lake Estates Subdivision.
- d) Simulated materials require approval of the Architectural Review Committee.
- e) Foundation walls shall not be exposed, except 6" above grade of the house.
- f) Unless otherwise approved, all fascias shall be a minimum of 8" and all soffits shall be a minimum of 12".

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ALL EXTERIOR COLORS MUST BE APPROVED BY THE ARCHITECTURAL REVIEW COMMITTEE PRIOR TO CONSTRUCTION

SECTION 6 - **COLOR OF EXTERIOR MATERIALS** -The color of exterior materials used on the residence must be subdued and blend with the colors of the natural landscape. Earth tones generally muted are recommended. Whites are allowed. Accent colors on exterior doors, window frames, fascias, soffits and trim, used with restraint and in a manner which does not exceed 10% of the surface of the residence, may be approved by the Architectural Review Board.

Roofing colors must be limited to natural material colors or earth tones.

All projections, including but not limited to, chimney flues, vents, gutters, downspouts, utility boxes, porches, railings, and exterior stairways shall match the color of the surface from which they project and shall be approved by the Architectural Review Committee.

SECTION 7 - **STANDARDS RELATIVE TO DECKS, PATIOS, PORCHES AND HOUSE NUMBERS** - Decks must be within allowable building setbacks.

- a) Walls constructed out of brick, stone, wood, and stucco or concrete faced with brick, stone, wood or stucco will be allowed within the building setbacks. They may be used for retaining changes in grade.

SECTION 8 - **SETBACKS** - The setbacks which will be enforced by the Architectural Review Committee are the same building setback that are required by Larimer County except that the home setback from lot line shall be fifty (50) feet unless otherwise approved.

SECTION 9 - **SITE GRADING** - Should meet Larimer County building permit guidelines.

SECTION 10 - **LAND SCAPING** -The intent of the approval process for landscaping is to encourage an open flowing relationship between lots. Any plan which defines a rigid property boundary is discouraged while plans which blend yards through the use of similar planting materials and random clumps of trees along the property lines are encouraged. Visible front landscaping must be primarily grass and be completed within one (1) year from the building permit on front yards and on any back yard adjacent to or visible from open space.

SECTION 11 - **PAVED AREAS** - Hard-surfaced private driveways and parking areas are preferred. Any materials used to create a special pattern require prior approval of the Architectural Review Committee.

SECTION 12 - **SCREENING AND FENCING** -Boundary fencing or screening fencing will require approval from the Architectural Review Committee. No fence or screening materials may exceed six (6) feet in height, and no fence or screening material shall be wire or chain link. Solid fencing must have a cap board or trim for finish (no exposed dog-ears, angles, edges or boards).

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SECTION 13 - **STANDARDS FOR EXTERIOR: MECHANICAL EQUIPMENT** -All exterior mechanical equipment shall be incorporated into the residence that is constructed, or be permanently enclosed by some screening material.

SECTION 14 - **ACCESSORY STRUCTURES** - Accessory structures, including dog runs and exterior storage, shall be submitted to the Architectural Review Committee and approved by the Committee prior to construction. No dog runs will be allowed which butt up against a bordering lot.

SECTION 15 - **EXTERIOR LIGHTING STANDARDS** - The design standard for exterior lighting shall be such that it will not interfere with the use and enjoyment of other residential houses within the Subdivision. The light source should shine downward and not directly shine at the street or into adjoining dwellings. The location of all exterior lighting shall be approved by the Architectural Review Committee. All exterior lighting shall be a design compatible with the structure and should be used for purposes such as illuminating entrances, decks, driveways, and parking areas. Within thirty (30) days following issuance of a certificate of occupancy for the residential structure constructed on a Lot, there shall be installed and maintained by the Owner thereof, at least one (1) street light or lamp of a height not less than five (5) feet, which light or lamp shall be installed within five (5) feet of the front lot line abutting a street.

SECTION 16- **HOMEBUILDERS, CONSTRUCTION PROCEDURES AND MISCELLANEOUS** -

- a). Excess material shall not be deposited on adjacent lots without the owner's permission. All excess material from basement excavation shall be removed from the lot within (60) days.
- b). Final lot grading shall be such that drainage falls away from the foundation in all directions, not adversely affect adjacent lots, and gently slope to the final lot grading per Subdivision plans. Erosion control must be provided by the Owner or builder. Builder is required to follow Larimer County guidelines for Subdivision including driveway culvert dimensions.
- c). Builders must take reasonable care to prevent dirt and dust from being tracked onto paved streets. Construction debris must be contained and site kept clean. Blowing trash and debris will not be tolerated.

