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FOR  
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AMENDMENT OF DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS

FOR

FAIRWAY MEADOWS SUBDIVISION, FILING NO. 1

A Subdivision Located in the County of Routt,  
State of Colorado

The undersigned are the owners (the "Owners") of lots contained within Fairway Meadows Subdivision, Filing No. 1, a plat of which is recorded in the records of Routt County, Colorado in File No. 7052 (the "Subdivision").

A Declaration of Covenants, Conditions and Restrictions for the Subdivision was originally recorded July 29, 1975 in Book 407 at Page 301 of the records of Routt County, Colorado (the "Original Covenants"). A second Declaration of Covenants, Conditions and Restrictions apparently pertaining to the Subdivision was recorded on October 21, 1976 in Book 424 at Page 242 of the records of Routt County, Colorado (the "Second Covenants"). A third document was recorded May 5, 1995 in the records of Routt County, Colorado. It is the intent of the Owners to delete the Original covenants, the Second Covenants and third Covenants and fully replace them as more specifically provided in this Amendment.

The Owners hereby delete the Original Covenants, the Second Covenants and Third Covenants as recorded in the records of Routt County in their entirety and replace them with the following language:

The undersigned, being owners (the "Owners") of lots located within Fairway Meadows Subdivision, Filing No. 1, a plat of which is recorded in the records of Routt County, Colorado in File No. 7052 (the "Subdivision") hereby make and declare the following limitations, restrictions, requirements, burdens and uses upon and of the property within the Subdivision and all parts thereof and upon the owners of lots within and dwellings and buildings erected in the Subdivision as restrictive and protective covenants running with the land, and as binding upon the owners of any lot within the Subdivision and upon all persons claiming under such owners and as contract obligations and use restrictions upon all future owners of any part of the Subdivision, so long as these restrictive and protective covenants shall remain in full force and effect.

ARTICLE I

DEFINITIONS

1. "Property or Properties" shall mean and refer to all that certain real property within the Subdivision.
2. "Lot" shall mean any plot of land shown upon the Plat with the exception of the "Common Areas," as said term is hereinafter defined and, unless specifically defined otherwise, shall include each unit of a Townhouse.
3. "Common Area or Common Open Space" shall mean and refer to all property owned or to be owned by the Association for the common use and enjoyment of the Owners and all members of the Association.
4. "Owner" shall mean and refer to any person or persons, corporation, partnership, association, trust or other legal entity or entities who owns fee simple title to a Lot or an interest in a Lot, including contract purchasers, but excluding those persons or entities having such interest merely as security for the performance of any obligation. The term Owner shall include any person or persons, entity or entities who own fee simple title to any townhouse unit or duplex.

REC 61.00  
Routt County Clerk & Recorder  
Kay WeInland

5. "Plat" shall mean the Plat of Fairway Meadows Subdivision, Filing No. 1, recorded October 5, 1971 at File No. 7052 of the records of the Clerk and Recorder of Routt County, State of Colorado.

6. "Association" shall mean the Steamboat Property Owners' Association, a Colorado Corporation not for profit, formed and incorporated as the Association by means of a set of Articles of Incorporation filed with the Colorado Secretary of State's office on June 20, 1986 to which reference is made in this Declaration.

7. "Member" shall mean and refer to every person or entity who holds membership in the Association.

8. "Guest" shall mean any agent, employee or invitee of an Owner, and any person or persons, entity or entities who have any rights, title or interest in a Lot which is less than a fee simple interest in a Lot, including a lessee, mortgagee or beneficiary under a deed of trust.

## ARTICLE II

### RESTRICTIONS APPLICABLE TO THE PROPERTY

1. Use of the Lots. All of the Lots shall be used only as residential Lots and only one single-family dwelling may be constructed on a Lot except that a duplex may be constructed on those Lots where allowed by applicable zoning ordinances. The townhomes located at Ridge III are excluded from the single-family dwelling limitation contained in this paragraph. Each Lot and all of the improvements constructed thereon, shall be kept and maintained by the Owner thereof in a clean, safe, sanitary and attractive condition and in good repair, all as determined by the Board of Directors.

2. Nuisance. The Owner of any Lot shall not suffer or permit any noxious or offensive activity to be conducted or carried on or practiced thereon or within any residence or dwelling or accessory building constructed thereon or allow such Lot to be used or employed for any other purpose that will constitute an annoyance to the neighborhood, a nuisance as provided by law, that will violate any applicable ordinance, statute or regulation, or that will detract from the residential value, reasonable enjoyment and quality of any part of the Property.

