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Amended Declaration of Covenants, Conditions and Restrictions

Teller County, State of Colorado Rainbow Valley Subdivision Protective Covenants Units 1 Through 10 Inclusive

This amended declaration amends and supercedes all prior protective covenants for Rainbow Valley Subdivision, Units 1 through 10 inclusive, Teller County, Colorado, including those recorded in Reception No. 253530 and Reception No. 325439 and Reception No. 479773.

I. GENERAL PURPOSE: The Rainbow Valley Property Owners Association, Inc. hereinafter called the "Association", is a non-profit corporation, Address: 111 Sportsman's Lane, Divide, Colorado 80814, organized under the laws of the state of Colorado to represent the property owners in the Rainbow Valley Subdivision Units 1-10 inclusive, Teller County, Colorado, hereinafter called the "subdivision". All members of the Association shall comply with Association By Laws, including, without limitation, membership dues.

The Association and the lot Owners do hereby make, declare, impose, establish and publish the following limitation, restrictions and protective covenants bereafter called the "Covenants" for the purpose of controlling the use of all land in said subdivision. This provides, in so far as possible, for all improvements therein to be erected in a desirable, beneficial, inform, suitable, and harmonious manner: to limit and restrict the land use to strictly residential purposed; to promote the general welfare of persons living in the subdivision; all for the mutual benefit and protection of all property owners in said Subdivision.

II. LAND US PERMITTED: On any platted lot in the subdivision there may be constructed, subject to architectural control as herein after set forth, one new, single dwelling designed for occupancy by a single family and for private use only, a private garage, and such other enclosed and covered outbuildings a are incidental to single family, residential use on the premise. Any structure, shed, improvements, sanitation facilities, underground fuel and water storage, hedges, fences, plantings, non-commercial antenna and other appurtenances or accessories shall be subject to Architectural Control under these Covenants and Teller County Codes. All buildings, structures, and improvements must be of new construction, and used buildings or improvements shall not be moved into the Subdivision.

III. LAND USE PROHIBITED: The following restrictions are applicable to all land within the Subdivision:

A. BUILDING USE NOT PERMITTED: No basement, shack, tent, garage or like structure, double or single-wide mobile home, camping trailer, or fifth-wheel, motor home, or recreational vehicle shall be occupied or used as a residence temporarily or permanently, nor shall any temporary structure be occupied as a residence.

B. DAMAGED BUILDINGS: Any exterior damage to a building within the Subdivision shall be repaired or cleaned up within 90 days of notification sent by certified mail, return received requested by the Association.

C. RENTAL LEASES: The lot Owner has the right to lease his dwelling for private, residential living and sleeping purposed subject to the following conditions and shall post "Renters Guide" in the dwelling provided by the Association:

- 1. No owner shall lease less than the entire property as stated in Section II LAND US PERMITTED.
- 2. All leases shall provide in the terms of the lease that the renter shall abide by the terms of these Covenants.
- 3. The renter shall be provided a copy of the Renters Guide prepared by the Association and provided by the lot Owner in addition to a copy of these Covenants.
- 4. Renters may join the Association as Associate Members, that is they may participate in activities, etc., but renters shall not have voting rights.
- 5. The Association Board of Directors may require the lot Owner to produce a copy of the signed lease, and may require the lot Owner to enforce the conditions of the lease against the renter.
- 6. The lot Owner shall be responsible for the actions of his tenant.

D. GARRBAGE AND TRASH: No Lot shall be maintained as a dumping ground for trash, rubbish, garbage, or other debris. All refuse shall be kept in sanitary containers, out of public view except to facilitate service on the designated pickup day, and lot Owners shall secure their containers for animals and elements. No outside toilet facilities shall be permitted within the Subdivision with the exception of portable toilet units required during construction.

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E. SIGNS AND ADVERTISING: No signs, advertising, billboards, unsightly objects, or nuisances shall be erected, placed, or permitted within the Subdivision without written permission of the Committee.

- 1. This does not apply to any reasonable sign in connection with the sale of property within the Subdivision.
- 2. All signs shall be free standing and under no circumstances be affixed to trees.
- 3. Sign size shall no exceed 2' x 2' in dimension.
- 4. Signs shall be neat and attractive and blend with natural surroundings.