ARTICLE 5

NUISANCE

5.1 Nothing that may be or may become annoying or a nuisance to other Owners shall be permitted on any Lot. No obnoxious or offensive activity or commercial business or trade shall be carried on upon any Lot.

5.2 Any questions or problems that arise between individual lot owners must first be dealt with between the parties in a face to face civil manner prior to submitting problems to the Home Owners Association.

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ARTICLE 6

TEMPORARY RESIDENCE

6.1 No structure of a temporary nature, trailer, mobile home, basement, tent, or accessory building shall be used on any Lot as a residence. However, a pickup camper, camper trailer, or motor home may occupy a Lot if there is a permanent residential structure thereon. A pickup camper or camper trailer may occupy a Lot for a period not to exceed six months for construction purposes during the construction of the initial residential structure.

ARTICLE 7

REFUSE AND RUBBISH

7.1 Rubbish, refuse, garbage, and other wastes shall be kept within sealed containers shall not be allowed to accumulate on the Property, and shall be disposed of in a sanitary manner. No Lot or easement shall be used or maintained as a dumping ground for such materials. All containers shall be kept in a neat, clean, sanitary condition.

7.2 All lots shall at all times be maintained in a clean and sanitary condition, and no litter or debris shall be deposited or allowed to accumulate on any Lot. Refuse piles and other unsightly objects or materials shall not be allowed to be placed or remain upon any Lot.

ARTICLE 8

ASSOCIATION

8.1 All Owners of Lots 1-71 shall be members of the incorporated Rainbow Lake Estates Association. Every member of the Association shall be entitled to one vote for each Lot owned; one for each of the seventy one lots. When more than one person or entity holds a beneficial interest in a Lot as a joint tenant or tenant in common, all such persons shall be members of the Association but shall be considered one Owner for the purpose of determining and assessing each Owner's proportionate share of the Common Expense; and the vote attributable to such Lot shall be cast as such persons among themselves determine and no division of the vote attributable to such Lot shall be permitted. The Association may enact rules, bylaws or may incorporate as a majority of the Owners may decide. Except as otherwise specifically provided herein all decisions of the Association shall be by majority vote. The Association shall have the powers defined in § 38-33.3-103(16), Colorado Revised Statutes. The Declarant reserves the right, for the, maximum time limit allowed by law to appoint or remove any officer or director of the Association. (See §38-33.3-303. C.R.S.)

ARTICLE 9

ANIMALS

9.1 No animals, including, without limitation, llamas, livestock, or poultry on any kind shall be raised, bred, or in the Subdivision except as hereinafter provided. Notwithstanding the foregoing, a reasonable number of cats, dogs, or other household pets may be kept on a lot provided that (I) they are not kept, bred, or maintained for any commercial purposes; (II) in the Board's opinion, they do not make objectionable noises or otherwise constitute an unreasonable nuisance to other Owners; (III) they are kept within an enclosed yard on the Lot occupied by the owner of such pets or on a leash being held by a person capable of controlling the animal. A "reasonable number" as used in this section shall ordinarily mean no more than two (2) pets per Lot; provided, however, that the board may, from time to time, determine that a reasonable number in any instance may be more or less than two (2). The Association acting through its Board shall have the right to prohibit maintenance of any animal which, in the sole opinion of the Board, is not being maintained in accordance with the restrictions herein. The Board may further adopt and enforce additional Rules and Regulations governing the subject of pets in the Subdivision. It shall be the absolute duty and responsibility of each Owner of a pet to clean up after such animals to the extent they have used any portion of the Lot of another Owner or any Common Area. Notwithstanding the foregoing horses may be kept on Equestrian Lots 15 - 20 subject to the provisions hereof and to the Rules and Regulations.

9.2 CARE AND MAINTENANCE OF HORSES. The board and pasture of - horses by owners of Equestrian Lots, Lots 15-20 shall be subject to the rules and Regulations Further, such owners shall observe the following:

- a) Maintain paddocks and stables in an efficient and husband-like way, and do the seeding, watering; and manure removal in a manner that will conserve the equestrian Lot.
- b) The Owner of an Equestrian Lot shall not commit waste on, or damage to, such Equestrian Lot or any Other Lot within the Subdivision.
- c) Manure shall be removed and disposed of at locations outside of the Subdivision frequently enough to avoid creating a nuisance for other owners.
- d) All feed, supplies, and tack shall be stored inside an enclosed structure.
- e) The owners of Lots 15 - 20 shall be responsible for the maintenance, irrigation and reseeding of common pasture ground located on the pasture easement on residual Lot A of the Rainbow Lake Estates plat.