3. No Hazardous Activities. No activities shall be conducted on the Property and no improvements shall be constructed on the Property which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing: no firearms shall be discharged upon the Property; no open fires shall be lighted or permitted on the Property except in a contained barbecue facility while attended and in use for cooking purposes or within a safe and well-designed interior fireplace, no explosive or incendiary devices shall be used or stored on the Property.

4. No Annoying Light, Sounds or Odors. No light shall be emitted on any portion of the Property which is unreasonably bright or causes unreasonable glare. No sound shall be emitted from the Property which is unreasonably loud or annoying. No odor shall be emitted on any part of the Property which is noxious or offensive to others.

5. Building Location. All improvements shall be constructed in accordance with the setback requirements shown upon the Plat and as set forth in the applicable Steamboat Springs ordinances and regulations.

6. Temporary Residences. No structure of a temporary character, mobile home, trailer, basement, tent or accessory building shall be used on any Lot as a residence, either temporarily or permanently; provided that structures of a temporary nature may be used for construction purposes and sales offices with the approval of the Architectural Control Committee of the Association. Exceptions to the limitation set out in the preceding sentence may be granted to Owners by the

Association for a period not to exceed one hundred fifty (150) days during construction of a permanent residence by an Owner on his Lot.

7. Water and Sewer. There shall be no water wells drilled or placed on any Lot or tract covered by this Declaration, except as may be required for a public water system. Any residence constructed on any Lot shall be connected with the Mt. Werner Water and Sanitation District or any public or community water or sewage disposal system formed or created to serve the Property.

8. No Unsightliness. No unsightliness shall be permitted on the Property. Without limiting the generality of the foregoing:

(a) All unsightly facilities, equipment, objects and conditions shall be enclosed within a structure approved by the Architectural Control Committee.

(b) Trailers, motor homes, mobile homes, campers not on a truck, boats, tractors, vehicles other than automobiles or equipment of a similar nature shall not be parked on the Property for more than thirty (30) days during any 180-day period except as previously approved in writing by the Association.

(c) Rubbish, garbage, or other waste maintained on any Lot shall be kept and stored in a dog-proof container. No portion of the Property shall be used or maintained as a dumping ground for rubbish. All containers or other equipment for the storage or disposal of garbage, trash, rubbish or other refuse shall be kept in a clean, sanitary condition and shall be kept inside a residence or in an enclosed structure except on the day of pickup. No trash, litter, or junk shall be permitted to be placed on or to remain exposed on any Lot or visible from any public roads or adjoining or nearby Lot.

(d) No exterior aerials, antennas or satellite dishes will be permitted on any Lot without the prior written permission of the Architectural Control Committee. In addition, no Owner shall place upon his Lot clotheslines, swimming pool filter tanks, or similar tanks, which may be visible from any road. All tanks and liquid storage facilities must be enclosed or otherwise appropriately screened so that they will not be visible from any road or from other Lots. Protective enclosures or screens must be approved by the Architectural Control Committee as a part of the plans for the improvements to be located on the Property.

(e) No refuse shall be burned on the Property.

(f) No lumber, grass, shrubs or tree clippings or plant waste, compost, metals, bulk materials, tires, wheels, scrap, refuse or trash shall be kept, stored or allowed to accumulate on any of the Property.

9. Signs. Unless approved in writing by the Architectural Control Committee, no signs or other advertising device of any kind shall be erected, pasted, posted, displayed or permitted in public view on any Lot except (i) a sign stating the name of the Owner, and (ii) one (1) sign of not more than four (4) square feet advertising the Lot for sale or rent.

10. Animals. No animals, livestock or poultry of any kind shall be housed, raised or kept on any Lot either temporarily or permanently, except that commonly accepted domestic household pets may be kept, provided they are not kept or maintained for any commercial purposes and that dogs are not allowed to run free.

11. Residential Use and Minimum Square Footage. No business that involves signage, traffic or is a nuisance or detriment may be conducted on any Lot. Prohibited businesses shall include, but are not limited to, the nightly or short-term (30 days or less) rental of lodging unless approved in writing by the Board of Directors of the Association, the taking in of boarders, day care for more than two children or any other commercial activity. Dwellings on the Property

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shall have the following minimum habitable floor area: Single family — 1,200 square feet; duplexes — 2,400 square feet (each side shall have at least 600 square feet); all exclusive of porches, balconies and garages.

