

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
CARRIAGE HILLS**

ARTICLE 2

DEFINITIONS

Unless otherwise expressly provided herein, the following words and phrases when used in this Declaration shall have the meanings hereinafter specified.

2.1 Town.

"Town" shall mean Town of Frederick.

2.2 Declaration.

"Declaration" shall mean this instrument as it may be amended or supplemented from time to time

2.3 Declarant.

"Declarant" shall mean Eagle Development Company ("the Declarant"), its successors and assigns. A Person shall be deemed to be a "successor and assign" of the Declarant as Declarant only if specifically designated in a duly recorded instrument as a successor or assign of Declarant under this Declaration and shall be deemed a successor and assign of Declarant only as to the particular rights or interests of Declarant under this Declaration which are specifically designated in the written instrument. However, a successor to Declarant by consolidation or merger shall automatically be deemed a successor or assign of Declarant as Declarant under this Declaration.

2.4 Deed of Trust.

"Deed of Trust" shall mean a Mortgage.

2.5 Design Review Council.

"Design Review Council" shall mean the Council provided for in Article 4 of this Declaration.

2.6 District.

"District" shall mean and refer to Carriage Hills Metropolitan District a quasi-municipal corporation and political subdivision of the State of Colorado.

2.7 Improvement.

"Improvement" shall mean all structures and improvements located upon or made to a Lot and any appurtenances thereto of every type or kind, including, but not limited to, buildings, outbuildings, swimming pools, patio covers, awnings, painting of any exterior surfaces of any visible structure, additions, walkways, outdoor sculptures or artwork, sprinkler pipes, garages, carports, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, patios, porches, sheds, fixtures, landscaping, hedges, windbreaks, plantings, planted trees and

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
CARRIAGE HILLS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made as of this 29th day of December, 2016, by Eagle Development Company, ("Declarant").

ARTICLE 1

GENERAL

1.1 Property.

Declarant is the owner of that certain parcel of land located in the Town of Frederick ("Town"), County of Weld, State of Colorado, legally described as Carriage Hills Filing No. 2 Amendment A Replat 1, respectively which is defined in this Declaration as the "Property."

1.2 Purposes of Declaration.

This Declaration is executed (a) in furtherance of a common and general plan for the development of the Property, as hereinafter defined; (b) to protect and enhance the quality, value, aesthetic, desirability and attractiveness of the Property; and (c) to define certain duties, powers and rights of Owners of Lots within the Property.

1.3 Declaration.

Declarant, for itself, its successors and assigns, hereby declares that the Property, and all property which becomes subject to this Declaration in the manner hereinafter provided from the date the same becomes subject to this Declaration, shall be owned, held, transferred, conveyed, sold, leased, rented, hypothecated, encumbered, used, occupied, maintained, altered and improved subject to the covenants, conditions, restrictions, limitations, reservations, exceptions, equitable servitudes and other provisions set forth in this Declaration. The provisions of this Declaration are intended to and shall run with the land and, until their expiration in accordance with the terms hereof, shall bind, be a charge upon and inure to the mutual benefit of: (a) the Property and all property which becomes part of the Property; (b) Declarant and its successors and assigns; and (c) all Persons having or acquiring any right, title or interest in the Property or in any property which becomes part of the Property, or any Improvement thereon, and their heirs, personal representatives, successors or assigns.

shrubs, poles, signs, exterior tanks, tennis court, solar equipment, exterior air conditioning and water softener fixtures.

2.8 Improvement to Property.

"Improvement to Property" shall mean any change, alteration, or addition to any Lot or property located within the Property. "Improvement to Property" is more particularly defined in Section 4.2 of this Declaration.

2.9 Lease.

"Lease" shall mean and refer to any agreement for the leasing or rental of a Lot, or any dwelling unit located thereon and shall specifically include, without limitation, a month-to-month rental.

2.10 Lot.

"Lot" shall mean a physical portion of the Property which is designated for separate ownership or occupancy and the boundaries of which are depicted upon the Plat. The term Lot shall not include any property owned by a public body.

2.11 Mortgage.

"Mortgage" shall mean any mortgage or deed of trust or other such instrument given voluntarily by the Owner of a Lot, which encumbers such Lot to secure the performance of an obligation or the payment of a debt and which is required to be released upon performance of the obligation or payment of the debt. The term "Deed of Trust" when used herein shall be synonymous with the term "Mortgage".

2.12 Mortgagee.

"Mortgagee" shall mean a mortgagee under a Mortgage or a beneficiary under a Deed of Trust, as the case may be, and the assignees of such Mortgagee.

2.13 Mortgagor.

"Mortgagor" shall mean the Person who mortgages his or its property to another (i.e., the maker or grantor of a Mortgage). The term "Mortgagor" shall include a trustor or grantor under a Deed of Trust.

2.14 Notice of Completion.

"Notice of Completion" shall mean written notice to the Design Review Council of the completion of any Improvement to Property pursuant to Article 4 of this Declaration.

2.15 Owner.

"Owner" shall mean the Person or entity, including Declarant, or, if more than one, all Persons or entities collectively, who hold fee simple title to a Lot, including sellers under executory contracts of sale and excluding buyers thereunder. For purposes of terminating or amending this Declaration as set forth in Article 7 below, each Owner shall have the right to exercise one vote for each Lot owned by it.

2.16 Permitted Exceptions.

"Permitted Exceptions" shall mean all encumbrances, liens, restrictions, easements and other items of record which affect the Property.

2.17 Person.

"Person" shall mean a natural person, a corporation, a partnership, a limited liability company or any other entity permitted to hold title to real property pursuant to Colorado law.

2.18 Plat.

"Plat" shall mean and include the land survey plat which depicts all or a portion of the Property and which further depicts and locates thereon the location of Lots and such other matters as may be required by law. The Plat, and the terms and provisions thereof, are hereby incorporated herein by reference. The term "Plat" shall also include all amendments thereto.

