

August 15, 2026
Mumm Residence, 710 Pine Cone Cir.

I. Call to Order

President Erik Mumm called the annual meeting to order. Meeting packets prepared by Audrey Borski were available to attendees and included the prior-year meeting minutes and association financial information. Erik reviewed the basic meeting procedure under Robert's Rules of Order, including motions, seconds, discussion, and voting. Attendees were also advised that the meeting was being recorded to assist with preparation of the minutes.

II. Present

Attendees identified in the meeting transcript and sign in log included: Erik Mumm, President, Dave Barry, Vice President, Audrey Borski, Secretary Treasurer, Russell Borski, Alan Taylor, Beret Strong, Karl and Janet Hausmann and family, Oliver McBryan and wife Ann, Judd Choate, Stacy Barry, Craig Bristow, Bill Colman, Karen Luedtke, Nancy Ritter, Brighton Dawe, Kathleen Dawe, Carolyn Corogin, and Dylan Monahan (outside consultant).

III. Association Business

A. Prior-Year / General Association Updates

- Road maintenance: Erik noted prior work on the upper hairpin/Y area of the road and recognized residents, including Bob and others, who have continued to contribute labor and assistance with road maintenance.
- Slash mitigation: Bob organized an earlier slash event. Alan reported that a new community slash event had been approved for late September and that several households were already registered. Participants must register, follow the program's preparation requirements, and place eligible slash near the roadway for collection.
- Board transition: Audrey assumed the Secretary/Treasurer responsibilities previously handled by Gerry. Erik thanked Gerry for her extensive historical records and Audrey for taking over the position.
- Lake equipment: Erik recognized Dave and Bill for ongoing work on the lake pump and related maintenance.
- Community contact list: A shared community email/contact list has been started. Residents who want to participate were encouraged to contact Erik and Audrey, with attention to privacy and use of blind-copy email where appropriate.
- Volunteer support: The Board encouraged residents to bring forward ideas and volunteer to help organize projects involving the road, lake, and other community needs.

B. Lake Update

Dave Barry and Dylan Monahan led an extended discussion regarding the condition and future management of Hidden Lake. The lake is groundwater-fed and has no regular surface inlet. The 2026 water level was described as exceptionally low, with warm, shallow water contributing to fish loss, increased weed growth, and algae.

- Dredging/sediment removal was discussed as a possible long-term option. Preliminary discussion placed targeted work at approximately \$40,000 at the low end, with \$60,000-\$70,000 discussed as potentially more meaningful for limited work. A full-lake project could be far more expensive; estimates

discussed ranged into the hundreds of thousands of dollars, including approximately \$500,000-\$750,000 for extensive work. Dave noted that some dredging contractors consider even \$100,000 a small project. These figures were exploratory estimates only, and formal bids would be needed before any decision.

- Grass carp were discussed as a biological method for reducing aquatic vegetation. Dylan estimated juvenile grass carp at approximately \$13-\$20 per fish and suggested roughly 10-15 young fish per acre as a general starting range, subject to permitting and further review. Dylan agreed to confirm permitting requirements, possible disadvantages, and an appropriate stocking level before a final decision is made.
- Dylan offered to begin a lake management plan documenting current lake conditions, historical information, well/groundwater data, and possible management alternatives. He indicated he could prepare this with assistance from Dave and others. His target date of submittal to board is August 29.
- The aeration system remains an important part of lake management. Dave noted the likely need for an additional diffuser and improved sinking lines.
- Water IQ technology was discussed as a possible tool for remote water-quality monitoring and algae control. Dave reported that a system used at another pond cost approximately \$4,000, while available systems can range upward to approximately \$20,000 depending on lake size, depth, and configuration. A motion authorizing procurement within the budget parameters discussed at the meeting carried. If the eventual cost materially exceeds the authorized amount, the matter will be communicated to the community before proceeding.
- High nutrient/nitrogen levels and their relationship to groundwater and septic systems were discussed. The group recognized that individual septic systems are regulated by Boulder County and that lake management will need to account for existing nutrient inputs.
- Emerging water-supply technology: Brighton described highly efficient atmospheric condensers that extract water from the air, with units discussed as producing approximately 300-600 gallons per day. The group noted that costs have been declining and some units can be solar-powered, while Dylan cautioned that regulatory considerations may be evolving. The technology was presented as an option worth watching rather than an approved project.
- Oliver requested that major lake decisions, especially significant chemical treatment or dredging, include input from non-HLOA owners as well as HLOA members. Erik stated that the concern would be reflected in the minutes and that major decisions would be communicated broadly to the community. The discussion also underscored that maintaining the lake and other shared community infrastructure can involve significant future costs, making voluntary participation and contributions from non-HLOA owners particularly valuable.

C. Road Update

HLOA road maintenance during the prior year: Earlier in the meeting, Erik reported that HLOA had completed some road work on the upper hairpin/Y area. Erik noted that additional road work remains to be considered.

Erik then turned the road discussion over to Russell and Audrey Borski, who provided an update regarding the road work required by Boulder County in connection with their planned home at 1017 Pine Cone Circle (former Lot 46). Boulder County has required improvement of a section of Pine Cone Circle for first-responder/fire access.

- The current engineering concept would reduce the affected section to less than a 14% grade by lowering/blasting the higher portion and using fill in the lower area. The section discussed begins generally near 1100 Pine Cone Circle and extends toward the top of the hill before 1055 Pine Cone Cir.
- Russell estimated the work at approximately \$30,000 and stated that he and Audrey plan to bear the cost themselves; no HLOA funding was requested.