12. Mining and Oil Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot; nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or within any Lot. No derrick or other structure designed for use in boring for oil, natural gas or other minerals shall be erected, maintained or permitted upon any Lot. The foregoing restrictions shall apply equally to any equipment or activities connected with the drilling and permanent placement of wells used to secure water.

13. Common Area.

(a) The use of the Common Area shall be subject to such rules and regulations as may be adopted from time to time by the Board of Directors of the Association or by appropriate vote of the Association Members.

(b) No use shall be made of the Common Area which will in any manner violate statutes, rules, regulations, ordinances, orders or decrees of any governmental authority having jurisdiction over the Common Area.

(c) No Owner shall place any structure upon the Common Area, nor shall any Owner do any act which would temporarily or permanently deny free access to any part of the Common Area by all of the Owners.

(d) No materials or property, including but not limited to vehicles or fill dirt, shall be stored or placed on the Common Area without the prior written consent of the Board of Directors of the Association.

14. Architectural Control. No building, fences (other than an approved decorative fence), wall, accessory building or other structure shall be constructed, erected or maintained on any Lot, nor shall the surface of any Lot be graded, cleared, marred, changed or altered in any way, nor shall any building, structure, vegetation or other improvement be changed, altered, or expanded, without compliance with the provisions of this Declaration relating to architectural control.

15. Parking. Property Owners shall provide off-street parking for all occupants. Vehicles shall not be parked for continuing periods on public streets which may create a vision or safety hazard.

ARTICLE III

STEAMBOAT PROPERTY OWNERS' ASSOCIATION

1. General Purposes and Powers. The Steamboat Property Owners' Association has been formed and incorporated as a Colorado corporation not for profit by means of a set of Articles of Incorporation filed with the Colorado Secretary of State's office on June 20, 1986 and shall be and constitute the Association to which reference is made in this Declaration. The Association shall perform certain functions, as hereinafter defined, and may hold and manage a portion of the Property, including the Common Area. The Association shall have all powers necessary or desirable to effectuate these purposes, but it shall not engage in commercial or profit-making type activities.

2. **Membership.** Every Owner as defined in Article I, Section 4, of this Declaration shall be a Member of the Association. There shall be one membership in the Association for each Lot and/or each unit of an individually owned townhouse or duplex, which membership shall be appurtenant to the fee simple title to such Lot or unit. Title to the ownership of the membership shall automatically pass with fee simple title to the Lot or unit. Each Member shall automatically be entitled to the benefits and be subject to the burdens relating to membership in the Association. If fee simple title to a Lot or unit is held by more than one person or entity, the membership appurtenant to that Lot or unit shall be shared by all such persons or entities in the same proportion of interest and by the same type of ownership as fee simple title to the Lot our unit is held.

3. **Board of Directors.** The affairs of the Association shall be managed by a Board of Directors which may by resolution delegate any portion of its authority to an executive committee, or to an executive manager or director of the Association.

4. **Notices.** Except as a greater period is specified in this Declaration, each Owner shall be entitled to notice of any meeting of the Association at least ten (10) days and not more than fifty (50) days before the date of each meeting. Notices of meetings shall be in writing and shall state the date, time and place of the meeting and shall indicate each matter to be voted on at the meeting which is known to the Association at the time notice of the meeting is given. Any notice shall be deemed furnished or delivered to a party at the time a copy thereof is deposited in the United States mails, postage prepaid, addressed to an Owner. Any notice, information or material shall be deemed properly addressed to an Owner if it is addressed to the last known address of such Owner as shown on the records of the Association at the time of such mailing, or, if the name and address is not so shown on the Association's records, if it is addressed "To the Owner" at the address of the Lot of such Owner.

5. **Voting Rights.** The Association shall have only one class of voting membership. Members shall be entitled to one vote for each Lot or individually owned townhouse or duplex which they own in fee simple. In the event that a Lot other than an individually owned townhouse or duplex is owned by more than one person or entity, however, then all persons or entities owning fee simple interests in such Lot shall, from time to time, by majority vote amongst them or by any other method to which they all agree, select and designate in writing to the Association one individual who shall be entitled to vote and cast the one vote allocated to such Lot.