2.19 Property.

"Property" shall mean the real property which is legally described in Section 1.1 hereto and all other real property which is made subject to the terms and provisions of this Declaration.

2.20 Record or Recorded.

"Record" or "Recorded" shall mean the filing for record of any document in the office of the Clerk and Recorder of the County.

2.21 Rules and Regulations.

"Rules and Regulations" shall mean rules and regulations concerning, without limitation, (i) the appointment of members to the Design Review Council, (ii) the use of the Property, (iii) certain use restrictions on the Lots, and/or (iv) other restrictions governing the conduct of Owners, as such rules and regulations are adopted by the governing board of the District, and as may be amended from time to time. The Rules and Regulations are binding upon all Owners.

2.22 VA.

"VA" shall mean the VA, FHA, HUD, GinnieMac, FreddieMac and shall include any rules and/or regulations promulgated by such governmental housing entities.

GENERAL RESTRICTIONS APPLICABLE TO THE PROPERTY

All real property within the Property shall be held, used, and enjoyed subject to the following limitations and restrictions and subject to the rights and reservations of Declarant set forth in this Declaration. The strict application of the following limitations and restrictions in any specific case may be modified or waived in whole or in part by the Design Review Council and/or the District, as applicable, if such strict application would be unreasonably or unduly harsh under the circumstances. Any such modification or waiver must be in writing or be contained in written guidelines or rules promulgated by the District.

3.1 Maintenance of Property.

No property within the Property shall be permitted to fall into disrepair and all property within the Property, including any Improvements, shall be kept and maintained in a clean, attractive, and sightly condition. Maintenance, repair, and upkeep of each Lot shall be the responsibility of the Owner of the Lot.

3.2 Property Uses.

All Lots shall be used for private residential purposes. No dwelling unit erected or maintained within the Property shall be used or occupied for any purpose other than for a single-family residence. Notwithstanding the foregoing, business activities associated with the sale of Lots or residences constructed thereon shall be allowed. In addition, in-home businesses not involving the servicing of customers or employees shall be allowed, provided such activities are conducted solely within the residence and do not create or result in any unreasonable, unwarranted, or unlawful use or interference with public rights, including, but not limited to, unreasonable or unwarranted use or interference with public streets, rights-of-way, or sidewalks, or in any other offensive or noxious activities.

3.3 Construction Type.

All construction shall be new. No modular, mobile, or prefabricated homes or dwelling units of any type may be placed or located within the Property. No building previously used at another location nor any building or structure originally constructed as a mobile dwelling or structure may be moved onto a Lot. Architectural standards may be established to the end that the Property may benefit from the natural advantages of its particular location. While the standards for architectural style are flexible, compatibility with the informal natural environment is required. Contemporary, ranch, and western styles are desirable. All buildings must be designed to fit the natural contours of the Lot without excessive grading.

3.4 Square Footage.

Unless otherwise approved in writing by the Design Review Council, no dwelling unit shall be erected on any Lot which, exclusive of basements below garden level, porches, patios, covered but unenclosed areas, garages, and any attached accessory buildings has a gross livable finished floor area less than 1,200 square feet for a single level or any ranch style dwelling unit and 1,500 square feet for multi-level dwellings. Notwithstanding the above minimum square footage

requirements, if, in the sole and absolute discretion of the Design Review Council, the size, construction cost, architectural design or other features of a proposed dwelling unit cause it to be compatible to existing dwelling units within the Property, the Design Review Council shall have the authority to waive the minimum square footage requirements set forth in this Section.

3.5 No Noxious or Offensive Activity.

No noxious or offensive activity shall be carried on upon any property within the Property, nor shall anything be done or placed thereon which is or may become a nuisance or cause an unreasonable embarrassment, disturbance, or annoyance to others. No offensive or hazardous activities may be carried on any Lot or in any dwelling unit. No annoying lights, sound or odors shall be permitted to emanate from any dwelling unit or Lot.

3.6 No Hazardous Activities.

No activity shall be conducted on, and no Improvement shall be constructed on, any Lot or any on property within the Property which is or might be unsafe or hazardous to any Person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any property within the Property and no open fires shall be lighted or permitted on any property within the Property except in a contained barbecue unit while attended and in use for cooking purposes or within an interior or exterior fireplace designed to prevent the dispersal of burning embers.

3.7 Building Materials.

No building materials shall be stored on any Lot except temporarily during continuous construction or alteration of Improvements thereon, unless otherwise approved by the Design Review Council.

3.8 No Unsightliness.

All unsightly conditions, structures, facilities, equipment, objects, and conditions shall be enclosed within a structure, including snow removal equipment and garden or maintenance equipment, except when in actual use.

3.9 Weeds and Diseased Trees.

All yards and open spaces and the entire area of every Lot (except approved landscape areas) shall be kept mowed to a maximum height of 6 inches. In addition, each Lot shall be kept free from brush or other growth or trash which, in the reasonable opinion of the District, is unsightly or causes undue danger of fire. All yards and open spaces and the entire area of every Lot on which no building has been constructed, shall be kept free from plant or weeds infected with noxious insects or plant diseases and from weeds which, in the opinion of the District, are likely to cause the spread of infection or weeds to neighboring property. Trees infected with mistletoe, pine beetle or other diseases shall be removed by the Owner.

3.10 Restrictions on Garbage and Trash.

No refuse, garbage, trash, lumber, grass, shrub, tree clippings, plant waste, compost, metal, bulk materials, scrap, refuse or debris of any kind shall be kept, stored, or allowed to accumulate on any Lot except within an enclosed structure or appropriately screened from view, except that any container containing such materials may be placed outside at such times as may be necessary to permit garbage or trash pick-up. Burning of trash is prohibited.