ARTICLE 10

ASSESSMENTS

10.1 COMMON EXPENSES. As used herein, "Common Expenses" shall mean and refer to the cost of maintenance and renovation of the Roads and Common Area, management and administration costs, legal and accounting fees, expenses and liabilities incurred by the Association

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pursuant to or by reason of these Covenants and creation of a reasonable reserve fund. Only for the purpose of the cost of repair, maintenance and renovation of the Roads and common areas.

10.2 **PERSONAL OBLIGATION OF OWNERS FOR THE ASSESSMENTS.** The undersigned hereby Covenant, and each Owner of any Lot by acceptance of a deed therefore whether or not it shall be so expressed in such a deed, is deemed to covenant and agree to pay all Assessments (" Assessments") imposed by the Association to meet the estimated Common Expenses. Assessments for the estimated Common Expenses shall be due yearly or such other intervals as may be set by the Association from time to time. The Association, shall prepare for each member a statement for the yearly Assessment. Suit to recover a money judgement for unpaid Assessments shall be maintainable without foreclosing or waiving the lien securing the same. No Owner may exempt such Owner from Liability for such contributions toward the Common Expenses by waiver of the use and enjoyment of the Roads and Common Area or by abandonment of such Owner's Lot. However, Lot 72 is exempt from the incorporated Rainbow Lake Estates Association.

10.3 **AMOUNT OF ASSESSMENTS.** The first year assessments will be Two Hundred Fifty dollars (\$250.00) per lot and thereafter based on annual estimated proposed budget approved by the association board.

10.4 **EFFECT OF NON-PAYMENT OF ASSESSMENTS.** Remedies of the Association. It shall be the duty of each Owner to pay such Owner's proportionate share of all Assessments made pursuant to this Declaration. Payment thereof shall be in such amounts and at such times as may be determined by the Association. If any Owner shall fail or refuse to make such payments when due, the amount thereof shall constitute a lien on that Owner's Lot (See §33-33.3-316, C.R.S.), and upon the recording of notice thereof by the Association, such alien shall be constituted upon such Owner's interest in said Lot prior to all other liens and encumbrances, recorded or unrecorded, except

- a) taxes, special assessments, and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this State, and other State or Federal taxes which, by law, are a lien on the interest of such Owner's prior to the pre-existing recorded encumbrances thereon
- b) all sums unpaid on a mortgage or deed of trust of record, presenting a first lien against a Lot, including all unpaid obligatory sums as may be provided by such encumbrance and including additional advances made thereon prior to the arising of this lien, and
- c) these Covenants.

10.5 **EVIDENCE OF LIEN.** To evidence such lien for unpaid Assessments, the Association shall prepare a written notice setting forth the amount; the name of the Owner of the Lot, or Residual Land and a description of the Lot. Such notice shall be signed on behalf of the Association and shall be recorded in the Records of Larimer County, Colorado. Such lien shall attach from the date of recording and may be enforced by foreclosure by the Association in like manner as mortgage on real property. The lien provided herein shall be in favor of the Association of all members of the Association. In any such foreclosure, the Owner shall be required to pay all costs and expenses of such proceedings, the costs, expenses, and attorney's fees incurred in connection with such foreclosure. The Owner shall also be required to pay to the Association any Assessments due and owing during the period of foreclosure, and the Association shall be entitled to the appointment of a receiver to collect the same. The Association shall have the power to bid on

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the lot at the foreclosure sale and to acquire, hold, lease, mortgage, and convey the same. Any encumbrance holding lien on a Lot may, but shall not be required to, pay any unpaid Assessments due and owing with respect thereto; and upon such payment, such encumbrance shall have a lien on such Lot, for the amount paid of the same rank as the lien of his or its encumbrance.

10.6 **LIABILITY OF GRANTEE.** The Grantee of a Lot shall be jointly and severally liable with the Grantor for all unpaid Assessments against the Lot assessed due prior to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the Amounts paid by the Grantee, provided, however, that upon written request, any such prospective Grantee shall be entitled to a statement from the Association setting forth the amount of the unpaid Assessments, if any, with respect to the subject Property; the amount of the current Assessment; the period covered by the current Assessment; the date the current Assessment comes due; and the amount of any credit for advance payment or for prepaid items. Said statement shall be conclusive upon the Association. Unless such request for a statement of indebtedness shall be complied with by the Association within ten days of such request, then such Grantee shall not be liable for, nor shall the Lot be conveyed subject to a lien for any unpaid Assessments against the subject Property.