6. **Record Date.** The Board of Directors of the Association shall have the power to fix, in advance, a date as a record date for the purpose of determining Owners entitled to notice of or to vote at any meeting or to be furnished with any budget or other information or materials, or in order to make a determination of Members for any purpose. A record date shall not be more than fifty (50) days prior to the date on which the particular action requiring the determination of Members is proposed or expected to be taken or to occur. If no record date has been established for a meeting, the date on which notice of such meeting is first given to any Owner shall be deemed the record date for the meeting.

7. **Certificate of Incorporation and Bylaws.** The purposes and powers of the Association and the rights and obligations of Owners set forth in this Declaration may and shall be amplified by the provisions of the Articles of Incorporation and Bylaws of the Association, but no such provisions may be, at any time, inconsistent with the provisions of this Declaration and to the extent that they be inconsistent, such provisions shall be rendered null and without effect.

## ARTICLE IV

OBLIGATIONS AND RIGHTS OF THE ASSOCIATION

1. Common Area and Other Property Furnished by Declarant. The Association may accept title to any Common Area.
2. Common Area Maintenance. To the extent of its ownership, the Association shall provide for quality care, management, maintenance and repair of all Common Areas and improvements thereon and of all of the personal property and equipment owned, held and used by the Association.
3. Insurance. The Association may obtain and keep in full force and effect at all times casualty insurance including fire and extended coverage, vandalism and malicious mischief endorsements with respect to all facilities owned by the Association, insuring such facilities in such amounts as the Board of Directors may determine. The Association shall also obtain broad form comprehensive public liability coverage, in such amounts and with such deductible provisions as the Board of Directors may determine.
4. Rules and Regulations. The Association shall be authorized to and shall have the power to adopt and enforce rules and regulations applicable to the Subdivision: To prevent and reduce fire hazards; to prevent disorder and disturbances of the peace; to regulate pedestrian and vehicular traffic; to regulate use of any and all of the Common Area and facilities located thereon to assure fullest enjoyment of use by the persons entitled to use the same; to promote the general health, safety and welfare of persons living within the Property; and to protect and preserve property and property rights. All rules and regulations adopted by the Association shall be reasonable and shall be uniformly applied and may provide for fines, penalties or exclusion of violators from Common Areas and facilities of the Association. Each Owner or Guest shall be obligated to and shall comply with and abide by such rules and regulations.
5. Governmental Successor. Any property or facility of the Association and any function of the Association may be turned over to a private or governmental authority which is willing to accept and assume the same upon such terms and conditions as the Board of Directors of the Association shall deem to be appropriate.
6. Implied Rights of Association. The Association, in addition to the powers granted by its Articles of Incorporation and not inconsistent with the terms of this Declaration, shall have and may exercise any right or privilege given to it expressly in this Declaration, or given to it by law, and shall have and may exercise every other right or privilege or power and authority necessary or desirable to fulfill its obligations under this Declaration, including the right to engage necessary labor, employ personnel necessary to manage the affairs of the Association, and obtain and pay for legal, accounting and other professional services as may be necessary or desirable.

## ARTICLE V

ASSESSMENTS

1. General and Special Assessments. Each Owner of any Lot situated in the Subdivision, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be held to have accepted the benefits and burdens of membership in the Association and shall be deemed to covenant and agree to pay to the Association the annual general assessments, any special assessments or other fees established and levied from time to time on his Lot or unit as hereinafter provided. The general and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which such assessment is made.

2. General Assessments. The Board of Directors of the Association shall and is hereby authorized to levy an assessment against all Lots for the purpose of defraying all costs and expenses of the Association incurred in the performance of its obligations under this Declaration or any other obligations rightfully undertaken by said Association including, without limitations, costs and expenses incurred in protecting and preserving the health, safety and welfare of the Owners of Lots and their guests; in improving, maintaining, repairing, replacing and making additions to the Common Areas, streets, and facilities of the Association; for the cost of labor, equipment, materials, management and supervision of the Common Areas and facilities of the Association; for costs and expenses incurred in enforcing this Declaration and for the payment of taxes and insurance relating to the Common Areas and Facilities. All assessments so levied are herein referred to as "general assessments." The Board of Directors of the Association shall have the power and authority to determine all matters in connection with general assessments, including the power and authority to determine the amount of general assessments and where, when and how general assessments shall be paid to the Association, and each Owner shall be obligated to pay and shall pay to the Association the amount so established in the manner so established.

