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DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTIONS
FOR
VISTA VIEW ESTATES, A PLANNED UNIT DEVELOPMENT

ARTICLE I - PREAMBLE

Declarant is the owner of that certain real property situate in Larimer County, Colorado, described on Exhibit A hereof ("the Property"). Said Exhibit A also includes certain recorded easements and licenses appurtenant to the Property. The Property has been platted as Vista View Estates, P.U.D.

Declarant desires to develop, sell and convey the Property for residential purposes. Declarant deems it desirable to subject the Property to the covenants, conditions, and restrictions set forth in this Declaration in order to preserve the values of the individual lots and to enhance the quality of life for all owners of such lots.

The Property shall be a "planned community" under the Colorado Common Interest Ownership Act ("the Act"). The number of lots platted totals 93, which shall be the maximum number of lots within the entire planned community. A plat of the Property has been recorded simultaneously with the recording of this Declaration.

Declarant therefore declares that all of the Property is and shall be held, transferred, sold, conveyed and occupied subject to the terms, restrictions, limitations, conditions, covenants, obligations, liens, and easements which are set forth in this Declaration, of which shall run with the Property and shall inure to the benefit of, and be binding upon, all parties having any right, title, or interest in the Property or any portion thereof, and such person's heirs, grantees, legal representatives, successors and assigns.

ARTICLE II - DEFINITIONS

2.1 General. The words and terms defined in this Article shall have the meanings herein set forth unless the context clearly indicates otherwise.

2.2 Association shall mean and refer to Vista View Estates Homeowner's Association, Inc., a Colorado Non-Profit Corporation established pursuant to Article VI of this Declaration. The members of the Association shall be Unit Owners as defined herein.

2.3 Architectural Review Board shall mean and refer to the Architectural Review Board created pursuant to Article V of this Declaration.

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LOVELAND CO 80538

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

2.5 By-Laws shall mean and refer to the duly adopted by-laws of the Association.

2.6 Common Areas shall refer to the open space, retention pond, roads (other than private driveways), and any other areas for common use shown on the recorded plat of Vista View Estates, P.U.D.. Legal descriptions of such Common Area, identified by reference to the Tracts shown on said plat, are set forth on Exhibit B hereof.

2.7 Developer or Declarant shall mean Vista View Estates, Limited Liability Company, a Colorado Limited Liability Company, its successors and assigns.

2.8 Detached Single Family Dwelling shall mean an independent structure designed and occupied as a residence for a single family. No dwelling built on the Property shall be a modular, mobile or manufactured home. All dwellings shall be built on-site.

2.9 Lot shall mean a lot as platted and designed on the plat of Vista View Estates, P.U.D., as the same may be amended from time to time; provided that, if any lot has been divided so that a portion of the lot is owned by a person in conjunction with all or a portion of an adjoining lot and the other portion of the lot is owned by another separately or in conjunction with all or a part of the other adjoining lot, then the entire property so held under one ownership shall be the lot for the purpose of this Declaration. Each Lot shall be responsible for an equal portion of the common expenses of the Association and shall have an identical portion of the votes in the Association. Said allocation is based upon a formula that provides an equal allocation of such matters to each Lot within the Subdivision.

2.10 Single Family shall mean a group of persons related by blood or marriage living together as a family unit, or any other group of persons living together as one family for living and cooking purposes.

2.11 Subdivision shall mean Vista View Estates, a Planned Unit Development in Larimer County, Colorado.

2.12 Other Terms. Other terms may be defined in specific provisions contained in this Declaration and shall have the meaning assigned by each such definition.

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ARTICLE III - USE AND OTHER RESTRICTIONS

3.1 Land Use and Building Types. No lot shall be used except as the site of a detached single family dwelling.

3.2 Building Locations. No building, fence, or other permanent structure shall be located on any lot without first obtaining the written consent of the Architectural Review Board, approving the proposed location.

3.3 Easements for Utilities and Drainage. Easements for the installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat of Vista View Estates, P.U.D., or those that may be recorded at a later date. Within these easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the direction of flow of drainage channels in the easements. If any landscaping is installed which violates such requirements, the Association may give the property owner written notice to remove such landscaping within no less than fifteen (15) days, and if the owner fails to move the landscaping within that time, the Association may have such work done at the expense of the owner of the lot. If the work is done by the Association at the owner's expense, the owner shall pay for such work within three (3) days after notice is given in writing to the owner as to the cost of such work. In the event of failure to pay within that time and if the Association thereafter incurs any attorneys' fees and costs in collecting such amount from the owners, all such attorneys' fees and cost incurred shall likewise be a debt owing by the owner to the Association. The Association shall have the right to record a lien against the subject Lot securing repayment of said debt.

The easement area of each lot and all improvements on it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is legally responsible.

3.4 Installation and Maintenance of Landscaping. Except as expressly set forth in these covenants, the landscaping on each lot shall be installed by the Owner within one (1) year of the date of the issuance of the certificate of occupancy. Said landscaping shall include, at a minimum, 75% of the unimproved lot area shall have ground cover. Each lot shall have a minimum of one street tree for interior lots and two street trees for corner lots. Plans for landscaping shall be submitted to the Architectural Review Board prior to installation as provided in paragraphs 4.1 and 5.3 below. Review of said plans shall take into consideration the City of Loveland's site development standards and guidelines regarding landscaping and screening of unsightly areas. The landscaping on each lot, including rights-of-way which are part of such lot, shall

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be maintained by the owner, subject however, to the right of the Association to perform any maintenance deemed necessary or desirable to maintain the high standards established for the subdivision, and to assess such owner for such required maintenance. If any owner fails to maintain landscaping on such owner's lot in accordance with such requirements, the Association may give the property owner written notice to perform necessary maintenance within no less than fifteen (15) days, and if the new owner fails to perform such maintenance work within that time, the Association may have such work done at the expense of the owner of the lot. If the work is done by the Association at the owner's expense, the owner shall pay for such work within three (3) days after notice is given in writing to the owner as to the cost of such work. If the owner fails to pay within said time and the Association thereafter incurs attorneys' fees and costs in collecting such amount from the owner, all such reasonable attorneys' fees and costs incurred shall likewise be a debt owing by the owner to the Association. The Association shall have the right to record a lien against the subject Lot securing repayment of said debt.

3.5 Maintenance of Exteriors of Residences and Other Buildings. The exteriors of all residences, sheds, and other buildings within the subdivision shall be maintained in good, attractive condition by the owners thereof. All residences shall be repainted or restained periodically as needed. If by majority vote, the Board reasonably determines that necessary painting or re-staining has not been performed, the Association may cause such residence or other buildings to be painted or stained and to assess such owner for the costs incurred thereby as follows: If any owner fails to maintain the exterior of a building on such owner's lot in accordance with the foregoing requirements, the Association may give the owner written notice to perform such work within no less than fifteen (15) days, and if the owner fails to perform such work within that time, the Association may have such work done at the expense of the owner. If the work is done by the Association at the owner's expense, the owner shall pay for such work within three (3) days after notice is given in writing to the owner as to the cost of such work. If the owner fails to pay within that time and if the Association thereafter incurs reasonable attorneys' fees and costs in collecting such amount from the owner, all such attorneys' fees and costs incurred shall likewise be a debt owing by the owner to the Association. The Association shall have the right to record a lien against the subject Lot securing repayment of said debt.

3.6 Title to Common Areas. The Developer shall convey the Common Areas to the Association at the time of recording the plat.