3.11 Animals.

No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that domesticated birds or fish and other small domestic animals, as may be further defined in the Rules and Regulations, will be allowed. No other animals, except an aggregate of not more than three domesticated animals (e.g., two cats and one dog), will be permitted within a Lot; provided that they are not kept, bred, or maintained for any commercial purpose. No animal of any kind shall be permitted which in the opinion of the District makes an unreasonable amount of noise or odor or is a nuisance. All household pets shall be controlled by their owner and shall not be allowed off the pet owner's Lot except when properly leashed or under the verbal control of the pet owner or such pet owner's representative. Each owner of a household pet shall be financially responsible and liable for any damage caused by said household pet.

3.12 No Temporary Structures.

No tent (except for occasional recreational use), tree house, barn, shack, trailer, temporary structure, or temporary building shall be placed upon any Lot except with the prior written consent of the Design Review Council.

3.13 Restriction on Antennae, Poles, Utility Lines and Transmitters.

Except for utility meters, pipes for water, gas, sewer, drainage or other purposes, all wires, poles, aerials, antennae, satellite dishes and other facilities for the transmission or reception of audio or visual signals or electricity or other utility facilities shall be kept and maintained, to the extent reasonably possible, underground or within an enclosed structure. No exterior radio antenna, television antenna, or other antenna of any type shall be erected or maintained within the Property except as set forth below or otherwise as may be approved by the Design Review Council. No exterior radio antennae, television antenna, or satellite dish shall exceed one (1) meter in diameter and shall not be installed on any mast taller than twelve (12) feet in height.

3.14 Restrictions on Signs and Advertising.

No sign, poster, billboard, advertising device, or display of any kind shall be erected or maintained anywhere within the Property so as to be evident to public view, except: (a) political signs of a reasonable number displayed not more than 45 days before and not later than seven days after the relevant election, (b) signs as may be approved in writing by the Design Review Council; (c) signs, posters, billboards or any other type of advertising device or display erected by Declarant incidental to the development, construction, promotion, marketing or sales of Lots within the Property; and (d) one sign on each Lot where a home is under construction which sign advertises the builder; provided however, that the sign complies with the standards relating to dimensions, color, style, and location as determined from time to time by the Design Review Council. A sign advertising a Lot for sale or for lease may be placed on a Lot; provided, however,

that standards relating to dimensions, color, style, and location of such sign shall be determined from time to time by the District.

3.15 Restrictions on Mining or Drilling.

No property within the Property shall be used for the purpose of mining, quarrying, drilling, boring or exploring for or removing oil, gas, or other hydrocarbons, minerals, rocks, stones, gravel or earth unless approved by the Town and the District.

3.16 Maintenance of Drainage.

There shall be no interference with the established drainage pattern over any property within the Property. The "established drainage pattern" shall mean the drainage pattern which exists at the time the overall grading of any property is completed. The established drainage pattern may include the drainage pattern: (a) from any property owned by the Town or other Persons over any Lot; (b) from any Lot over property owned by the Town or other Persons; (c) from any property owned by the District over any Lot; (d) from any Lot over any property owned by the District; or (e) from any Lot over another Lot.

3.17 Compliance with Laws.

Nothing shall be done or kept on any Lot in violation of any law, ordinance, rule or regulation of any governmental authority having jurisdiction over the Property.

3.18 Further Subdivision of Lots.

The Owner of a Lot shall not further subdivide that Lot.

3.19 Restrictions on Sewage Disposal Systems.

No cesspool, septic tank or other sewage disposal system shall be installed within any Lot.

3.20 Restrictions on Water Systems.

No individual water supply system shall be installed or maintained for any Lot. All water and water rights are or will be owned by the Town.

3.21. Restoration in the Event of Damage or Destruction.

In the event of the damage or destruction of any Improvement on any Lot, the Owner thereof shall cause the damaged or destroyed Improvement to be restored or replaced to its original condition or such other condition as may be approved in writing by the Design Review Council, or the Owner shall cause the damaged or destroyed Improvement to be demolished and the Lot to be suitably landscaped, subject to the approval of the Design Review Council, so as to present a pleasing and attractive appearance. Such rebuilding or restoration must be commenced within three months after the damage or destruction occurs and thereafter diligently pursued to completion within a reasonable time not to exceed one year after the date the damage occurred

or such longer period of time as may be approved by the Design Review Council due to unusual circumstances.

3.22 Vehicle Repairs.

No maintenance, servicing, repair, dismantling or painting of any type of vehicle, boat, machine or device may be carried on except within a completely enclosed structure which screens the sight and sound of such activity from the street and from other Lots.

3.23 Storage of Gasoline and Explosives. Etc.

No Lot shall be used for the storage of explosives, gasoline or other volatile and/or incendiary materials or devices except for gasoline or fuel for an Owner's lawn mower, snowblower and the like, not to exceed five (5) gallons, and propane in tanks not exceeding ten (10) pounds may be maintained on an incidental basis on the Lot.

3.24 Prohibited Vehicles.

No boat, camper (on or off supporting vehicles), camper shell, trailer, tractor, truck, industrial or commercial vehicle (both cabs or trailers), towed trailer unit, motorcycle, disabled, junk, or abandoned vehicles, motor home, mobile home, recreational vehicle, or any other vehicle, the primary purpose of which is recreational, sporting or commercial use, shall be parked or stored in, on, or about any Lot within the Property or on any street adjacent to any Lot except within the garage or unless such vehicles are concealed or screened from view as approved by the Design Review Council. For the purposes of this covenant, a one (1) ton or smaller vehicle commonly known as a pickup truck shall not be deemed a commercial vehicle or truck, provided that any attached camper shell not exceed in height more than ten (10) inches above the cab portion of the vehicle. Prohibited vehicles shall not be allowed in any driveway or other exposed parking areas, or on any street, except for the purposes of loading, unloading, short term stops (e.g. between errands), making deliveries, washing and waxing vehicles, or emergency repairs ("Transitory Use"), provided that no Transitory Use shall extend over more than twenty-four hours during any seven (7) consecutive days.