F. TREES: Living trees shall not be cut or removed within the Subdivision unless trees(s) present a hazard or fire danger. Lot Owners are encouraged to remove dead and/or diseased trees and brush from their Lots to avoid wildfires and infestation of beetles and disease. No clear cutting is allowed. Owners are encouraged to comply with the U.S. Forest Service Guidelines for Fire Safety and the Teller County Land Use Regulations, or comparable laws or regulations.

G. IMPROPER STORAGE: Visible storage of abandoned or junk vehicles, unused appliances, bathroom fixtures, water heaters, and similar items shall not be permitted within the Subdivision. An abandoned or junk vehicle shall be defined as any unregistered, inoperable licensed auto, truck, motorcycle, boat, camper, trailer, motor home, or other similar vehicle, which is not garaged and has not been moved for 30 days or longer. The intent of this covenant is to prevent any unsightly condition with the Subdivision.

H. NUISANCES: No noxious or offensive trade or activity shall be permitted within the Subdivision nor shall anything be done which may be or become an annoyance, hazard, or nuisance to the Subdivision. This includes but is not limited to:

- No Lot shall be maintained in an unsightly condition. No noxious, bazardous or offense activity shall be carried on upon any Lot or home site, nor anything done thereon tending to cause embarrassment, discomfort, annoyance or nuisance. This shall include barking dogs, County prohibited snowmobiles, offroad recreation vehicle or motorized recreation vehicle, and similar items or activities. No annoying lights, sounds, or odors shall emanate form any Lot or home site.
- 2. Lighting standards shall not exceed the lesser of 5 feet taller than the primary building height or 25 feet. Onsite lighting for parking and building arrears shall be downcast, shielded and not casting a direct light beyond the limits of the Lot as referenced in the Teller County Land Use Regulations.

I. HUNTING: No hunting, target practice, or discharge of firearms, to include bow and arrow, shall be permitted within the Subdivision with the exception of use for protection of self or property. Violation of this prohibition shall be considered as an endangerment to life and public safety.

J. ANIMALS: Pets and domestic animals shall be confined to owner's Lot or leashed if being exercised within roadways. A dog, cat, or other animal, which barks, howls, or makes other noises so as to disturb neighbor(s) to a degree which is a persistent threat or annoyance shall be prohibited and the Owner may be approached by the Association for remedy and may be reported to the County for Code Enforcement. Repeated offenses will not be tolerated, and the Committee may levy reasonable fines, after notices and opportunity to be heard, upon the Lot Owners and the animal's Owner. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any property except dongs or cats or other customary household pets which may be maintained on a non-commercial basis, but shall be so limited to 6 total pets in accordance with Teller County Code, and cared or so as to not cause a source of annoyance to other Lot Owners. Horses, Llamas or other hooved animals shall not be stabled, kept, or maintained at any time within Rainbow Valley on any Lot. Owners shall control their pets, and shall be responsible for their pet's damage or behavior.

K. CAMPING: No camping or open fires shall be permitted on any Lot within the Subdivision. Lots may be used for picnics subject to the Committee's Rules and Regulations.

L. OPEN FIRES: No fires are allowed outside of the dwelling structure in Rainbow Valley, this includes but not limited to open fires, bonfires, trash barrel fires, campfires, outdoor fire-places, grass fires, slash burning, and any similar fire activities, fire sites or fireworks. Infraction for initial violations and any subsequent violations will be fined \$1000.00. Gas and covered charcoal grills are allowed, but owners must first contact the Sheriff Office for burn ban information prior to use.

M. OIL DRILLING OR REFINING AND MINING: Oil drilling or refining and mining activities and structures are prohibited from any Lot. Nor shall any oil, natural gas, petroleum, asphalt or other hydrocarbon substances be produced from any well located upon, in or under any Lot. No storage tanks or other tanks for oil, natural gas, or water shall be permitted unless approved by the Board or except for propane tanks in good repair and appearance.

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N. COMMERICAL BUSINESS OPERATION: No trade or business or any profession, commercial activity or other activity conducted for gain shall be carried on or within any Lot, except:

A home office is defined by the Board, may be permitted so long as the operation of the activity is not apparent or detectable by sight, sound or smell, conforms to zoning codes, does not employ more than one person at a time who does not reside on the Lot, does not involve regular visitation of the Lot by clients, customers, suppliers, or other business invitees or door-todoor solicitation of the residents of the Properties, does not involve business activity which is inconsistent with the residential character of the Properties, does not constitute a nuisance, or hazardous or offensive use, or threaten ht security or safety of the other residents Properties, as may be determined at the sole discretion of the Board, and construction activities are permitted so long no trash, noise or nuisance are introduced.