3.7 Extent of Member's Easements. The rights and easements of enjoyment of members in the Common Areas shall be subject to the following:

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A. The right of the Association, as provided by its Articles or Bylaws, to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid; and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations; and

B. The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency or utility for the purposes of said public agency or utility, and subject to such conditions, as it may agree to, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by the members entitled to cast two-thirds (2/3) of the votes has been filed with the Association, agreeing to such dedicating, transfer, purpose or condition, and unless written notice of a proposed agreement and action thereunder is sent to every member at least ninety (90) days in advance of any action; and

C. The right of the Association to limit the number of guests of members and the circumstances under which guests may use the Common Areas.

3.9 Failure to Maintain. Anything herein notwithstanding, in the event the Homeowner's Association shall fail to maintain the Common Areas, which it is obligated to maintain, in a reasonable order and condition in accordance with the original plan submitted with the final subdivision plat, the Board of County Commissioners for Larimer County may serve written notice upon such organization or upon the residents of the subdivision involved, setting forth the manner in which the Owners have failed to maintain the Common Areas in a reasonable condition and said notice shall include a demand that such deficiencies of maintenance be cured within thirty (30) days thereof, and shall state the date and place of a hearing thereon, which shall be held within fourteen (14) days of the notice. At such hearing, the County may modify the terms of its original notice as to the deficiencies, and may give an extension of time within which they shall be cured. If the deficiencies set forth in the original notice or in the modifications thereof are not cured in order to preserve the taxable values of the property contained within the subdivision, and to prevent the Common Areas from becoming a nuisance and public liability, the county may undertake to maintain the same for a period of one (1) year. Before the expiration of said year, the County, upon its initiative or upon the written request of the Association, call a public hearing upon notice to such Corporation and to the residents of the subdivision involved, to be held by the Board of County Commissioners, at which hearing the Association shall show cause why such maintenance by the County shall not, at the election of

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the County, continue for a succeeding year. If the Board of County Commissioners shall determine that the Association is ready and able to maintain said Common Areas in a reasonable condition, the County shall cease to maintain said Common Areas at the end of said year. If the Board of County Commissioners shall determine such organization is not ready and able to maintain such Common Areas in a reasonable condition, the County may, in its discretion, continue to maintain said Common Areas during the next succeeding year, subject to a similar hearing and determination in each year thereafter. The cost of such maintenance by the County shall be paid by the Association and the Owners of the Property within Vista View Estates, P.U.D. that have a right to use of the Common Property or facility involved and any unpaid assessments shall become a tax lien upon the Property. The County shall file a notice of such lien in the office of the County Clerk and Recorder upon the property affected by such lien within Vista View Estates, P.U.D., and shall certify such unpaid assessments to the County Treasurer for collection, enforcement and remittance in the manner provided by law for the collection, enforcement and remittance of general property taxes. In the event the Subdivision is ever annexed into a municipality, said municipality shall succeed to the rights of the County hereunder.

3.10 Nuisances. No noxious or offensive activities shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

3.11 Temporary Structures. No structure of a temporary character, whether a basement, tent, storage shed or shelter, garage, barn or other outbuilding shall be permitted on any lot at any time, either temporarily or permanently, except by the developer during the process of construction, or as approved by the Architectural Review Board.

3.12 Animals. No animals of any kind shall be kept, bred or maintained for commercial purposes. The number of animals maintained shall not exceed the numbers allowed by regulations of Larimer County or other governmental body with jurisdiction over the subdivision. No animals shall be allowed to remain tied or chained upon the Common Areas, and any animal so tied or chained may be removed by the Association or its agents. Any pet constituting a nuisance may be ordered by the Association to be kept within the enclosed portion of its owner's lot, or ordered expelled from the subdivision. Each owner shall be responsible for any damage caused by his or her animals.

3.13 Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between 2 and 6 feet above the roadway shall be placed or permitted to remain on any corner lot within the triangular area formed by the street-side property lines and a line connecting them at points 25

feet from the intersection of the street-side property lines extended. The same sight line limitations shall apply on any lot within 10 feet from the intersection of a street property line with the edge of a driveway pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained so as to prevent obstruction of such sight line. All fences, walls, hedges and foliage shall be maintained in a clean, neat and orderly condition at all times.

3.14 Radio and Television Reception. No activity shall be conducted on any lot which interferes with television or radio reception on any other lot.

3.15 Fencing. No fence shall be erected on any lot within the Property except as approved in advance by the Architectural Review Board.

Perimeter fences shall be of a type approved in advance by the Architectural Review Board from time to time and shall be painted a color approved in advance by the Architectural Review Board from time to time. Privacy and other fences shall not exceed six feet in height and shall be a cedar split rail or other attractive wooden fence. Anything herein notwithstanding, no fences shall be built on those lots that are adjacent to any interior open space area, except in the immediate area of a patio. The lots affected by this restriction shall be Lots 79, 80, 88, 89, 90, 91, 92, and 93.

3.16 Unsightly Uses. 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. All landscaping, including grass, shall be irrigated, trimmed and maintained in good condition at all times. Refuse piles and other unsightly objects or materials shall not be allowed to be placed or to remain upon any lot.

3.17 Trash Removal. Trash shall be removed from all lots on a regular basis and shall not be allowed to accumulate. Each resident within the subdivision shall be separately liable for the trash-hauling charges attributable to his or her lot, unless the Board determines to do such removal on a community-wide basis. In such latter event, the cost of such removal shall be a common expense, assessable to the owners as set forth in Article VI.

3.18 Disabled Vehicles; Vehicles. Disabled automobiles shall not be stored on streets, driveways, or lots within the subdivision. No person shall repair, rebuild or maintain any vehicle within the subdivision, except within the confines of an owner's lot. The Board shall have the right to impose rules and regulations concerning the storage or parking of motor vehicles, boats, trailers, or recreational vehicles on the streets within and

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adjacent to the Property, including the prohibition of such storage or parking or the requirement of storage in designated areas.

3.19 Trees and Ground Cover. No living tree, shrub or bush may be removed except pursuant to a landscaping plan approved by the Architectural Review Board or otherwise with the approval of said Architectural Review Board. Said prohibition extends to naturally existing trees, shrubs and bushes and trees, shrubs and bushes planted by owners. No grading or other soil or earthwork shall be performed on a lot until plans for placing improvements on such lot have been properly approved by the Architectural Review Board, and then only to the extent contemplated by such approved plan. After completion of each set of improvements on a lot, the ground shall be restored, as nearly as possible, to its original contour and appearance. Contour changes of more than one foot from existing grades shall require the approval of the Architectural Review Board. The natural groundcover of a lot shall not be disturbed unless approved by the Architectural Review Board.

3.20 Hazardous Materials. Storage, use or disposal of hazardous or radioactive materials within the Property is prohibited, unless specifically approved in advance by the Architectural Review Board.

3.21 Solar Devices. The utilization of passive or active solar energy devices is encouraged. However, all solar devices must either be architecturally and aesthetically integrated into the structure they serve or be screened from the view of the street and adjacent lots and streets. All solar devices, and their placement, must be approved by the Architectural Review Board.

3.22 Commencing and Finishing Construction. Once construction of any structure is commenced on any lot, with the prior approval of the Architectural Review Board, such construction must be diligently continued and must be completed in accordance with the plans and specifications approved by the Architectural Review Board, within one year of commencement, or such longer time reasonably consented to by the Architectural Review Board, in light of the nature of the project or other mitigating factors. Commencement of construction shall be deemed to commence with the first substantial construction activity (including earth work).

3.23 Rebuilding. Any structure which is destroyed in whole or in part by fire, windstorm or from any other cause or act of God must be rebuilt, or all debris must be removed and the lot restored to a sightly condition, within six (6) months of the time the damage occurs.

3.24 Signage. No commercial sign may be placed on a lot other than a sign not more than five (5) square feet in size advertising the lot for sale or rent. All signage must comply with applicable

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governmental laws and regulations. Developer shall be limited to one real estate project marketing sign which will be located on-site and will not exceed allowable sizes under applicable laws. The limitation on the number of signs will exclude model home signs and open house signs.