3.25 Fencing Regulated and Controlled

No fences or walls shall be constructed on any Lot without the prior approval of the Design Review Council. All fencing must be in conformity with the standards and design specifications adopted from time to time by the District. Fencing of front yards is prohibited within the setback areas as defined by Town rules and regulations, or as shown on the recorded Plat; provided, however, that builders are allowed fencing within the setback areas in connection with the use of model homes. Chain link fencing of any type is prohibited except as approved by the Design Review Council for use as "dog runs" not exceeding 200 square feet. Fencing may be approved by the Design Review Council that is consistent with other approved fencing and is compatible with the overall development. In this regard, any fencing standards contained the Design Standards (as defined herein) that may be adopted by the District may control the height, size, color, location, and material composition of all fences and walls.

3.26 Air Conditioning and Heating Equipment.

No heating, air conditioning or refrigeration equipment shall be placed, allowed or maintained anywhere other than on the ground; provided, however, that solar units meeting all governmental guidelines for residential uses may be located on the roof if such solar unit is built into and made an integral part of the roof flashing or the structure of any house constructed on such Lot.

3.27 Owner's Right to Lease Lot.

All Owners shall have the right to lease such Owner's Lot provided that: (a) all Leases shall be in writing; (b) all Leases shall be for a Lot with a completed residence thereon; (c) all Leases shall provide that the terms of the Lease and the lessee's occupancy of the Lot shall be subject to this Declaration and that any failure by the lessee to comply with any of the aforesaid documents in any respect shall be a default under such Lease; (d) all Leases shall provide that the terms of the Lease and the lessee's occupancy of the Lot shall be subject to the ordinances, regulations and fees of the District and that any failure by the lessee to comply with any of the aforesaid obligations in any respect shall be a default under such Lease; and (e) such Owner shall notify the District immediately upon the leasing of such Lot and register with the District both the name(s) of the tenant(s) and new mailing information for notices to be sent directly to such Owner.

3.28 Permitted Exceptions.

By acceptance of a deed for a Lot within the Property, all Owners of Lots within the Property acknowledge that all or portions of the Property may be subject to, or benefited by, the Permitted Exceptions, including, but not limited to, all easement and licenses described therein.

3.29 Garage and Driveway.

The dwelling unit on each Lot shall include at least a two (2) car or larger fully enclosed garage or such equivalent garage arrangements as may be approved by the Design Review Council. All driveways must be constructed of concrete or similar material. Dirt, gravel, and asphalt will not be permitted. Driveways may not comprise more than sixty five (65%) percent of the front portion of any Lot.

3.30 Garage Doors.

In order to further enhance the attractiveness of the Property and to discourage theft and vandalism, garage doors shall be kept closed except when the garage is being actively used but may be left open not more than 12" for ventilation purposes.

3.31 Building Height Limitation.

No building or other structure shall exceed thirty-five feet in height (or the maximum height permitted by the Town Land Development Code) from the lowest elevation of the natural grade along the perimeter of the structure to the mid-point of the highest gable of a pitched or hip roof or to the top of the coping on the flat roof without the prior permission of the Design Review Council.

3.32 Outdoor Lines.

All outdoor clothes poles, clothes lines and other facilities for drying or airing of clothing or household goods shall be placed or screened by fence or shrubbery so as not to be visible from neighboring property or adjacent streets.

3.33 Parking.

Except as expressly heretofore provided, no part of the public street adjoining the Properties, no part of any Lot, and no part of other public areas, unless specifically designated by the District, shall be used for the parking, storage or display of any vehicles including private passenger vehicles and pickup trucks; however, parking on driveways is permitted subject to the provisions of Section 3.24 and the parking of one (1) guest car and one (1) resident's car may be parked on the street abutting the Owner's Lot.

3.34 Sports and Recreational Equipment.

Sports equipment, recreational equipment, play structures, and amusement structures shall not be permanently attached to the front portion of any Lot except that a basketball hoop may be permanently attached to the dwelling unit or placed on a permanent pole with Design Review Council approval.

3.35 Landscaping.

All landscaping plans must be submitted to the Design Review Council for approval and are subject to the procedures described in Article 4. Landscaping shall be completed within the time frame outlined in the Design Standards, or within any extension of that period granted by the Design Review Council. All yards and open space on the Lot shall be landscaped and thereafter maintained. All irrigated landscaping must be in compliance with the Design Standards and/or Rules and Regulations and all landscaping must consist of a minimum number of front yard trees as required by the approved Carriage Hills Overall Development/Landscape Plan; provided, however these requirements may be modified with the approval of the Design Review Council, as long as the modifications are in compliance with the Carriage Hills Overall Development/Landscape Plan. Landscaping may include partial areas of natural vegetation and preservation of native grasses, trees, and shrubs. The District may, from time to time, promulgate landscaping standards and guidelines taking into account the size of Lot and location of other Improvements.

3.36 Views.

Neither the Declarant, the Design Review Council, the District, the developer or any contractor guaranties or represents that the Lots or any portion of the Property or any public facilities will be preserved without impairment of the views and there shall be no obligation to prune or thin trees or other landscaping. Trees and other landscaping may be added to any portion of the Property or its public areas and the location, configuration, size and elevations of trees may be changed at any time whether the same diminishes or obstructs any view. Any express or implied easements for view purposes for the passage of light or air are hereby expressly disclaimed.

3.37 Control During Construction. During the period of construction of a dwelling unit or other Improvements on a Lot, the Owner of the Lot or his contractor shall comply with all construction rules and regulations which the Design Review Council may establish from time to time. In addition, the Owner of the Lot and his contractor shall control dirt and dust, keep surrounding streets reasonably clean and keep construction debris confined to a trash receptacle. Trash shall be removed from the Lot on a regular basis. All construction debris which is blown by the wind shall be collected and placed in the trash receptacle. Construction debris may not be dumped or left on any Lot or the Property. Contractors, subcontractors, and construction personnel shall not enter upon any other Lot or any of the Property Area without the permission of the Owner of such property. The storage or placing of construction materials on any street is prohibited at all times and no construction equipment, construction trailers or construction vehicles shall be left overnight on any street.