3. Special Assessments. In addition to the general assessments, the Board of Directors of the Association may levy in any fiscal year a special assessment applicable to that year for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, unexpected repair or replacement of a capital improvement of the Association or for the cost of any other proper purpose or activity of the Association; provided, however, that any such assessment which is to be applied to any project or purpose the total cost of which shall exceed \$5,000.00 must first be approved by a two-thirds (2/3) vote of the members who vote in person or by proxy at a meeting duly called for the purpose of voting on such proposed special assessment. Written notice of any such meeting shall be sent to all members at least ten (10) days, but not more than fifty (50) days, in advance of such meeting and shall set forth the purposes of the meeting. The date or dates on which a special assessment shall be due and payable shall be fixed by the Board of Directors of the Association. Special assessments also may be levied and collected by the Board of Directors against any Owner as liquidated damages for the violation of any rule or provision of this Declaration or the Association Articles or Bylaws by the Owner or his Guests without the need to have such special assessments approved by vote of the Members.

4. Effect of Nonpayment of Assessments-Remedies of the Association. The amount of any general assessment, special assessment, charge, fine, penalty or other amount payable with respect to any Lot shall become due and payable as specified by the Association. The Association shall be entitled to recover attorney's fees and costs of collection, plus interest from the date the assessments were due at a rate specified in the Association Bylaws, on all assessments, dues and fees not paid when due and regardless of whether suit is brought to collect such sums. The Association may bring an action at law against an Owner failing to pay assessments or any other fees ("Delinquent Owner"). In addition to such action or as an alternative thereto, the Association may file with the Clerk and Recorder of Routt County, a Statement of Lien with respect to the Lot on which any assessment or other fees, including legal fees and costs, have not been paid. The Association's lien for any unpaid sum shall attach to a Lot from and after the date of the recording of the Statement and shall constitute a lien on such Lot prior to all other liens and encumbrances except for tax and special district liens and the lien of a first deed of trust or first mortgage. Thirty (30) days following the recording of the Statement, the Association may proceed to foreclose the Lien in the same manner as provided for the foreclosure of mortgages on real property under the statutes of the State of Colorado. In either a personal or foreclosure action, the Association shall be entitled to recover as a part of such action, the interest, costs and reasonable attorney's fees incurred by the Association with respect to the action. No Owner may waive or otherwise escape liability for the assessments of the Association by non-use of the Common Area or abandonment of his Lot.

5. Liability of Owners, Purchasers and Encumbrances. A party acquiring fee simple title to a Lot, or a portion of a Lot shall be liable to the Association for all unpaid assessments and fees which had accrued and were payable at the time of the acquisition of fee simple title to the Lot, or portion of a Lot by such party, without prejudice to such party's right to recover any of said



amount from the former owner. Each such amount, together with interest thereon, may be recovered by suit for a money judgment by the Association without foreclosing or waiving any liens securing the same. Notwithstanding the foregoing, the holder of a previously recorded first lien mortgage, or first lien deed of trust on a Lot shall not be liable for any such assessment, charge, fine or penalty and the lien for any such assessments, charges, fines or penalties shall be junior to any (i) lien for real property taxes and special assessments or (ii) any first lien or encumbrance on a Lot or unit taken in good faith and for value and perfected by prior recording in the office of the County Clerk and Recorder of Routt County, Colorado.

6. Estoppel Certificate. Upon payment of a reasonable fee, as established from time to time by the Board of Directors of the Association, and upon written request of any Owner or any person with any right, title or interest in a Lot, the Association shall furnish a written statement setting forth the amount of any assessments, charges, fines and penalties, if any, due or accrued and then unpaid. With respect to the party to whom such written statement is issued, it shall be conclusive against the Association and all parties, for all purposes, that no greater or other amounts were due or accrued and unpaid as of the date of the statement.

## ARTICLE VI

### RIGHTS OF OWNERS

1. Owner's Easement of Enjoyment. Every Owner shall have a right of use and of enjoyment in and to any Common Areas and such right shall be appurtenant to and shall pass with the title to every Lot; provided, however, that such right in and to any Common Area shall be subject to the following.