3.25 Outside Lighting. No exterior lighting shall be installed or maintained on any lot except as approved by the Architectural Review Board. No free-standing yard light may be placed higher than five (5) feet above ground level and any light attached to a structure shall be placed no higher than eight (8) feet above ground level. The wattage of such lighting shall be 40 watts or less, or comparable low intensity lighting.

3.26 No Subdivision. No lot shall be subdivided or utilized for more than one detached single family dwelling (with associated outbuildings and structures). Boundary adjustments between neighboring lots shall be allowed, subject to applicable laws and subject to the reasonable approval of the Architectural Review Board provided that such adjustments shall not result in an increase in the total number of lots within the subdivision.

3.27 Drainage, Ponds. To deter erosion and assure maintainable slopes, all drainage culverts installed within the Property shall comply with any drainage report on file with the Association. Such compliance shall include, without limitation, compliance with such reports' recommendation, if any, as to landscaping on ditch side slopes and maximum side slope steepness.

The surface of any pond which is part of the Common Area shall not be sold or used as a recreation area by Owners, their invitees or guests.

3.28 Sales Office, Management Offices, and Models. One on-site sales office shall be allowed within one of the residential units within the project for the purposes of selling lots or homes within the project through 75% of build-out of the development. The sales office shall be located West of Monroe Avenue and in the southern portion of the project. Developer and residential builders to whom Developer has sold lots may construct and maintain model residences within the subdivision. Subject to the restrictions above, such sales office and model residences may be located on any lot or lots within the subdivision, and their location may be changed from time to time to other lots within the subdivision. Anything herein notwithstanding, while there may be multiple model residences, there shall not be more than one sales office within the project at any given time.

3.29 Recreational Vehicle Storage. On lots which are either less than 12,000 sq. ft. in area, or where the side yard set-back

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is less than 10 feet, no on-site recreational vehicle storage shall be allowed.

3.30 Site Development Standards. The Developer of this subdivision shall meet all requirements of the City of Loveland's Site Development Performance Standards and Guidelines relative to landscaping and screening of unsightly areas as the same are presently in effect.

3.31 Fort Collins-Loveland Water District Easement. The Property is subject to certain easements of record, including without limitation, a 20 foot easement granted to the Fort Collins-Loveland Water District, which easement is recorded at Book 2274, Page 2152, of the Records of the Clerk and Recorder of Larimer County, Colorado.

ARTICLE IV - ARCHITECTURAL STANDARDS

4.1 Restrictions. No building, corral, shed, storage structure, awning, fence or any other structure shall be erected, placed or altered on any lot, nor shall there be any external modifications to any such structure, until the plans and landscaping specifications showing the nature, kind, shape, height, color, materials and location of the same have been submitted to and approved in advance by the Architectural Review Board in writing. No landscaping shall be installed on any lot, or altered thereafter, unless a landscaping plan showing the nature, type, height, and location of the proposed landscaping improvements has been submitted to and approved by the Architectural Review Board in writing. No landscaping shall be installed on any lot, or altered thereafter, unless a landscaping plan showing the nature, type, height, and location of the proposed landscaping improvements has been submitted to and approved in advance by the Architectural Review Board, in writing. Without limiting the generality of the foregoing, prior approval of the Architectural Review Board must be obtained for any of the following: (i) attachments to the exterior of a structure, (ii) installation of greenhouses, (iii) installation of patio covers, landscaping, screening, trellises and the like, (iv) change in exterior paint colors, (v) installation of any barn, corral, shed or storage building, and (vi) any other exterior change, including cosmetic changes such as garage doors, shutters and the like. The authority of the Architectural Review Board shall extend to the quality, workmanship and materials for any structure proposed; conformity and harmony of exterior design and finish with existing structures within the subdivision; location of all structures with respect to the existing buildings, topography and finished ground elevation; and all other matters required to assure that such structures enhance the quality of the subdivision and are erected in accordance with the plan for the subdivision. All residences will have permanent foundations. All residences will have a minimum usable area, exclusive of garage

areas, of 1600 sq. ft. provided, however, that all residences built on lots lying east of Monroe Avenue shall have a minimum usable area, exclusive of garage areas, of 1800 sq. ft. These Lots east of Monroe are Lots 1 through 18. No structure will exceed two stories in height; provided that a tri-level with a walk-out basement is permitted. No building or structure will exceed 28 feet in height. For purposes hereof, the "height of a structure shall be defined as follows: Height of building is the vertical distance above a reference datum measured to the average height of the highest gable of a pitched or hipped roof. The reference datum shall be selected by either of the following, whichever yields a greater height of structure:

1. The elevation of the highest adjoining sidewalk or ground surface within a 5 foot horizontal distance of the exterior wall of the building when such sidewalk or ground surface is not more than 10 feet above lowest grade.

2. An elevation 10 feet higher than the lowest grade when the sidewalk or ground surface described in Item 1 above is more than 10 feet above lowest grade.

The height of a stepped or terraced residence is the maximum height of any segment of the building.

Roofing material will be of composition, non-wooden shake, or tile shingle. Roofs will be gable or hip roofs. Wooden shake shingle roofs are prohibited. The pitch of the roof will be a minimum of 4/12. Mobile, modular and manufactured homes are prohibited. At least one-third of the siding, exclusive of garage, of all residences shall be brick. All structures will comply with applicable requirements of the Uniform Building Code and any other applicable laws and regulations.

4.2 Garages. Each detached single family dwelling shall include either an attached or detached garage accommodating at least two (2) automobiles abreast of one another. Detached garages shall be architecturally similar in design to the residence. The maximum size of any detached garage shall be 500 square feet in area and shall be subject to the height limitations of paragraph 4.1.

4.3 Setbacks. Any improvements constructed on any lot shall comply with applicable ordinances, regulations, laws and building codes.

4.4 Accessory Buildings. No Lot shall have more than one accessory building. All accessory buildings shall be architecturally similar in design to the principal structure. The maximum size of any accessory building shall be one story and 120 sq. ft. in area. For purposes hereof, detached garages shall not

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be considered accessory buildings, but shall be subject to the restrictions set forth in paragraph 4.2., above.

ARTICLE V - ARCHITECTURAL REVIEW BOARD

5.1 Establishment and Membership of Architectural Review Board. An Architectural Review Board has been established by Developer. The Architectural Review Board shall continue until such time as the Association may be dissolved. The Architectural Review Board shall initially consist of four (4) members, including one architect or landscape architect. The initial Architectural Review Board shall consist of MARK ELMORE, KLAUS KUNTER, TERRANCE HOAGLAND, and one resident of Horseshoe View Estates, as set forth below. Until fifty-one percent (51%) of all lots within the subdivision have been sold by Developer, or December 31, 1998, whichever occurs first, Developer shall appoint the Architectural Review Board, (other than the member from Horseshoe View Estates), including replacement members for any person who retires, resigns, or otherwise become unavailable for service as a member or alternate member of the Architectural Review Board. The Association shall name the members of the Architectural Review Board, once Developer's exclusive right to do so ceases. Anything herein notwithstanding, the Developer agrees that as long as the Architectural Review Board is controlled by the Developer, one member of the Architectural Review Board shall be a lot owner residing in Horseshoe View Estates Subdivision who is willing to serve, is chosen by the residents of Horseshoe View Estates, and is acceptable to the Developer. If no acceptable resident of Horseshoe View Estates is chosen by the owners within said subdivision, the fourth member shall be chosen by Developer from Owners within the Vista View Estates, P.U.D., if available. Developer further agrees that at such time as 25% of the Lots within the subdivision have been conveyed to owners other than Developer, the Architectural Review Board shall include one Owner of a Lot within the subdivision other than Developer.