ARTICLE 4

ARCHITECTURAL APPROVAL

4.1 Approval of Improvements Required.

The approval of the Design Review Council shall be required for any Improvement to Property on any Lot except: (a) for any Improvement to Property made by Declarant; or (b) where prior approval of Improvements to Property may be waived or certain Improvements to Property may be exempted in writing or under written guidelines or rules promulgated by the District.

4.2 Improvement to Property Defined.

"Improvement to Property" requiring approval of the Design Review Council shall mean and include, without limitation: (a) the construction, installation, erection or expansion of any building, structure or other Improvement, including landscaping, utility facilities and fences; (b) the removal, demolition or destruction, by voluntary action, of any building, structure, landscaping, trees or other Improvement, (except that approval is not required for the replacement of landscaping); (c) the grading, excavation, filling, or similar disturbance to the surface of the land including, without limitation, change of grade, change of ground level, change of drainage pattern, or change of stream bed; and (d) any change or alteration of any previously approved Improvement to Property including any change of exterior appearance, color, or texture.

4.3 Membership of Council.

The Design Review Council shall consist of three (3) or more members. The Declarant shall have the authority to appoint the members of the Design Review Council until such time as the Declarant no longer owns any of the Lots subject to this Declaration. Thereafter, the governing board of the District shall have the authority to appoint the members of the Design Review Council. The power to "appoint" the Design Review Council, as provided herein, shall include without limitation the power to: constitute the initial membership of the Design Review Council; appoint member(s) to the Design Review Council on the occurrence of a vacancy therein, for whatever reason; and remove any member of the Design Review Council, with or without cause, at any time, and appoint the successor thereof. Each such appointment may be made for such

term(s) of office, subject to the aforesaid power of removal, as may be set from time to time in the discretion of the entity which then as the power to appoint the Design Review Council.

4.4 Address of Design Review Council.

The address of the Design Review Council shall be as designated by the District from time to time.

4.5 Submission of Plans.

Prior to commencement of work to accomplish any proposed Improvement to a Lot, the Person proposing to make such Improvement to Property ("Applicant") shall submit to the Design Review Council at its offices the applicable fees together with such descriptions, surveys, plot plans, drainage plans, elevation drawings, construction plans, specifications and samples of materials and colors as the Design Review Council shall request showing the nature, kind, shape, height, width, color, materials and location of the proposed Improvement to Property. The Applicant shall be entitled to receive a receipt for the same from the Design Review Council or its authorized agent. The Design Review Council may require submission of additional plans, specifications or other information prior to approving or disapproving the proposed Improvement to Property. Until receipt by the Design Review Council of all required materials in connection with the proposed Improvement to Property, the Design Review Council may postpone review of any materials submitted for approval.

4.6 Criteria for Approval.

The Design Review Council shall approve any proposed Improvement to Property only if it deems in its reasonable discretion that: (a) the Improvement to Property in the location indicated will not be detrimental to the appearance of the surrounding areas of the Property as a whole; (b) the appearance of the proposed Improvement to Property will be in harmony with the surrounding areas of the Property; (c) the Improvement to Property will not detract from the beauty, wholesomeness and attractiveness of the Property or the enjoyment thereof by Owners; (d) the upkeep and maintenance of the proposed Improvement to Property will not become a burden on the any other party other than Owner; and (e) the proposed Improvement to Property does not affect the drainage plan for the Property or any portion thereof. The Design Review Council may condition its approval of any proposed Improvement to Property upon the making of such changes therein as the Design Review Council may deem appropriate. Diversity will be achieved through varying home types, elevations, setbacks, exterior materials, and other features as further set forth in the Plat and Section 4.7.

4.7 Design Standards.

The District may issue standards or rules ("Design Standards") relating to the procedures, materials to be submitted, fees and additional factors which will be taken into consideration in connection with the approval of any proposed Improvement to Property. Design standards and diversity may

regulate, among other things, the location and orientation of a dwelling unit on a lot, site coverage, setbacks, building height, materials and colors, roof lines, elevations, exterior lighting, entrances, sidewalks and driveways, fencing, placement and screening of satellite dishes, patios, swimming pools, tennis courts, basketball backboards and other play equipment, plant materials, vegetation and the removal of the same, and irrigation systems. The Design Standards may specify circumstances under which the strict application of limitations or restrictions under this Declaration will be waived or deemed waived in whole or in part because strict application of such limitations or restrictions would be unreasonable or unduly harsh under the circumstances. The Design Standards may waive the requirement for approval of certain Improvements to Property or exempt certain Improvements to Property from the requirement for approval, if such approval is not reasonably required to carry out the purposes of this Declaration. Different areas and types of dwelling units, residences or improvements may have different design standards.

4.8 Design Review Fee.

The Design Standards and/or the Rules and Regulations may provide for the payment of a fee to accompany each request for approval of any proposed Improvement to a Lot. The amount of such fee shall be uniform for similar types of proposed Improvements to Lots or that the fee shall be determined in any other reasonable manner including the estimated cost of the proposed Improvement to a Lot. Additionally, the Design Standards and/or the Rules and Regulations may require that the applicants reimburse the Design Review Council for the actual expenses incurred by the Design Review Council in the review and approval process. Any such fee shall be collectible by the District in the same manner as other fees authorized to be charged and collected by the District pursuant to Colorado law.

4.9 Decision of Council.

Any decision of the Design Review Council shall be made within the timeframe stated in the Design Standards of all materials required by the Design Review Council, unless such time period is extended by mutual agreement. The decision shall be in writing and if the decision is not to approve a proposed Improvement to Property, the reasons therefore shall be stated. The decision of the Design Review Council shall be promptly transmitted to the Applicant at the address furnished by the Applicant to the Design Review Council.