ARTICLE 11

ARCHITECTURAL REVIEW COMMITTEE

11.1 **ARCHITECTURAL REVIEW.** There shall be created a committee called the Rainbow Lake Estates Architectural Review Committee. The provisions of this Article 10 shall not apply to Lot 72. No building shall be erected, placed, or altered on any Lot, nor shall any wall, fence, or other enclosure, deck, patio, porch, solar collector, satellite dish or other antenna or other improvement, be located thereon, until construction plans and, specifications, including, without limitation, exterior colors for painted and stained surfaces, plot plan and configuration, size and square footage of improvements, have been submitted to and have been approved by the Architectural Review Committee, in its sole discretion, as to quality of workmanship and materials, harmony of design with surrounding structures, exterior colors, location with respect to topography and grade. Two complete sets of plans and specifications (including landscaping plans) with complete detail shall be furnished to the Architectural Review Committee. All plans and specifications must be complete, legible, and understandable. The Architectural Review Committee reserves the right to reject plans and specifications if they, in their sole discretion, deem them to be incomplete or insufficient. Additionally, the Architectural Review Committee reserves the right to waive or vary from any of the requirements described in the Covenants.

11.2 **MEMBERSHIP OF THE COMMITTEE.** The Architectural Review Committee shall consist of not less than one or more than three persons. The initial number of and members to the Architectural Review Committee shall be determined by the Declarant. If the Architectural Review Committee consists of more than one member, a majority of the Architectural Review Committee may designate a representative to act for it. Neither the members of the " Architectural Review Committee nor its designated representatives shall be entitled to any compensation for services performed pursuant to this Declaration. The Architectural Review Committee shall, however, have the authority to use the services of an Architect as consultant and charge a sum not exceeding Two Hundred Fifty Dollars (\$250.00) for each set of plans and specifications submitted to it for approval to defray the fees of the consultant. The consultant shall not have the right to vote in passing on the plans and specifications. Until Declarant sells or conveys Lots owned by Declarant, Declarant shall have the right to appoint the members (or their successors) of the Architectural Review Committee shall be the Board of Directors of the Association. Should the

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Declarant desire to turn the appointment of the membership of the Architectural Review Committee over to the Association at an earlier time, it may do so by a written declaration.

11.3 **PROCEDURE FOR REVIEW OF PLANS.** The Architectural Review Committee's approval or disapproval as required in this Declaration shall be in writing or indicated on the builder's or Owner's set of plans and specifications. In the event the Architectural Review Committee or its designated representative fails to approve or disapprove within thirty days after plans and specifications have been submitted to it, the plans and specifications will be deemed to be approved; and the related Covenants described in this Declaration shall be deemed to have fully complied with; provided, however, that such approval will only be deemed to have occurred with regard to matters sufficiently and specifically described in plans and specifications which are actually received by the Architectural Review Committee. All Buildings and improvements shall be constructed in accordance with the plans and specifications approved by the Architectural Review Committee. Any changes to approved plans and specifications shall require re-submission to, and approval by, the Architectural Review Committee. In the event the Architectural Review Committee shall disapprove any plans, the party submitting such plans may appeal to the special meeting of the Association, where three- fourths of the vote entitled to be cast shall be required to reverse the decision of the Architectural Review Committee. Refusal or approval of plans and specifications by the Committee may be based upon any grounds, including purely aesthetic grounds, which in the sole and uncontrolled discretion of the committee shall be sufficient.

11.4 **VARIANCES.** Where circumstances such as topography, property line, location of trees, vegetation or other physical interference requires, the Architectural Review Committee may allow reasonable variance of these Covenants to terms and conditions it shall require. All costs and expenses incurred in processing the variance shall be paid in advance by the party requesting the variance.

11.5 **PRELIMINARY APPROVALS.** Parties who anticipate constructing improvements, who own or contemplate the purchase of a Lot, may submit a preliminary design of improvements to the Architectural Review Committee for informal review. The Architectural Review Committee shall not be committed or bound by any informal review until complete plans are submitted and approved or disapproved.

11.6 **PLANS.** The Architectural Review Committee shall disapprove any plans submitted which are not sufficient for them to exercise the judgment required by these Covenants.

11.7 **WRITTEN RECORDS.** The Architectural Review Committee shall keep for at least five years complete records of applications submitted to it (including one set of all plans so submitted) and actions of approval or disapproval and other actions taken by it under the provisions of this Declaration.