Members of the Architectural Review Board appointed by Developer may be removed at any time by Developer and shall serve until they resign or are removed by Developer. Members of the Architectural Review Board appointed by the Association may be removed at any time by the Association, and shall serve for such term as may be designated by the Association or until they resign or are removed by the Association.

5.2 Address of Architectural Review Board. The address of the Architectural Review Board shall be at the principal office of the Association.

5.3 Submission of Plans. Prior to commencement of work to accomplish any proposed improvement to property, the person proposing to make such improvement to property ("Applicant") shall

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submit to the Architectural Review Board at its offices such descriptions, surveys, plot plans, drainage plans, elevation drawings, landscaping plans, construction plans, specifications and samples of materials and colors as the Architectural Review Board shall reasonably request showing the nature, kind, shape, height, width, color, materials, and location of the proposed improvement to property. Until receipt by the Architectural Review Board of all required materials in connection with the proposed improvement to property, the Architectural Review Board may postpone review of any materials submitted for approval.

5.4 Criteria for Approval. The Architectural Review Board shall approve any proposed improvement to property only if it deems in its reasonable discretion that the improvement to property in the location indicated will not be detrimental to the appearance of the surrounding areas of the development as a whole; that the appearance of the proposed improvement to property will be in harmony with the surrounding areas of the development area; that the improvement to property will not detract from the beauty, wholesomeness and attractiveness of the development area or the enjoyment thereof by Owners; and that the upkeep and maintenance of the proposed improvement to property will not become a burden on the Association. The Architectural Review Board may condition its approval of any proposed improvement to property upon the making of such changes therein as the Architectural Review Board may deem appropriate.

5.5 Architectural Review Board Guidelines or Rules. The Architectural Review Board may issue Guidelines or Rules relating to the procedures, materials to be submitted and additional factors which will be taken into consideration in connection with the approval of any proposed improvement to property.

5.6 Architectural Review Fees. The Architectural Review Board may provide for payment of reasonable fees to accompany each request for approval of any proposed improvement to property. The Architectural Review Board may provide that the amount of such fees shall be uniform for similar types of proposed improvement to property, or the fees may be determined in any other reasonable manner, such as based upon the reasonable cost of the proposed improvement to property.

5.7 Decision of Architectural Review Board. The decision of the Architectural Review Board shall be made within thirty (30) days after receipt by the Architectural Review Board of all materials required by the Architectural Review Board. The decision shall be in writing and, if the decision is not to approve a proposed improvement to property, the reasons therefor shall be stated. The decision of the Architectural Review Board shall be promptly transmitted to the Applicant at the address furnished by the Applicant to the Architectural Review Board.

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5.8 Failure of Architectural Review Board to Act on Plans. Any request for approval of a proposed improvement to property shall be deemed approved as proposed, unless disapproval or a request for additional information or materials is transmitted to the Applicant by the Architectural Review Board within thirty (30) days after the date of receipt by the Architectural Review Board of all required materials.

5.9 Notice of Completion. Promptly upon completion of the improvement to property, the applicant shall give written notice of completion to the Architectural Review Board and, for all purposes hereunder, the date of receipt of such notice of completion by the Architectural Review Board shall be deemed to be the date of completion of such improvement to property.

5.10 Inspection of Work. The Architectural Review Board or its duly authorized representative shall have the right to inspect any improvement to property prior to or after completion, provided that the right of inspection shall terminate thirty (30) days after the Architectural Review Board shall have received a notice of completion from the Applicant.

5.11 Notice of Noncompliance. If, as a result of inspections or otherwise, the Architectural Review Board finds that any improvement to property has been done without obtaining the approval of the Architectural Review Board or was not done in substantial compliance with the description and materials furnished by the Applicant to the Architectural Review Board or was not completed within one year after the date of approval by the Architectural Review Board, the Architectural Review Board shall notify the applicant in writing of any noncompliance which notice shall be given, in any event, within thirty (30) days after the Architectural Review Board receives a notice of completion from the Applicant. The notice shall specify the particulars of the noncompliance and shall require the Applicant to take such action as may be necessary to remedy the noncompliance.

5.12 Failure of Architectural Review Board to Act After Completion. If, for any reason other than the Applicant's act or neglect, the Architectural Review Board fails to notify the Applicant of any noncompliance within thirty (30) days after receipt by the Architectural Review Board of written notice of completion from the Applicant, the improvement to property shall be deemed in compliance if the improvement to property was, in fact, completed as of the date of notice of completion.

5.13 Correction of Noncompliance. If the Architectural Review Board determines that a noncompliance exists, the Applicant shall remedy or remove the same within a period of not more than forty-five (45) days from the date of receipt by the Applicant of the ruling of the Architectural Review Board. If the Applicant does

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not comply with the Architectural Review Board's ruling within such period, the matter may be referred to the Board of the Association, and the Board of the Association may, in its discretion, record a notice of noncompliance against the real property on which the noncompliance exists, may institute judicial proceedings to allow it to remove the noncomplying improvement, or may otherwise remedy the noncompliance, and the Applicant shall reimburse the Association, upon demand, for all expenses incurred in connection with such matter. If such expenses are not promptly repaid by the Applicant or owner to the Association, the Association may levy a reimbursement assessment lien against the owner and the owner's lot for such costs and expenses. The right of the Association to remedy or remove any noncompliance shall be in addition to all other rights and remedies which the Association may have at law, in equity, or under this Declaration.

5.13 No Implied Waiver or Estoppel. No action or failure to act by the Architectural Review Board or by the Association shall constitute a waiver or estoppel with respect to future action by the Architectural Review Board or the Association with respect to any improvement to property. Specifically, the approval by the Architectural Review Board of any improvement to property shall not constitute approval of, or obligate the Architectural Review Board to approve, any similar proposals, plans, specifications or other materials submitted with respect to any other proposed improvement.

5.14 Architectural Review Board Power to Grant Variances. The Architectural Review Board, in its sole discretion, may authorize variances from compliance with any of the provisions of this Declaration or any Supplemental Declaration, including restrictions upon height, size, floor area or placement of structures or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Architectural Review Board. If any such variance is granted, no violation of the provisions of this Declaration or any Supplemental Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration or any Supplemental Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall the granting of a variance affect in any way the owner's obligation to comply with all governmental laws and regulations affecting the property concerned, including, but not limited to, zoning ordinances and setback lines, requirements or conditions imposed by any governmental authority having jurisdiction.

5.15 Compensation of Members. Members of the Architectural Review Board shall receive no compensation for services rendered,

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except for professional members, if any, chosen for their professional expertise, who shall be reasonably compensated for their services. All members shall receive reimbursement for out-of-pocket expenses incurred by them in the performance of their duties hereunder.

5.16 Meetings of Architectural Review Board. The Architectural Review Board shall meet from time to time as necessary to perform its duties hereunder. The Architectural Review Board may, from time to time, by resolution in writing adopted by a majority of the members, designate an Architectural Review Board Representative (who may, but need not, be one of its members) to take any action or perform any duties for or on behalf of the Architectural Review Board, except the granting of approval to any improvement to property and granting of variances. The action of such Architectural Review Board Representative within the authority of such Architectural Review Board Representative or the written consent of the vote of a majority of the members of the Architectural Review Board shall constitute action of the Architectural Review Board.

5.17 Records of Action. The Architectural Review Board shall report in writing to the Association's Board of Directors all final actions of the Architectural Review Board and the Architectural Review Board shall keep a permanent record of such reported actions.

5.18 Estoppel Certificates. The Association shall, upon the reasonable request of any interested party and after confirming any necessary facts with the Architectural Review Board, furnish a certificate with respect to the approval or disapproval of any improvement to property or with respect to whether any improvement to property was made in compliance herewith. Any person without actual notice to the contrary shall be entitled to rely on said certificate with respect to all matters set forth herein.