IV. ARCHITECTURAL CONTROL: The members of the Association Board of Directors (the "Board") shall act as the Subdivision Architectural Control Committee, hereinafter called the "Committee" with the following guidelines and requirements provided:

A. COMPOSITION: The Board shall appoint a five member committee of Board members with a minimum of three signatures required for approval of any submitted architectural plans. Neither the members of the Committee nor a designated representative shall be entitled to compensation for services performed as a member of said Committee. The Committee shall serve under the Board Rules and Regulations and any person adversely affected by the Committee's decision may appeal to the Board pursuant to Rules and Regulations.

B. APPROVAL OF BUILDING PLANS: No single family dwelling or other structure or other improvement shall be erected or altered on any lot within the Subdivision unless the building plans have been approved by the Committee and the Teller County Building Department. Committee approval shall be based upon the plan's compliance with the minimum standards as established herein and the plan's conformity and harmony of external design with existing structures within the Subdivision and the Board's Rules and Regulation. No carports, lean-tos, shells, tent-like garages, or similar structures will be approved.

C. COMMITTEE APPROVAL: The Owner shall choose the time of construction subject to Committee's requirements. All building plans for new or altered construction shall be presented to the Committee not less than 45 days prior to start of construction. The Lot Owner shall submit two 8-1/2 x 11 sized copies of the architectural plans to the Committee; one to be retained by the Committed as signed off by members, and the signed off by members, and one signed copy returned to Owner. Exterior paint chips are also to be submitted by Lot Owner. The Committee shall approve or disapprove in writing such plans within 30 days of receipt. Plans may be mailed by certified mail, return receipt requested to

Rainbow Valley Architectural Control Committee 111 Sportsman's Lane Divide, CO 80814

Or any subsequent address set forth in the Board's Rules and Regulations.

D. FAILURE OF COMMITTEE TO ACT: If the Committee does not act within 30 days of receipt of submitted plans for construction, approval of such plans is considered granted, and the requirement of this covenant is satisfied.

E. INSPECTION OF CONSTRUCTION: The Committee reserves the right to inspect the progress of building construction of said buildings. If deviations from the approved plans are noted during the inspection, the Committee may require submission of amended plans for approval or may require the Owner to correct the unapproved changes to conform with the approved plans. The Committee may require a compliance deposit of the General Contractor prior to commencement of construction.

F. WATER AND WASTE: No individual water supply and waste disposal system shall be constructed, developed, or altered in the Subdivision unless the plans therefore have been approved by the Rainbow Valley Water District Board of Directors and the Teller County Department of Health. The only approved waste disposal system with the Subdivision shall be a septic tank with a dry well or leaching field.

To preserve the integrity of the water supply and the health and welfare of the Rainbow Valley Subdivision, the placing or dumping of any toxic or hazardous substances, including, without limitation, hazardous chemicals, medical wastes, cleaning materials, paint products and paint container, gasoline or oil, or any other substance classified as toxic or hazardous by any governmental entity is absolutely prohibited in the Rainbow Valley Subdivision, whether on the surface or sub-surface or in any body of water flowing through the Subdivision.

G. MINIMUM ARCHITECTURAL REQUIREMENTS:

1. No dwelling shall be constructed within the Subdivision with an area, exclusive of open porches, decks, and garage, less than 1200 square feet and with a potable water cistern no less than 1500 gallons with 3" fill pipe connected thereto located within 20 feet of an accessible, all-weather road to permit water truck delivery of

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potable water. All potable water delivered within the Subdivision by the Rainbow Valley Water District shall be used in a conservative manner. Owners are encouraged to use water saver devices for the most efficient use of water.

2. No building of any kind shall be located within 15' from sides of lot lines, 25' front from street, and 30' from rear (opposite of address) of Lot.

3. A culvert shall be installed by the Owner under any private driveway, to a lot where required to provide for proper drainage. Owner should consult with Teller County Building Department regarding these requirements.

4. Once construction has begun, the structure shall be completely enclosed within 270 days of start of construction.

5. Building exteriors shall be painted/stained or sided in natural or earth tone colors (i.e. natural wood, browns, earth reds, tans, or dark greens) that blend with the surrounding area. Owner shall submit paint chip samples to the Committee prior to application of exterior finish.