4.10 Failure of Council to Act on Plans.

Any request for approval of a proposed Improvement to Property shall be deemed approved unless disapproval or a request for additional information or materials is transmitted to the Applicant by the Design Review Council within thirty (30) days after the date of receipt by the Design Review Council of all required materials.

4.11 Prosecution of Work After Approval.

After approval of any proposed Improvement to Property, the proposed Improvement to Property shall be accomplished as promptly and diligently as possible and in complete conformity with: (a) the description of the proposed Improvement to Property; (b) any materials submitted to the Design Review Council in connection with the proposed Improvement to Property; and (c) any conditions

imposed by the Design Review Council. If construction is not completed within eighteen (18) months after the date of approval or such shorter period as specified in writing by the Design Review Council, or if construction is not completed in accordance with the description and materials furnished to, and the conditions imposed by, the Design Review Council, or if construction shall cease for a period of 45 days without the consent of the Design Review Council, this shall constitute noncompliance with the requirements for approval of Improvements to Property. If construction ceases for a period of 45 days, the District may give the owner written notice of such fact, and if construction does not resume within thirty days, the unfinished Improvements shall be deemed a nuisance and shall be removed forthwith by and at the cost of the Owner.

4.12 Notice of Completion.

Upon completion of the Improvement to Property, the Applicant may give written Notice of Completion to the Design Review Council. Until the date of receipt of such Notice of Completion, the Design Review Council shall not be deemed to have notice of completion of such Improvement to Property.

4.13 Inspection of Work.

The Design Review Council, the District, and their duly authorized representatives shall have the right to inspect any Improvement to Property prior to or after completion.

4.14 Notice of Noncompliance.

If, as a result of inspections or otherwise, the Design Review Council finds that any Improvement to Property has been done in violation of the Design Standards or this Declaration or was not done in substantial conformity with the description and materials furnished to, and any conditions imposed by, the Design Review Council, the District shall notify the Applicant in writing of the noncompliance. 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.

4.15 No Implied Waiver or Estoppel.

No action or failure to act by the Design Review Council or the District shall constitute a waiver or estoppel with respect to future action by the Design Review Council or the District with respect to any Improvement to Property. The approval of the Design Review Council of any Improvement to Property shall not be deemed a waiver of any right to withhold approval for any similar Improvement to Property or any similar proposals, plans, specifications or other materials submitted with respect to any other Improvement to Property.

4.16 Council Power to Grant Variances.

The Design Review Council may authorize variances from compliance with any of the provisions of this 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 consideration may require such variances. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Design Review Council. If any such variance is granted, no violation of the provisions of

this 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 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 or requirements imposed by any governmental authority having jurisdiction.

4.17 Meetings of Council.

The Design Review Council shall meet from time to time as necessary to perform its duties hereunder. The Design Review Council may from time to time, by resolution in writing adopted by a majority of the members, designate a Council 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 Design Review Council, except the granting of approval to any Improvement to Property and granting of variances. The action of such Council Representative within the authority of such Council Representative or the written consent or the vote of a majority of the members of the Design Review Council shall constitute the action of the Design Review Council.

4.18 Estoppel Certificates.

The Design Review Council shall, upon the reasonable request of any interested Person and after confirming any necessary facts with the Design Review Council, 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 therein.

4.19 Nonliability of Council Action.

There shall be no liability imposed on the Design Review Council, any member of the Design Review Council, the District, or the Declarant for any loss, damage, cost, expense or injury arising out of or in any way connected with the performance of the duties of the Design Review Council unless due to the willful misconduct of the party to be held liable. In reviewing any matter, the Design Review Council shall not be responsible for reviewing, nor shall its approval of an Improvement to Property be deemed approval of the Improvement to Property from the standpoint of safety, whether structural or otherwise, or such Improvement to Property's conformance with building codes or other governmental laws or regulations. The Design Review Council will not make any investigation into title, ownership, easements, rights-of-way, or other rights appurtenant to property with respect to architectural requests and shall not be liable for any disputes relating to the same.

4.20 Construction Period Exception.

During the course of actual construction of any permitted structure or Improvement to Property nothing shall be done which will result in a violation of any of the provisions of this Declaration upon completion of construction and nothing will be done which will constitute a nuisance or unreasonable interference with the use and enjoyment of other property within the Property.

ARTICLE 5

DEVELOPMENT AND THE DISTRICTS

5.1 Owner's Understanding.

The property is subject to an overall Development Plan that has been approved by Town Council. The Development Plan is a general proposal for the future development and is not meant to be exact and may be subject to modification. Ownership hereunder implies a knowledge and acceptance of the existing Development Plan and an acquiescence in its future modification so long as said modification does not substantially increase the overall density of the original Development Plan or does not materially affect the Owners use of its Lot.

5.2 District Agreements.

All Owners recognize and understand that the Property may be controlled or affected by agreements between the District and others, and that the design, construction, management and operation of the District's infrastructure is performed by Carriage Hills Metropolitan District and that the District may issue long term debt for the purpose of paying for said infrastructure.

5.3 Special District.

The Owners further recognize and understand that the Property is within the boundaries of the District which supplies various municipal and recreational services to the property and that the Owners' Lots are subject to the ordinances, regulations, and various taxes, fees and charges now in force or which might be adopted by the District.

ARTICLE 6

DECLARANT'S RIGHTS AND RESERVATIONS

6.1 Period of Declarant's Rights and Reservations.

Declarant shall have, retain and reserve certain rights as hereinafter set forth in this Article 6 until such time as the Declarant no longer owns any Lots within the Property. The rights and reservations hereinafter set forth shall be deemed excepted and reserved in each deed or other instrument by which any property within the Property is conveyed by Declarant. The rights, reservations and easements hereinafter set forth shall be prior and superior to any other provisions of this Declaration and may not, without Declarant's prior written consent, be modified, amended, rescinded or affected by any amendment of this Declaration. Declarant's consent to any one such amendment shall not be construed as consent to any other subsequent amendment. Declarant makes no assurances that Declarant will exercise the rights reserved by Declarant herein with respect to all or any portion of the Property and Declarant reserves the right to exercise such rights with respect to the Property in such time frames and in such a manner as Declarant deems fit in its sole and absolute discretion.