5.19 Nonliability for Architectural Review Board Action. Neither any member of the Architectural Review Board, any Architectural Review Board Representative or agent, the Association, any member of the Association's Board of Directors nor Developer shall be liable for any loss, damage or injury arising out of or in any way connected with the performance of the duties of the Architectural Review Board unless due to the willful misconduct or bad faith of the party to be held liable. In reviewing any matter, the Architectural Review Board shall not be responsible for reviewing, nor shall its approval of, any improvement to property be deemed approval of the improvement to property from the standpoint of safety, whether structural or otherwise, or conformance with building codes or other governmental laws or regulations.

ARTICLE VI - THE ASSOCIATION

6.1 Articles of Incorporation and Bylaws. The interests of all lot owners shall be governed and administered by the Articles of Incorporation and Bylaws of the Vista View Estates Homeowner's Association, Inc. and by this Declaration. In the event of a conflict between the provisions of this Declaration and the Articles of Incorporation or the Bylaw of the Association, the terms of this Declaration shall be controlling.

6.2 Membership. Except as set forth, each owner of a lot, upon becoming an owner, shall be a member of the Association and shall remain a member for the period of his ownership.

6.3 Examination of Books by First Mortgagee. The holder of any recorded first mortgage or deed of trust on a lot in the subdivision will, upon request, be entitled to:

- (a) inspect the books and records of the Association during normal business hours; and
- (b) receive an annual financial statement of the Association within ninety (90) days following the end of each fiscal year of the Association; and
- (c) written notice of all meetings of the Association and shall be permitted to designate a representative to attend all such meetings.

6.4 Powers. The Association shall be granted all of the powers necessary to govern, manage, maintain, repair, administer and regulate the Common Areas and to perform all of the duties required of it. Those powers shall be exercised through the Board of Directors and shall include, without limitation, the following:

- (a) To enforce all of the applicable provisions of this Declaration.
- (b) To maintain the Common Areas including, without limitation, all fencing referred to in paragraph 6.5 below.
- (c) To contract for and pay for the cost of providing the maintenance functions described herein out of funds collected by the Board.
- (d) To levy and collect the costs of maintenance as provided herein and to make or authorize the expenditures therefrom as hereinafter described.

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- (e) To receive and process complaints from Owners with respect to any provisions of this Declaration or any other activities of the Association.
 - (f) To adopt such rules and regulations as the Board from time to time may deem necessary or appropriate to carry out the provisions of this Declaration or other duties of the Association.
 - (g) To render such discretionary decisions as are vested in the Board pursuant to this Declaration.
 - (h) To impose charges for late payments of assessments, recover reasonable attorney fees and other legal costs for collection of assessments and other actions to enforce the power of the Association, regardless of whether or not suit was initiated, and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws and Rules and Regulations of the Association, and to establish the rate of interest to be assessed for all sums which may be payable to the Association.
 - (i) To obtain and keep in force such insurance as the Board may from time to time deem appropriate including, but not limited to, casualty and liability, worker's compensation, errors and omissions coverage for officers, directors, employees and members of the Association, insurance for indemnification of officers, directors and members of the Association acting on behalf of and for the benefit of the Association, and such other insurance that the Board may deem appropriate.
 - (j) To exercise all powers and rights granted to the Association by the provisions of the Colorado Common Interest Ownership Act, as from time to time amended.
 - (k) To take such other action or to incur such other obligations whether or not herein expressly specified as shall be reasonably necessary to perform the Association's obligations hereunder, subject to the approval of the members of the Association.

Notwithstanding the above, unless at least seventy-five percent (75%) of the first mortgagees of lots (based upon one vote for each first mortgagee owned or held) have given their prior, written approval, the Association shall not be empowered or entitled to:

- (a) by act or omission, seek to abandon or terminate the Declaration;

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- (b) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas;
 - (c) use hazard insurance proceeds for loss to the Common Areas improvements for other than repair, replacement or reconstruction of such improvement.

6.5 Common Areas Maintenance and Operation. The maintenance and operation of the Common Areas shall be the responsibility and the expense of the Association and its Board and Committees (including, without limitation, any appropriate indemnity to members thereof), and the costs therefor shall be a common expense of all the lot Owners. Said expense shall be divided equally among the respective lot Owners. Each Owner, by the acceptance of a conveyance of a lot shall be obligated to pay his share of such expenses. An Owner shall be responsible for his full share of such expenses whether or not his lot is improved. For purposes hereof, maintenance of Common Areas shall include, without limitation, maintenance of landscaping in the Common Areas, adjoining rights-of-way and landscaping islands. The Common Areas to be maintained shall include, without limitation, all open spaces and facilities thereon, the roadways within the Property, the architectural fences separating the eastern portion of the Property from Horseshoe View Estates and the chain link fence adjacent to Monroe Avenue and running south to 57th Street, road and traffic signs, and the detention pond shown on the plat of Vista View Estates, P.U.D. Developer will provide a proposed specific maintenance and funding program for the detention pond to the Association prior to release of the warranty collateral under the Subdivision Improvement Agreement. Said proposed plan shall include plans to minimize mosquito habitats. The Association shall also pay for the electricity to the street light at 57th Street and Monroe Avenue. Electricity for those lights installed by individual Owners shall be the responsibility of such Owners.

6.6 Common Areas, Additions, Alterations, or Improvements - Limitations; Contribution from Developer. There shall be no additions, alterations, or improvements of or to the Common Areas by the Association requiring an assessment in excess of One Hundred Dollars (\$100.00) per lot in any one calendar year without the prior, written approval of a majority of the members of the Association voting in accordance with the quorum and voting provisions of the Bylaws of the Association, at a special or regular meeting of the Association members. Such expenditure(s) shall be a common expense.

Developer will make a contribution to the Homeowner's Association in the amount of \$5,000.00 prior to release of the collateral securing completion of the subdivision improvements required by Larimer County. Said sum shall be utilized by the Association to provide such recreational or other facilities within

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the interior open space area as the Association shall see fit to establish. The nature and location of such facilities shall be determined by the Association. The expenditure of said funds shall not take place until such time as the Board of Directors of the Association is no longer controlled by the Developer.

6.7 Formula for Determining Assessments. Declarant shall pay all common expenses through December 31, 1994. Commencing for calendar year 1995 and subsequent years, assessments shall be made no less frequently than annually and shall be based upon a budget adopted no less frequently than annually by the Association. The assessments shall be based upon the total number of lots within the Subdivision as of October 1 of the year preceding the year for which the assessment is made. The owners of each lot on which a Certificate of Occupancy has been issued for a residence by October 1 of such preceding year shall pay assessments that are double the assessments for lots on which no such completed residence exists as of said date. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment. Assessments may be due annually, monthly, or on such other periodic basis as the Board may determine appropriate.

6.8 Based upon Budget. Assessments shall be based upon a budget which shall be established by the Board of Directors at least annually, which budget shall be based upon the cash requirements deemed to be such aggregate sum as the Board of Directors of the Association shall from time to time determine is to be paid by all of the lot owners to provide for the payment of all expenses growing out of or connected with the maintenance, repair, operation, additions, alterations and improvements of and to the Common Areas, which sum may include, but not be limited to, expenses of management; taxes and special assessments unless separately assessed; premiums for insurance, landscaping and care of grounds; common lighting and heating; repairs and renovations; wages; common water and sewer charges; legal and accounting fees; management fees; expenses and liabilities incurred by the Association or any of its agents or employees on behalf of the lot owners under or by reason of this Declaration and the Articles of Incorporation and Bylaws of the Association; expenses of operation of the Architectural Review Board; for any deficit remaining from a previous period; for the creation of reasonable contingency reserve, working capital and sinking funds as well as other costs and expenses relating to the Common Areas; and for maintaining a reserve fund for replacement of Common Areas, which shall be funded by regular monthly payments rather than special assessments. The Association shall comply with the requirements of Section 38-33.3-303(4), Section 38-33.3-315(1) and any other applicable provisions of the Colorado Common Interest Ownership Act ("the Act"), as the same may from time to time be in effect, relative to the proposal and ratification of such budget.