6. Once construction has begun, the Owner or construction company shall provide a portable toilet for workers at the site until sanitary facilities have been connected within the building under construction.

7. The Lot Owner and/or construction company will provide a dumpster for disposal of construction debris, trash, refuse, etc. during the construction of the building, and will remove all construction debris via the dumpster once the project is completed.

8. All structures are required to have 12" overhang on sides and roof as a minimum requirement.

9. Construction shall comply with the Board's rules.

10. Modular and manufactured homes will be of new construction and are defined as built in multiple sections; each on a chassis which enables it to be transported to its occupancy site; is constructed to the standards of the State of Colorado Factory Built Housing Construction Certification code; is installed on an engineered permanent foundation; has real brick, wood, and/or store exterior siding and skirting; a minimum 5/12 pitch roof with one foot overhang minimum; is certified pursuant to "National Manufactured Housing Construction and Safety Standards Act of 1974" as amended; and is built for the Colorado climate and snow loads according to Department of Housing and Urban Development standards established under the provisions of 42 USC 5401. These homes will also be constructed with all other stated minimum architectural requirements defined in these covenants.

11. No driveway or building excavation will be allowed until a Residential Access Permit and County Building Permit are obtained.

H. RULES AND REGULATIONS: The Board of Directors may adopt Rules and Regulations to implement, define, and set forth the architectural and other provisions of these Covenants. All Lot Owners, residents and users of the Subdivision shall comply with the Rules and Regulations. The Board's decisions under the Covenants and Rules and Regulations shall be final, conclusive, binding, and non-appealable unless made in bad faith and wanton and willful.

I. NONLIABILITY AND INDEMNITY: Each Officer, Director, Committee, and Volunteer of the Association, now or hereafter serving in any such capacity, shall be indemnified by the Association against any and all claims and liabilities to which he or she has or shall become subject by reason of serving or having served in any capacity or by reason of any action alleged to have been taken, omitted or neglected by him or her in any such capacity, to the fullest extent allowable by law and statue, including without limitation, Colorado Revised Nonprofit Corporation Act and C.R.S. 7-22-101.5. The right of indemnification herein provided shall not be exclusive of any rights to which any Director, Officer, Committee and Volunteer of the Association, may be otherwise entitled by law or statute, provided however, this indemnification shall no reduce or impair any insurance coverage. No Director, Officer, Committee member of Volunteer shall be personally liable the Association, its Members or any other person, except as otherwise provided by the Colorado Revised Nonprofit Corporation Act.

V. ENFORCEMENT OF COVENANTS: The Owners of record of lots within the Subdivision and the Association Board of Directors are hereby designated as the only legal entities to enforce the above duly recorded Amended Protective Covenants of Rainbow Valley Subdivision, units 1-10 inclusive, Teller County, State of Colorado. The restrictions and protective covenants set forth herein are accepted by every Owner, grantee, purchaser, renter and user of Lots within the Subdivision, and they agree to conform to the observe these covenants.



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A. VIOLATORS: Owners who are in violation of there covenants as determined by another owner of record or the Association Board of Directors shall be advised by registered letter from the aggrieved owner of record or the Association President as to the specific violation(s). Failure on the part of any persons to enforce any covenant immediately after the breach thereof becomes known shall not be deemed a waiver as to that breach or any similar breach in the future.

B. FAULURE TO REMEDY: If remedial action is not achieved in the above manner, the aggrieved owner of record or the Association Board of Directors shall have the right to sue for or obtain an injunction prohibitive or mandatory, or assess fines to prevent the breach or to enforce the observance of these Protective Covenants; which shall be in addition to other existing remedies which may be applicable. Nothing contained herein shall limit the right of any persons aggrieved by a breach of these covenants to recover damages therefore.

C. RENTAL PROPERTY: The property owner is responsible for the action of their renters.

VI. FINES AND RECOVERY OF EXPENSE: The Association's Board of Directors may levy reasonable fines upon any person or persons determined by the Board, in its reasonable discretion, who have violated the recorded Covenants, By Laws, and Rules and Regulations of the Association; such fines may be levied and collected, pursuant to the Colorado Common Interest Ownership Act and other law and statute, after the alleged violator is given notice and an opportunity to be heard before the Board. Fines will be assessed starting at \$50, and the Association reserves the right to use a collection agency after sending certified mail to the Owner with compliance date and statement of remedial action.