6.2 Declarant's Rights to Complete Development of Property.

No provision of this Declaration shall be construed to prevent or limit Declarant's rights to (a) complete the development of property within the boundaries of the Property or within the boundaries of Carriage Hills; (b) construct or alter Improvements on any property owned by Declarant within the Property, including temporary buildings; (c) maintain model homes, temporary buildings or offices for construction or sales purposes, or similar facilities on any property owned by Declarant or builders within the Property; or (d) post signs incidental to the development, construction, promotion, marketing or sales of property within the Property. Nothing contained in this Declaration shall limit the right of Declarant or require Declarant to obtain approvals to: (a) excavate, cut, fill or grade any property owned by Declarant or to construct, alter, demolish or replace any Improvements on any property owned by Declarant; (b) use any structure on any property owned by Declarant as a construction, model home or real estate sales office in connection with the sale of any property within the boundaries of the Property; or (c) to require Declarant to seek or obtain the approval of the Design Review Council for any such activity or Improvement to Property on any property owned by Declarant. Nothing in this Declaration shall limit or impair the reserved rights of Declarant as elsewhere provided in this Declaration.

6.3 Declarant's Rights to Grant and Create Easements.

Declarant shall have and hereby reserves the right to grant or create temporary or permanent easements for access, utilities, drainage, and water in, on, under, over and across Lots owned by Declarant for any purpose incident to the development and sale of Lots within the Property.

6.4 Expansion of Permitted Property Uses.

Notwithstanding anything to the contrary contained herein, Declarant reserves the right to expand the permitted uses for Lots as provided in Article 3 hereof provided that such uses: (a) are consistent with Declarant's overall development plan for the Property; and (b) are in accordance with Town rules, regulations, requirements and approvals.

ARTICLE 7

MISCELLANEOUS

7.1 Term of Declaration.

Unless amended as herein provided, each provision contained in this Declaration shall continue and remain in full force and effect until December 31, 2050, and thereafter shall be automatically extended for successive periods of ten (10) years each unless terminated by the vote, by written ballot, of Owners holding at least sixty-seven percent (67%) of the voting power of Owners of Lots entitled to vote. Any such termination shall be effective upon the recordation of a certificate, executed by the District certifying that the termination has been approved by the requisite Owners.

7.2 Amendment of Declaration by Declarant.

Until such time as Declarant has conveyed any portion of the Property to a third party, any of the provisions, covenants, conditions, restrictions and equitable servitudes contained in this Declaration may be amended or terminated by Declarant by the recordation of a written instrument,

executed by Declarant, setting forth such amendment or termination. Declarant reserves the right to unilaterally amend this Declaration in all circumstances permitted by law and which do not conflict with VA guidelines. Notwithstanding anything contained within this Declaration, and to the extent permitted by law, if Declarant determines that any amendments to this Declaration shall be necessary in order for existing or future Mortgages or other security instruments to be acceptable to the VA then Declarant shall have and hereby specifically reserves the right and power to make, execute and record any such amendments without obtaining approval of the Owners or Mortgagees (or any percentage thereof). Notwithstanding anything contained within this Declaration, during the period set forth in Section 6.1, amendments of documents previously approved by the VA, must be subsequently approved by the VA.

7.3 Amendment of Declaration by Owners.

Except as otherwise provided in this Declaration, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration may be amended or repealed and any action may be taken at any time and from time to time upon approval of the amendment by Owners holding at least sixty-seven percent (67%) of the voting power of the Owners entitled to vote, provided that the Declarant so consents which consent must be obtained so long as the Declarant owns any Lots within the Property. The amendment shall be effective upon the recordation of a certificate executed by the District setting forth the amendment in full and certifying that the amendment or repeal has been approved by the Owners. No action to challenge the validity of any amendment to this Declaration may be brought more than one year after the recording of such amendment.

7.4 Notices.

Any notice permitted or required to be given under this Declaration shall be in writing and may be given either personally or by mail, telephone telecopier or telegraph. If served by mail, each notice shall be sent postage prepaid, addressed to any Person at the address given by such Person to the Declarant, the Design Review Council, and/or District, as applicable, for the purpose of service of such notice, or to the Lot of such Person if no address has been given to the Declarant, the Design Review Council, and/or the District, as applicable, and shall be deemed given, if not actually received earlier, at 5:00 p.m. on the second business day after it is deposited in a regular depository of the United States Postal Service. Such address may be changed from time to time by notice in writing to the Declarant, the Design Review Council and/or District, as applicable.

7.5 Violations Constitute a Nuisance.

Any violation of any provision, covenant, condition, restriction, and equitable servitude contained in this Declaration, whether by act or omission, is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action, by any Person entitled to enforce the provisions of this Declaration.

7.6 Enforcement.

Enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in this Declaration, the Rules and Regulations, and

the Design Standards, as at any time amended, may be by any proceeding at law or in equity against any Persons violating or attempting to violate any such provision, and possible remedies include all of those available at law or in equity. The District have the right, but not the duty, to institute, maintain and prosecute any such proceedings. No remedy shall be exclusive of other remedies that may be available. In any action instituted or maintained under this Declaration or any other such documents, the prevailing party shall be entitled to recover its costs and attorneys' fees incurred in asserting or defending the claim, as well as any and all other sums. Failure by the District to enforce any covenant, restriction or other provision contained in this Declaration shall in no event give rise to any liability, nor shall such non-enforcement be deemed a waiver of the right to thereafter enforce any covenant, restriction or other provision of this Declaration. Each Owner, by its acceptance of title to a Lot, assigns and delegates and consents to the assignment and delegation to the District, in their own name as an Owner of a Lot within the Property, the authority, power, right, and responsibility to enforce the aforementioned documents. The foregoing shall include the right of the District to send demand letters and notices, to charge interest and/or late charges, to levy and collect fines for violations, to impose liens (as provided in C.R.S. Section 32-1-1001(j)(1), as amended), to negotiate, settle and/or take any other actions, with respect to any violation(s), or alleged violation(s), of any of the aforementioned documents.