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6.9 Special Assessment. In addition to the periodic maintenance charge to be assessed against each Owner, as set forth above, unless prohibited by law, the Board may, from time to time, levy and collect special assessments to cover extraordinary charges or expenses not anticipated by the annual budget approved by the Association. Unless approved by a majority of the Owners, the aggregate of all special assessments levied in any calendar year shall not exceed twenty-five percent (25%) of the budgeted gross expenses of the Association for such fiscal year.

6.10 Assessments for Other Charges. The Association shall have the right to charge lot owners for special services provided by the Association to such owners including, but not limited to, those matters set forth in Sections 3.3, 3.4, and 3.5 of this Declaration. That is, such services shall be deemed to have been provided for the exclusive benefit of such lot Owners under Section 38-33.315(3)(b) of the Act. The Association shall also have the right to charge a lot owner for any common expense caused by misconduct of such lot owner, in which event such expense may be assessed exclusively against such owner. The Association shall have the right to impose a lien for any such special service charges or charges due to misconduct that are not paid when due; said lien shall include court costs and reasonable attorneys' fees incurred by the Association in collecting said charges.

6.11 No Other Common Area Liens. No additional liens, other than mechanics liens, assessment liens or tax liens, may be obtained against the Common Areas, and no other assessments, debts or other obligations are assumed by lot Owners, other than as set forth herein.

6.12 Assessments. The amount of the common expenses and special service and misconduct charges assessed against each lot shall be the personal and individual debt of the Owner thereof. No Owner may exempt himself from liability for contribution towards the common expenses by waiver of the use or enjoyment of any of the Common Areas or by abandonment of his lot. The Association shall have the authority to take prompt action to collect any unpaid assessment or special service charge which remains unpaid for more than thirty (30) days from the due date for payment thereof. In the event of default in the payment of a special service charge or assessment, the lot Owner shall be obligated to pay interest at the rate of eighteen percent (18%) per annum on the amount of the assessment from due date thereof, together with all expenses, including attorneys' fees, incurred together with such late charges as are provided by the Bylaws or Rules of the Association. Suit to recover a money judgment for unpaid special service charges or assessments shall be maintainable without foreclosing the lien described in Section 6.14 below, and the institution of such suit shall not be or construed to be a waiver of lien.

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6.14 Creation of Lien and Foreclosure. The monthly maintenance charge, together with any special assessment or other penalty, cost or charges which an Owner is obligated to pay, shall be a debt of such Owner to the Association on the date when each installment thereof become due. In the event of the default of any Owner in the payment of any installment of maintenance charges or special assessments, such amount, and any subsequently accruing unpaid assessments, together with interest thereon at the rate of eighteen percent (18%) per annum, or such other rate as may hereafter from time to time be established by the Board, and together with all costs which may be incurred by the Association in the collection of such amount, together with reasonable attorneys' fees shall be and become a lien on the interest of the defaulting Owner in his lot. The Association may, but is not required to, execute and record in the Larimer County Recorder's Office a Notice of Assessment Default setting forth the name of the defaulting Owner as indicated by Association records, the amount of the delinquency, and the fact that additional delinquencies may accrue and increase such amount, and the legal description of his lot. Such lien shall attach and be effective from the due date of the assessment, and may be enforced by foreclosure by the Association of the defaulting Owner's interest in the Property. The lien provided herein shall be in favor of the Association for the benefit of all Owners who are Association members. In any such foreclosure proceedings, the costs and expenses for filing any notice or claim of lien, and all reasonable attorneys' fees and costs in connection with such foreclosure shall be the obligation of the Owner and shall also be included in the lien against the Owner's lot. The lien shall include and the defaulting Owner shall also be required to pay to the Association the monthly maintenance charge and any other assessments for the lot which payment comes due during the period of foreclosure, and the Association shall be entitled to a receiver to collect the same. The Association, on behalf of the member Owners, shall have the power to bid on the lot at foreclosure sale and to acquire, hold, lease, mortgage, and sell the same. Such lien provided herein shall have the priority provided by the Colorado Common Interest Ownership Act. The Association may, but is not required to send notice of default to an Owner, and a copy of such notice may, but is not required to be mailed to the holder of any deed of trust or mortgage of record constituting a lien on such lot. Upon the payment of the amounts due, if the Association recorded a Notice of Assessment Default, the Association shall cause to be recorded a certificate setting forth the satisfaction of such lien.

6.15 Owner's Obligations for Payment of Assessments. The amounts assessed by the Association against each lot and any interest, costs, and attorney fees in connection with default in payment thereof, shall be the personal and individual debt of the Owner thereof at the time the assessment is made. Each person, if more than one (1), composing the Owner shall be jointly and

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severally liable therefore. Suit to recover a money judgment for unpaid expenses shall be maintainable without foreclosing or waiving the lien securing same. No Owner may exempt himself from liability for contribution toward the common expenses by a waiver of the use or enjoyment of the Common Elements or by abandonment of his lot.

6.16 Statement of Assessment Status. Upon payment to the Association of a reasonable fee, as may from time to time be established by the Board, accompanied by the written request of the Owner or any mortgagee or prospective Owner of a lot, the Association shall issue a written statement setting forth the amount of unpaid assessments and any other charges outstanding with regard to the subject lot, and the date when the same became due. Such statement shall also include credit for any advanced payments of common assessments, but no credit shall be given for any accumulated amounts for reserves or sinking funds, if any. The statement issued by the Association shall be binding upon the Association and its officers and each Owner in favor of persons who rely thereon in good faith. The manner and time for providing such statements shall be as provided by the terms of the Colorado Common Interest Ownership Act, as the same may from time to time be amended.

6.17 Release of Lien. The recorded lien may be released by recording a Release of Lien signed by an officer of the Association on behalf of the Association.

6.18 Liability upon Transfer. Any Owner who sells his or her lot in good faith and for value shall be relieved of the obligation for payment of assessments arising thereafter attributable to the lot, as of the date of the recordation of the deed transferring such lot to the subsequent purchaser. Except as may otherwise be provided by the Colorado Common Interest Ownership Act, as from time to time amended, the Owner transferring, and the purchaser of the transferred lot, shall be jointly liable for payment of all assessments and any related interest, costs and attorney fees attributable to the lot accrued through the date of such recordation, and the lien for recovery of the same shall remain in force against such lot.

6.19 Professional Management. Professional management may be established for the project, and any agreement which may be entered into with regard to professional management or any other contract for providing of services by Declarant or Developer shall be for a term of not more than one (1) year and shall be terminable on thirty (30) days' written notice, without cause and without payment of a termination fee.