11.8 **ADOPTION OF GUIDELINES.** The Architectural Review Committee may from time to time formulate and adopt written guidelines and procedures consistent with these Covenants for the purpose of clarifying or assisting in the exercise of its duties contemplated by these Covenants. Additionally, the Architectural Review Committee may formulate written guidelines and rules regarding the adoption of architectural and construction standards and the regulation of these Lots on the Property, the contents of which guidelines may not be necessarily be reflected by these Covenants. Copies of the adopted guidelines and procedures may be obtained from the Architectural Review Committee. Upon request and payment of an amount equal to the cost of copying such guidelines and procedures.

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11.9 **NON-WAIVER.** The approval or disapproval by the Architectural Review Committee of any plans, drawings, or specifications for any work or construction done or proposed, or in connection with any other matter requiring the approval of the Architectural Review Committee under this Declaration, shall not be deemed to constitute a waiver of any right to approve or disapprove any similar plan, drawing or specification or matter whenever subsequently or additionally submitted for approval by any Owner.

11.10 **ESTOPPEL CERTIFICATE.** Any party, before acquiring an interest in a lot within the Subdivision, may request from the Association a written statement of any Assessments, fees or other charges due from the owner of such lot pursuant to this Declaration. Such statement shall be furnished by the Association and such party shall be entitled to rely thereon. No lien shall be enforced against such person on account of any fees, Assessments, or other charges that accrued before the day of such statement and were not reflected thereon.

11.11 **SUBORDINATION TO ENCUMBRANCES.** The lien provided for herein shall be subordinate to the lien of any first mortgage now or hereafter placed on the interest of an owner of any lot in the Subdivision

11.12 **COMMITTEE NOT LIABLE.** The Architectural Review Committee shall not be liable for any damage to any party submitting any plans for approval, or to any Owner by reason of any negligent action, failure to act, approval, disapproval, or failure to approve or disapprove, with regard to such plans. Any Owner, or any party submitting plans to the Architectural Review Committee for approval, by doing so agrees that such Owner releases the Architectural Review Committee and Declarant from all claims and damages arising out of such review and agrees not to bring any action or suit to recover damages against the Architectural Review Committee, its members as individuals, advisors, employees, agents, or Owners or Declarant.

ARTICLE 12

ENFORCEMENT

12.1 Enforcement of these Covenants shall be by the Association or by Declarant or by any of the Owners by appropriate proceedings at law, or in equity against those persons violating or attempting to violate any Covenant or Covenants. Larimer County or the Governmental Authority shall have the right but no the obligation to enforce any Covenants pertaining to the Common Areas. Such judicial proceedings shall be for the purpose of removing a violation, restraining a future violation, for recovery of damages for any violation, for recovery of Assessments due, or for such other and further relief as "may be available". The failure to enforce or to cause the abatement of any violation of these Covenants shall not preclude or prevent the enforcement thereof in the event of a further or continued violation of these Covenants whether said violation shall be of the same or a different provision within these Covenants.

ARTICLE 13

SEVERABILITY

13.1 Should any part or parts of these Covenants be declared invalid or unenforceable by any Court of competent jurisdiction, such decisions shall not affect the validity of the remaining Covenants.

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ARTICLE 14

DURATION AND ALTERATION OF PROTECTIVE COVENANTS

14.1 Except as provided in Section 13.3, the herein included agreements, Covenants, restrictions, and conditions shall run with the land, shall be binding upon all persons owning a Lot, and any persons hereinafter acquiring said Lot and shall be in effect for a period of forty years from and after the date of these Covenants, after which period said Covenants shall be automatically renewed for successive ten year periods unless the Owners of a majority in number of the Lots shall elect, in writing duly filed, to terminate said Covenants, at which time these Covenants shall cease to be and be of no further force and effect. Provisions for maintenance of the Roads and Easements and Common Areas shall not be permitted to lapse with the other Covenants unless other provisions are made for continuation of said Roads and Easements and Common Areas maintenance.

14.2 Except as provided in section 13.3 these Covenants may be altered in whole or in part at any time the then record Owners of three-fourths of Lots elect, through a duly written instrument.

14.3 All agreements, Covenants, restrictions, and conditions which pertain to the use and non-development of the Common Areas shall remain in effect in perpetuity and may be altered in whole or in part only if the record Owners of three-fourths of the Lots and the Governmental Authority, elect, through written and recorded instrument.

IN WITNESS WHEREOF, the undersigned, being Owner of Rainbow Lake Estates have executed this Declaration the date and year indicated below.

Bill Hall POA 4-30-2002
Owner Date