A. LIEN AND FORECLOSURE: Upon failure of such violator to pay costs of remedial work, the aggrieved owner of record or the Association Board of Directors shall prepare a written notice of lien setting forth the amount of unpaid indebtedness, the name of the owner – violator, and legal description of his real property interest. Such notice shall be signed by the aggrieved owner of President of the Association and recorded in the office of the Clerk and Recorder of Teller County Colorado. Such lien for the common expenses shall attach form the date of the injunction. Such lien may thereafter be enforced by the foreclosure of the owner's real property interest by the aggrieved owner – violator shall be required to pay the costs, expenses, and the attorncy fees of the aggrieved owner or the Association incurred in filing the fees of the aggrieved owner or Association shall be paid by the owner – violator. The lien shall be subordinate to the lien of any deed of trust or mortgage as provided by section above.

B. COLLECTION OF FINES:

1. Personal Liability: Any fine which is not paid when due shall be delinquent, and the Board may impose a late charge for each month any fine is delinquent, and may also collect the attorneys' fees, costs and expenses of any collection. Additionally, the Board may bring an action at law against any Owner personally obligated to pay any fine and, in the event of any lawsuit, the delinquent Owner shall pay all attorneys' fees, court costs and expenses of such lawsuit.

2. LIEN: Additionally, any such unpaid fine, together with all expenses of collection and attorney's fees, shall be a continuing lien upon the Lot against which such fine was made. The Board may enforce such lien by recarding with the Clerk of the County a statement of lien with respect to said Lot, setting forth such information as the Board may deem appropriate. Said lien shall run with the land and shall additionally secure all fines and expenses that become due after its Recording. Said lien may be foreclosed by the Board in the manner provided for foreclosures of mortgages under the laws and statutes of the State of Colorado. All rights and remedies of the Association are cumulative and foreclosure of the lien shall not prevent a lawsuit against the Owner personally liable therefore whether taken before, after or during such foreclosure. Said lien is in addition to any statutory lien allowed by the Association by law. Said lien shall be superior and prior to any homestead rights or similar exemption now or hereafter provided under state or federal law to the Owner, whose acceptance of the deed to a Lot shall constitute a waiver of such homestead or other rights.

C. PROTECTION OF LENDERS: The lien for any fine provided for herein shall be subordinate to the lien of the First Mortgage recorded before the delinquent fine was due. Sale or transfer of any Lot shall not affect the lien for said fine except that sale or transfer or any Lot pursuant to foreclosure of any such First Mortgage, or any proceeding in lieu thereof, including dead in lieu of foreclosure, shall extinguish the lien of any fine which became due prior to any acquisition of title to such Lot by the First Mortgage pursuant to any such sale or transfer, or foreclosure, of any proceeding in lieu thereof including, without limitation, any deed in lieu of foreclosure. No such sale, transfer, foreclosure, or any above-described proceeding in lieu thereof, shall relieve any Lot from liability for any fine becoming due after such acquisition of title, nor from the lien thereof, nor from the personal liability of the Owner of such Lot for fines due during the period of his

VII. DURATION OF COVENANTS: These Covenants shall run with the land and shall bind all persons owning or claiming any interest in the Rainbow Valley Subdivision for twenty (20) year periods from the date of the recording of this Amendment and shall be

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automatically extended for successive twenty (20) year period, provided however, these Covenants may be amended, in whole or in part at any time by a vote of at least two-thirds (s/3's) of the members of the Association, present in person or by proxy, at a meeting thereof duly held pursuant to the Association's Bylaws. Any amendment of these Covenants shall be recorded in the real property records of Teller County, and an officer of the Association shall execute and certify that the amendment has received the approval required by this paragraph. Invalidation of any provision of these Covenants by judgment or court order shall not affect the remaining provisions of these Covenants, which shall remain in full force and effect.

VIII. APPROVAL OF COVENANTS: These Covenants were amended by a two-thirds vote of the Association membership present or as a proxy on August 7. 2004. The undersigned officers of the Association execute and certify that this amended Covenants has received its approval required by Paragraph VII.

Rainbow Valley Property Owners Association, Inc. A Colorado Non-Profit by

Attest:

hera President, Julia Freeman Secretary, Dale Rothberg JULIA FREEMAN AND DALE ROTHBERG ARBEARED JULIA FREEMAN AND DALE ROTHBERG ARBEARED A BEFORE ME FEBRUARY 19, 2005

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111 Sportsman Lane Divide, C. 80814