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6.20 Board and Officers of Association.

a. Subject to the provisions of 6.20(b) below and applicable law, the Board and Officers of the Association or persons designated by the Developer may appoint and remove the Officers and members of the Board of Directors of the Association. Said right to select the Board and Officers shall terminate no later than sixty (60) days after conveyance of fifty-one percent (51%) of the lots to Owners other than Developer, or two (2) years after the last conveyance of a lot by Developer in the ordinary course of business, whichever first occurs. Developer may voluntarily surrender the right to appoint and remove officers and members of the executive board before termination of the period of Developer control, but, in that event, the Developer may require, for the duration of the period of Developer control, that specified actions of the Association or the Board of Directors, as described in a recorded instrument executed by the Developer, be approved by the Developer before they become effective.

b. Anything herein notwithstanding, not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Lots that may be created to Lot Owners other than a Developer, at least one member and not less than twenty-five percent (25%) of the members of the Board must be elected by Lot Owners other than Developer.

c. Except as otherwise provided in CRS 38-33.3-220(5), not later than the termination of the period of Developer control, the Lot Owners shall elect a Board of at least three members, at least a majority of whom must be Lot Owners other than the Developer or designated representatives of Lot Owner other than the Developer. The Board shall elect the officers. The Board members and officers shall take office upon election.

d. Notwithstanding any provision of this Declaration or the Bylaws to the contrary, the Lot Owners, by a vote of sixty-seven percent (67%) of all persons present and entitled to vote at any meeting of the Owners at which a quorum is present, may remove any member of the Board with or without cause, other than a member appointed by the Developer.

e. Within sixty (60) days after the Lot Owners other than the Developer elect a majority of the members of the Board, the Developer shall deliver to the Association all property of the Lot Owners and of the Association held by or controlled by the Developer, not earlier conveyed, including, without limitation, those items set forth at CRS 38-33.3-303(a).

6.21 Dissolution of Association. The Association shall not be dissolved without the prior approval of Larimer County, or if the

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subdivision has been annexed, the prior approval of the applicable municipality.

ARTICLE VII

COLORADO COMMON INTEREST OWNERSHIP ACT

7.1 Compliance with Colorado Common Interest Ownership Act. Pursuant to C.R.S. Section 38-33.3-205, and other provisions of the Colorado Common Interest Ownership Act, Declarant states as follows:

(a) The name of the common interest community which is the subject of this Declaration is Vista View Estates, a Planned Unit Development.

(b) All of the common interest community is located in Larimer County, Colorado.

(c) The real estate included in the common interest community is described in paragraph above.

(d) The maximum number of Lots in the common interest community is 93.

(e) The boundaries of each Lot will be as reflected in the Plat of Vista View Estates, P.U.D.

(f) There are no limited common elements.

(g) No real estate is subject to allocation as limited common elements.

(h) The Developer retains the right to control the Board of Directors for a period of time. Anything in this Declaration, the Articles or Bylaws, notwithstanding, the period of Declarant Control with respect to the Board shall terminate ten (10) years from the date of the first conveyance of a Lot to a purchaser by Declarant, or the earlier occurrence of an event requiring termination under the Colorado Common Interest Ownership Act. Declarant may at any time voluntarily surrender the right to appoint and remove Board members, and in such event the Declarant may require for the duration of Declarant control that specified actions of the Board, as described in a recorded instrument executed by Declarant, be approved by Declarant before they become effective.

Upon termination of the period of Declarant Control with respect to the Board, the Owners shall elect a Board of Directors of at least three (3) members, at least a majority of whom must be Owners other than Declarant. The Board members so elected shall

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elect the Officers of the Association. The Board members and Officers, unless otherwise required by the Colorado Common Interest Ownership Act shall take office upon election. Upon termination of the period of Declarant Control with respect to the Architectural Review Board, the Board shall establish the number of members of such Committee and appoint such members.

The Developer does not reserve the right to add additional Lots to the Property.

(i) No development right may be exercised with regard to different parcels of real estate at different times.

(j) Voting by members shall be as set forth above.

(k) No Lot shall be used for other than residential purposes. Lots may be rented for residential use under the following conditions:

(i) No Owner may lease less than his entire Lot and the initial term of such lease shall be for not less than thirty (30) days.

(ii) All leases shall be in writing.

(iii) All leases shall provide that the terms of the lease and lessee's occupancy of the Lot shall be subject in all respects to the provisions of this Declaration and to the provisions of the Articles of Incorporation and Bylaws of the Association. Any failure by the Lessee to comply therewith shall be a default under the lease.

(l) Developer reserves the right to maintain a sales office and signage as set forth above.

(m)

(i) Subject to the provisions of this Declaration, Declarant has an easement through the Property of the Association as may be reasonably necessary for the purpose of discharging Declarant's obligations or exercising special Declarant rights.

(ii) Subject to the provisions of this Declaration and the ability of the Association to regulate and convey or encumber its Property, Owners have an easement in said Property for purpose of access to the same for all other purposes.

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(n) All budgetary provisions set forth in this Declaration and in the Bylaws shall be subject to any conflicting mandatory provision of the Colorado Common Interest Ownership Act.

ARTICLE VIII - GENERAL PROVISIONS

8.1 Duration. Subject to the provisions of Section 8.3 of this Article, this Declaration shall remain in full force and effect, shall run with the land and shall be binding on all persons having any interest in any lot in the Subdivision for a period of twenty (20) years from the date this Declaration is recorded and thereafter shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then-owners of lots has been recorded agreement to change or terminate the Declaration in whole or in part.

8.2 Amendments. Except as set forth in Section 8.3 hereof, the Owners of seventy-five percent (75%) of the lots may at any time modify, amend, augment, or delete any of the provisions of this Declaration provided however that: (i) no amendment shall be effective with respect to any person not having actual knowledge thereof, until such time as notice of such amendment is filed for record in the Office of the Larimer County Clerk and Recorder; (ii) no amendments may be adopted which would be inconsistent with any condition or covenants imposed by Larimer County as a condition of approval of Vista View Estates, P.U.D. or any matter as set forth in the recorded Plat thereof; (iii) the Association may not be dissolved without the prior permission of the Board of County Commissioners of Larimer County; and (iv) until 75% of the lots have been sold, or until December 31, 2003, whichever first occurs, no amendment will be made which does not have the consent of Declarant; and (v) any of the following amendments to be effective must be approved in writing by the record holders of all encumbrances on the lots at the time of such amendments.

A. Any amendment which affects or purports to affect the validity or priority of any encumbrance; or

B. Any amendment which would necessitate a mortgagee after it has acquired a residential lot, to pay any portion of any unpaid assessment or assessments accruing prior to foreclosure, to the extent the amounts would exceed the priority of such assessments over that provided by the Colorado Common Interest Ownership Act, as amended from time to time.

8.3 Mortgage Protection Clause. Except as otherwise provided by the terms of the Colorado Common Interest Ownership Act, as amended from time to time, with respect to the priority of the lien for assessments, no breach of the covenants or restrictions herein

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contained, nor the enforcement of any lien provided for herein, shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but all of said covenants and restrictions together with any pre-existing liens for maintenance assessments shall be binding upon and effective against any Owner whose title is derived through foreclosure or through trustee sale or through deed given in lieu thereof.

8.4 Severability. Any provision of this Declaration invalidated in any manner whatsoever shall not be deemed to impair or affect in any manner the validity, enforcement or effect of the remainder of this Declaration and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

8.5 Disclaimer. No claim or cause of action shall accrue in favor of any person in the event of the invalidity of any covenant or provision of this Declaration or for the failure of the Architectural Review Board or Declarant to enforce any covenant or provision hereof. This Section 8.5 may be pleaded as a full bar to the maintenance of any such action brought in violation of the provisions of this Article.

8.6 Waiver. No provision contained in this Declaration shall be deemed to have abrogated or waived by reason of any failure to enforce same, regardless of the number of violations or breaches which may occur.

8.7 Enforcement. The provisions of these covenants may be enforced by any Owner or by the Board of Directors of the Association. In addition to lien foreclosure, enforcement may be by proceedings at law or in equity against any person or persons violating or attempting to violate any of these covenants either to restrain violation, or to recover damages, or both. All remedies provided are cumulative, and pursuit of one shall not bar pursuit of any other, independently, or jointly, and in any sequence.

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

8.9 Construction. The use of the masculine gender in this Declaration shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to refer to the plural, and vice versa, when the context so requires.