(a) The right of the Association to limit the number of Guests of an Owner on a Common Area and to the facilities located thereon.

(b) The right of the Association to dedicate or transfer all or any part of the Common Area, to any public or private agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members and by persons holding mortgages or deeds of trust on any portion of the subject property. No such dedication or transfer shall be effective unless the same is approved by a 2/3 vote of the Members of the Association.

2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws of the Association, his right of enjoyment to the Common Area and facilities to the members of his family or his Guests.

3. Owner's Rights and Obligations Appurtenant. All rights and easements of an Owner under this Declaration and all rights of an Owner with respect to membership in the Association and all obligations of an Owner under this Declaration are hereby declared to be and shall be appurtenant to the title to the Lot owned by such Owner and may not be transferred, conveyed, devised, bequeathed, encumbered or otherwise disposed of separate or apart from the title to the Lot. Every transfer, conveyance, grant, devise, bequest, encumbrance or other disposition of the Lot shall be deemed to constitute a conveyance, grant, devise, bequest, encumbrance or transfer or disposition of such rights and obligations.

## ARTICLE VII

### ARCHITECTURAL CONTROL

1. Powers.

(a) General. No building, fence (other than an approved decorative fence), wall, utility line, drainage system or natural surface of a Lot shall be changed, altered, erected,

constructed, moved, removed, maintained or reconstructed without the prior written approval of the Architectural Control Committee (hereinafter referred to as "Committee"). Such approval shall be obtained only after written application has been made to said Committee by the Owner of the Lot requesting authorization from the Committee. Such written application shall be in the manner and form prescribed from time to time by the Committee and shall set forth and include all information and materials required by the Rules and Regulations adopted by the Committee. Unless waived by the Committee, such application shall include among other things, a site analysis and at least two (2) complete sets of plans and specifications for proposed construction, alteration or improvements. Such plans and specifications shall include plot plans showing: Contour lines; the location of all existing and/or proposed improvements; the proposed drainage plan; and the proposed utility connections. Such plans and specifications shall also depict or set forth: Floor plans; elevation; the color and composition of all exterior materials proposed to be used; working drawings and construction specification; landscaping plans; construction schedules and such other information of materials which the Committee may require. Each application submitted by an Owner to the Committee which the Committee determines will require review by an architect, shall include a nonrefundable fee in such amount as the Committee may from time to time establish, but which shall in no case be less than \$100.00.

(b) Power of Disapproval. The Committee may refuse to grant permission to construct, place or make the requested changes, improvements or alterations when:

(i) The plans, specifications, drawings or other materials submitted are themselves inadequate or incomplete, or show the proposed improvement to be in violation of this Declaration:

(ii) The design, material or color scheme of a proposed improvement is not in harmony with the general surroundings of the subject Lot or with adjacent buildings or structures;

(iii) The proposed improvement, or any part thereof, would in the opinion of the Committee be contrary to the interest, welfare or rights of all or any part of the Owners of other Lots in the Subdivision.

(c) Power to Grant Variances. The Committee may allow reasonable variances or adjustments of the restrictions contained in this Declaration where literal application thereof would result in unnecessary hardship; provided, however, that any such variance or adjustment is granted in conformity with the general intent and purposes of these Restrictions; and, that the granting of a variance or adjustment will not be materially detrimental or injurious to other Lots in the Subdivision.

2. Duties of Committee. The committee shall approve or disapprove of proposed application within thirty (30) days after all required information shall have been submitted to it. One copy of all submitted material shall be retained by the Committee for its permanent files. All notifications to applicants shall be in writing, and, in the event that such notification is one of disapproval, it shall specify the reasons for such disapproval.

3. Composition of Committee. The Committee shall be composed of three (3) persons who shall be appointed by the Board of Directors and one architect, engineer or contractor who shall be selected by the Committee and shall serve in an advisory capacity only. Members of the Board of Directors may be appointed to the Committee.

4. Liability of Committee. Neither the Committee nor any agent thereof, nor the Association, shall be responsible in any way for any defects in any plans, specifications or other materials submitted to it, nor for any defects in work done according thereto.

5. Inspections. The Committee may cause inspections of work being performed with its permission to be performed in order to assure compliance with the Committee's approval and any applicable regulations. The owner of the Lot on which the improvements are being constructed shall pay the reasonable cost of such inspections which are not a part of City/County inspections.