7.7. Access Easement.

The Declarant hereby reserves, and each Owner hereby grants, to the District and the Design Review Council, including the agents, representatives, employees and contractors of the District and the Design Review Council, and each such Person on, over, under and across each Lot, excluding any habitable structure and the interior of any residence thereon, easements for performing any of the actions contemplated in the herein, including inspections and enforcement of each of the terms and provisions of the Declaration, the Rules and Regulations and the Design Standards. The rights and easements granted in this Section may be exercised only during reasonable hours after reasonable notice to the Owners of any affected Lot; except that no such notice is required (i) in connection with any exterior, non-intrusive inspections and maintenance; and (ii) in emergency situations.

7.8 Power to Employ Managers.

The District shall have the power to retain and pay for the services of a manager or managers to undertake any of the management or functions for which the Design Review Council and/or the District has responsibility and may delegate any of its duties, powers, and functions.

7.9 Violations of Law.

Any violation of any federal, state, municipal, or local law, ordinance, rule, or regulation, pertaining to the ownership, occupation, or use of any property within the Property is hereby declared to be a violation of this Declaration and shall be subject to any and all enforcement procedures set forth in this Declaration.

7.10 Remedies Cumulative.

Each remedy provided under this Declaration is cumulative and not exclusive.

7.11 Costs and Attorneys' Fees.

In any action or proceeding under this Declaration, the prevailing party shall be entitled to recover its costs and expenses in connection therewith including reasonable attorneys' fees.

7.12 Limitation on Liability.

The Design Review Council, the Declarant, the District, and any member, agent, or employee of any of the same shall not be liable to any Person for any action or for any failure to act if the action or failure to act was in good faith and without malice.

7.13 Liberal Interpretation.

The provisions of this Declaration shall be liberally construed as a whole to effectuate the purpose of this Declaration.

7.14 Governing Law.

This Declaration shall be construed and governed under the laws of the State of Colorado.

7.15 Severability.

Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability or partial validity or partial enforceability of the provisions or portion thereof shall not affect the validity or enforceability of any other provision.

7.16 Number and Gender.

Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular, and the masculine, feminine, or neuter genders shall each include the masculine, feminine, and neuter genders.

7.17 Cautions for Convenience.

The titles, headings, and captions used in this Declaration are intended solely for convenience of reference and shall not be considered in construing any of the provisions of this Declaration.

7.18 Mergers or Consolidations.

Upon a merger or consolidation of the Declarant with another entity, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated entity or, alternatively, the properties, rights, and obligations of another entity may, by operation of law, be added to the properties, rights and obligations of the Declarant as a surviving corporation pursuant to a merger. The surviving consolidated entity may administer and enforce the covenants, conditions, and restrictions established by this Declaration governing the Property, together with the covenants and restrictions established upon any other property, as one plan.

7.19 Disclaimer Regarding Safety.

THE DECLARANT, THE DISTRICT AND THE DESIGN REVIEW COUNCIL HEREBY DISCLAIM ANY OBLIGATION REGARDING THE SECURITY OF ANY PERSONS OR PROPERTY WITHIN THE PROPERTY. ANY OWNER OF PROPERTY WITHIN THE PROPERTY ACKNOWLEDGES THAT DECLARANT, THE DESIGN REVIEW COUNCIL AND THE DISTRICT ARE ONLY OBLIGATED TO DO THOSE ACTS SPECIFICALLY ENUMERATED HEREIN, AND ARE NOT OBLIGATED TO DO ANY OTHER ACTS WITH RESPECT TO THE SAFETY OR PROTECTION OF PERSONS OR PROPERTY WITHIN THE PROPERTY.

7.20 NO REPRESENTATIONS OR WARRANTIES.

NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, SHALL BE DEEMED TO HAVE BEEN GIVEN OR MADE BY DECLARANT, THE DESIGN REVIEW COUNCIL, THE DISTRICT, OR ANY OF THEIR AGENTS OR EMPLOYEES IN CONNECTION WITH ANY PORTION OF THE PROPERTY, OR ANY IMPROVEMENT THEREON, ITS OR THEIR PHYSICAL CONDITION, ZONING, COMPLIANCE WITH APPLICABLE LAWS, FITNESS FOR INTENDED USE, OR IN CONNECTION WITH THE SUBDIVISION, SALE, OPERATION, MAINTENANCE, COST OF MAINTENANCE, TAXES OR REGULATION THEREOF, UNLESS AND EXCEPT AS SHALL BE SPECIFICALLY SET FORTH IN WRITING IN A SEPARATE DOCUMENT.

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CONSENT OF DISTRICT

The undersigned, Carriage Hills Metropolitan District, hereby consents to the aforesaid Declaration of Covenants, Conditions and Restrictions for Carriage Hills.

IN WITNESS WHEREOF, the undersigned as hereto set its hand this 4th day of January, 2017.

CARRIAGE HILLS METROPOLITAN DISTRICT

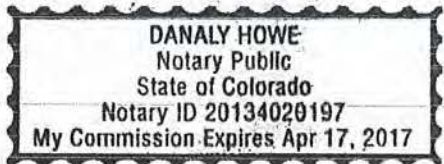
By: *Amaduan*
Title: Assistant Secretary

STATE OF Colorado)
) ss.
COUNTY OF Boulder)

The foregoing instrument was acknowledged before me this 4th day of January, 2017, by Anna Grant, as Asst. Secretary of Carriage Hills Metropolitan District.

Witness my hand and official seal.

{SEAL}



Danly Howe
Notary Public
My Commission expires: 4/17/17