8.10 Notices. Notices required or permitted by this Declaration shall be made in writing. Notice to a member of the Association shall be sufficient if sent by United States mail,

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sufficient postage prepaid, to the latest address given by such member to the Secretary of the Association. In such event, notice shall be deemed effective three (3) days after such deposit into the United States mail. Notices may also be given by certified or registered mail, or by hand delivery. If hand delivered, notice shall be effective on the date that hand delivery is accomplished. If sent by registered or certified mail, notice shall be deemed effective three (3) days after the deposit into the United States mail, sufficient postage prepaid.

IN WITNESS WHEREOF, the undersigned, being Owners (or Mortgagees) of lots in Vista View Estates, F.U.D., have executed this Declaration the 8th day of May, 1995.

VISTA VIEW ESTATES, LIMITED LIABILITY COMPANY

By: [Signature]
Mark E. Moore POA

ATTEST:

[Signature]

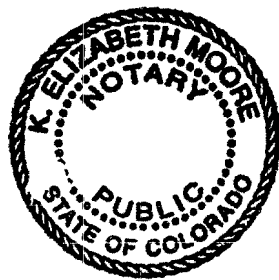
STATE OF COLORADO)
COUNTY OF Lincoln) SS:

Subscribed, sworn to and acknowledged before me this 8th day of May, 1995, by Mark E. Moore, POA Klaus Runkle

WITNESS my hand and official seal.

My Commission expires: November 17, 1997.

[Signature]
Notary Public



REDECEIVE 3/21/96

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EXHIBIT A

VISTA VIEW ESTATES, P.U.D.

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PEDESTRIAN, DRAINAGE, UTILITY, AND CONSTRUCTION EASEMENT

In consideration of the sum of \$10.00, this easement is hereby granted to Larimer County, Colorado by the Loveland Protestant Reformed Church of Loveland, Colorado, for Pedestrian, Drainage, Utility, and Construction easement purposes on property described as Lot 1 of the Replat of Tract "A" Horseshoe View Estates located in the Southeast Quarter of Section 25, Township 6 North, Range 69 West of the Sixth Principal Meridian, Larimer County, Colorado,. The permanent easement is described on Exhibit A, attached hereto and incorporated herein by reference. This easement shall be permanent in nature and shall be recorded in the Office of the Larimer County Clerk and Recorder, Larimer County, Colorado.

The Owners warrant that they are the Owner in fee simple of the easement premises and will defend the title thereto against all claims adverse to this easement.

Dated this 25th day of May, 1995

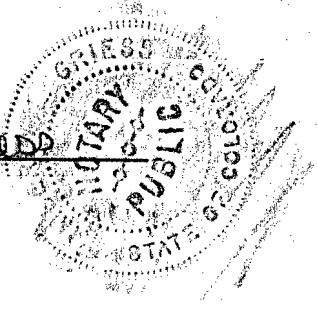
x Rev. Gise J. VanBaren

x David M. Postinga (Clerk)
Loveland Protestant Reformed Church

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing instrument was acknowledged before me in the County of Larimer, State of Colorado this 25th day of May, 1995 by Rev. Gise J. VanBaren and David M. Postinga
Witness my hand and official seal.

Kimberly L. Thiess
Notary Public



My Commission Expires: 1-17-99

Mail to: KLAUS I KUNTER
117 EAST 37th ST SUITE 352
LOVELAND CO 80538

EXHIBIT "A"
LOT 1 EASEMENT

32

A portion of Lot 1 of the Replat of Tract "A" Horseshoe View Estates located in the Southeast Quarter of Section 25, Township 6 North, Range 69 West of the Sixth Principal Meridian, Larimer County, Colorado, more particularly described as follows; Considering the South line of Lot 1, as bearing East according to the Final Plat of the Replat of Tract "A" Horseshoe View Estates as recorded in Book 2033 at Page 0465, Larimer County Records, with all bearings contained herein relative thereto; Commencing at the Southwest corner of said Lot 1; Thence North 00°27'00" West along the West line of said Lot 1 a distance of 5.00 feet to the Point of Beginning. Thence East along a line parallel with and 5.00 feet North of, measured at right angles to, the South line of said Lot 1 a distance of 50.00 feet to a point on the East line of said Lot 1; Thence North 00°27'00" West along the East line of said Lot 1 a distance of 10.00 feet; Thence West along a line parallel with and 15.00 feet North of, measured at right angles to, the South line of said Lot 1 a distance of 50.00 feet to a point on the West line of said Lot 1; Thence South 00°27'00" East along said West line a distance of 10.00 feet to the Point of Beginning; The above parcel of land contains 500 square feet more or less.

MAIL TO: KLAUS I KUNTER
117 E 37TH ST SUITE 352
LOVELAND CO 80538

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PEDESTRIAN, DRAINAGE, UTILITY, AND CONSTRUCTION EASEMENT

In consideration of the sum of \$10.00, this easement is hereby granted to Larimer County, Colorado by the Loveland Protestant Reformed Christian School of Loveland, Colorado, for Pedestrian, Drainage, Utility, and Construction easement purposes on property described as Lot 2 of the Replat of Tract "A" Horseshoe View Estates located in the Southeast Quarter of Section 25, Township 6 North, Range 69 West of the Sixth Principal Meridian, Larimer County, Colorado,. The permanent easement is described on Exhibit A, attached hereto and incorporated herein by reference. This easement shall be permanent in nature and shall be recorded in the Office of the Larimer County Clerk and Recorder, Larimer County, Colorado.

The Owners warrant that they are the Owner in fee simple of the easement premises and will defend the title thereto against all claims adverse to this easement.

Dated this 26th day of May, 1998.

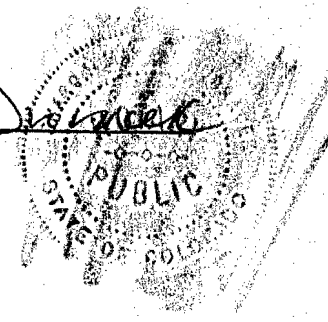
x Richard L Campbell

x William Bos
Loveland Protestant Reformed
Christian School

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing instrument was acknowledged before me in the County of Larimer, State of Colorado this 26th day of May, 1998 by Richard L Campbell and Bill Bos
Witness my hand and official seal.

Sharon Lane
Notary Public



My Commission Expires: 7-7-98

MAIL TO: KLAUS I KUNTER
117 E 37TH ST SUITE 352
LOVELAND CO 80538

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34

EXHIBIT "A"
LOT 2 EASEMENT

A portion of Lot 2 of the Replat of Tract "A" Horseshoe View Estates located in the Southeast Quarter of Section 25, Township 6 North, Range 69 West of the Sixth Principal Meridian, Larimer County, Colorado, more particularly described as follows; Considering the South line of Lot 2, as bearing East according to the Final Plat of the Replat of Tract "A" Horseshoe View Estates as recorded in Book 2033 at Page 0465, Larimer County Records, with all bearings contained herein relative thereto; Commencing at the Southwest corner of said Lot 2; Thence North 00°12'08" West along the West line of said Lot 2 a distance of 5.00 feet to the Point of Beginning. Thence East along a line parallel with and 5.00 feet North of, measured at right angles to, the South line of said Lot 2 a distance of 211.85 feet to a point on the East line of said Lot 2; Thence North 00°27'00" West along the East line of said Lot 2 a distance of 10.00 feet; Thence West along a line parallel with and 15.00 feet North of, measured at right angles to, the South lines of said Lot 2 a distance of 211.78 feet to a point on the West line of said Lot 2; Thence South 00°12'08" East along said West line a distance of 10.00 feet to the Point of Beginning; The above parcel of land contains 2,119 square feet more or less.

MHL TO: KENNIS I FUNTER
117 E 37TH ST SUITE 352
LOVELAND CO 80538