## ARTICLE VIII

### EASEMENTS

1. Easements for the installation and maintenance of utilities and drainage facilities are reserved as shown on the Plat. 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 or which may obstruct or retard the flow of water through drainage channels in or stemming from said easements. However, the easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for which a public authority or utility company is responsible.

2. The Properties shall be subject to all easements shown or set forth on the Plat.

## ARTICLE IX

### ADDITIONAL PROVISIONS RELATING TO MULTIFAMILY TRACTS

The terms and conditions of this Declaration shall take precedence over covenants, conditions or restrictions which may be adopted for any portion of the Property. No Condominium Declaration, Declaration of Covenants, Conditions and Restrictions, or other Declarations of a similar type or nature enacted as to any portion of the Property ("Other Declaration") shall conflict with or be inconsistent with the terms and conditions of this Declaration. Further, any such other Declaration shall provide that the Owners thereunder are subject to the terms, conditions and restrictions contained herein and shall not impose any additional duties, obligations or responsibilities upon the Steamboat Property Owners' Association.

## ARTICLE X

### INDEMNIFICATION

The Bylaws of the Association may provide such indemnification of the officers, directors and agents of the Association as the Board of Directors determine to be appropriate.

## ARTICLE XI

### GENERAL PROVISIONS

1. Effect of Owner's Acceptance of Deed. The Owner of each Lot by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, shall be deemed to have accepted such deed and executed such contract subject to each and every restriction, condition, covenant and obligation created under this Declaration, and also, for themselves, their heirs, personal representative, successors and assigns, shall be deemed to have covenanted and agreed to keep, observe and comply with and perform such obligations, covenants, terms and conditions.

2. **Annexation.** Additional real property may be annexed to the Property by the Association upon approval by the Board of Directors. Any such annexed real property shall be deemed part of the Property, as defined herein, and shall be subject to all the terms and conditions of this Declaration, in addition to such others as the Association may impose thereon.

3. **Enforcement.** The Association, or any Owner, shall have the right to enforce, by and proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and changes now or hereafter imposed by the provisions of this Declaration. Failure by the Association, or by an Owner to enforce any rights hereunder shall in no event be deemed a waiver of the right to do so thereafter.

4. **Amendment.** The covenants and restrictions of this Declaration shall run and bind the Property, and shall inure to the benefit of and be enforceable by the Association, or any Owner subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term ending on December 31, 2004, after which time this Declaration shall be automatically extended for successive periods of ten (10) years unless terminated. This Declaration may be amended or terminated by not less than two thirds (2/3) of the Owner's who vote in person or by proxy at a meeting called for this purpose. Any amendment must be properly recorded. No part of the Declaration may be amended in such a manner that it will adversely affect the exiting rights of any Owner or mortgagee with particular respect to, but not limited to, unpaid assessments or the lien of any mortgage.

5. **Severability.** Invalidity or unenforceability of any provision in this Declaration in whole or in part shall not affect the validity or enforceability of any other provision or any valid and enforceable part of a provision of this Declaration.

6. **Captions.** Captions and headings in this instrument are for convenience only and shall not be considered in construing any provision of this Declaration.

This Declaration shall be recorded in the records of Routt County, Colorado.

EXECUTED effective as of this 2<sup>nd</sup> day of November, 1995.

STEAMBOAT PROPERTY OWNERS' ASSOCIATION

By: Richard J. Blackhall  
Richard J. Blackhall, President

ATTEST:

Jody L. Robinson  
Jody L. Robinson, Secretary

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ACKNOWLEDGMENT

STATE OF COLORADO )  
 )  
County of Routt ) ss.

The foregoing instrument was acknowledged before me this 2  
day of November, 1995 by Richard J. Blackhall as President of  
Steamboat Property Owners' Association.

WITNESS my hand and official seal.

My commission expires: 11/15/98

[Signature]  
Notary Public

2158 Resort Drive  
Steamboat Spgs, CO 80477

STATE OF COLORADO )  
 )  
County of Routt ) ss.

The foregoing instrument was acknowledged before me this 2  
day of November, 1995 by Jody L. Robinson as Secretary of  
Steamboat Property Owners' Association.

WITNESS my hand and official seal.

My commission expires: 11/15/98

[Signature]  
Notary Public

2158 Resort Drive  
Steamboat Spgs, CO 80477