- Construction could require a short road closure, estimated at no more than a couple of days depending on the blasting schedule. Residents requested advance notice before blasting or closures, and Russell agreed.
- The Borskis stated that they intend to work with affected homeowners regarding driveway/easement impacts and restoration and to minimize disruption.
- The group also discussed broader Boulder County access requirements that could affect future homebuilding or major permitting in the neighborhood. Russell explained Colorado's current fire-access requirements, followed by Boulder County effective January 2026, initially raised the possibility of much more extensive road work before another home could be permitted. During the discussion, Dave and Bill recalled the history of the road and the community's responsibility for its maintenance. Prior HLOA meeting records also reflect that Boulder County owns the road but does not maintain it, with road maintenance historically handled by HLOA and area residents. A prior effort to explore transferring ownership of the road from the County to the landowners was not pursued because of the level of owner approval that would have been required.
- Potential future road requirement near 1402 Pine Cone Cir. residence: Russell reported that the County had also identified the Y/curve near Judd's residence as a major concern under the newer access standards. The concept discussed by the County would involve cutting down the hill and placing approximately four feet of fill at the intersection to reduce the curve grade. This work is not part of the Borski's current limited road project, but was raised as an example of requirements that could arise with future permitting.

D. Finance

- Erik reported that the Association ended the prior fiscal year with an approximate \$12,000 surplus, primarily because road and lake spending came in below budget.
- Audrey reported approximately \$51,000 in cash at the time of the discussion.
- Erik noted approximately \$19,000 in revenue for the prior year and said contributions had improved compared with some earlier years.
- The Board discussed the importance of maintaining reserves because future lake and road work could require significant expenditures. The lake discussion alone included options ranging from relatively modest biological treatments to dredging projects potentially costing hundreds of thousands of dollars.

E. Budget

The proposed annual budget was reviewed as a planning framework. The Board emphasized that actual income and expenses may change during the year and that community volunteers are important to carrying out planned road, lake, and other projects.

F. Other Business

- HLOA membership/contributions: The group discussed the voluntary nature of HLOA membership for some property owners and the continued practice of asking non-members to contribute. Several participants noted that road and lake improvements benefit the broader community even though HLOA cannot require non-member owners to pay dues. In light of potentially significant upcoming lake and road expenditures, voluntary contributions from non-HLOA owners were encouraged. The Board also encouraged owners who are considering selling to explore bringing their property into HLOA before a transfer where possible.
- Property buildability / future sales: Participants discussed that some vacant lots in the area may be difficult or potentially impractical to build on under current County requirements, and that road-access improvements or other permitting conditions can materially affect feasibility. Residents were encouraged to share known permitting or access issues candidly with prospective buyers. The

discussion was informational and did not make a determination regarding the buildability of any specific property.

- Additional meeting: A motion to hold a second, less-formal virtual community meeting in the spring carried. The purpose will be to share updates and discuss developing issues; any formal decision requiring a vote will still be handled through the appropriate voting process.
- U.S. Postal Service package module: Brighton and Kathleen proposed installing a four-compartment package module near the existing mailboxes, at an estimated cost of up to \$3,500, because some USPS now requires pickup in Jamestown. Federal Express and UPS have local drivers and deliver to Hidden Lake. The motion to use HOA funds for the module failed by a vote of 3-6. The matter may be revisited if there is broader resident support or pursued privately by interested residents.
- Solar/battery systems: Judd shared information about his household's recent solar and battery installation and offered to provide information to interested residents.
- Lake shoreline cleanup: Residents were encouraged to take advantage of the low water level to remove accessible dead branches and debris from shoreline areas where appropriate.

G. Motions / Approvals

1. Grass carp / lake management: The group supported allowing the Board, informed by Dylan's additional research, to make a considered decision regarding grass carp. Erik stated that he observed no nays and treated the vote as passed. The final decision is to be communicated to the community.
2. Water IQ system: Motion authorizing procurement within the budget parameters discussed at the meeting carried.
3. Spring virtual meeting: Motion to hold a second, less-formal virtual meeting in the spring carried.
4. USPS package module: Motion to spend up to \$3,500 of HLOA funds for a four-compartment package module failed, 3-6.
5. Board appointment: Audrey was formally approved to replace Gerry on the Board of Directors; no opposition was heard.
6. Annual budget: The proposed budget was approved; no nays were heard. Erik stated that any significant expenditure outside the approved framework would be communicated to the community.

IV. Adjournment

Erik concluded the meeting after approval of the annual budget, stating that significant matters outside the approved framework would be communicated to the community. The meeting was then adjourned.

Minutes submitted by: Audrey Borski, Secretary/Treasurer

Approved by: Erik Mumm, President; Dave Barry, Vice-President

Hidden Lake Owners Association, Inc

Profit and Loss

June 1, 2025-May 31, 2026

	TOTAL
Income	
Non-Member Donations	5,550.00
Owners Assoc Member Dues	13,500.00
Unapplied Cash Payment Income	0.00
Total for Income	\$19,050.00
Gross Profit	\$19,050.00
Expenses	
Insurance	1,253.00
Lake Maintenance Expense	
Electricity for Pumps	466.08
Pump, diffuser, hose repairs	18.78
Total for Lake Maintenance Expense	\$484.86
Miscellaneous Expense	
Depreciation expense	718.65
Total for Miscellaneous Expense	\$718.65
Office Expenses	
Computer/Software	810.00
Stamps and Mailing Expense	161.00
Total for Office Expenses	\$971.00
Road Maintenance Expense	2,509.78
Website expenses	347.89
Total for Expenses	\$6,285.18
Net Operating Income	\$12,764.82
Net Income	\$12,764.82

Hidden Lake Owners Association, Inc

Balance Sheet

As of Jun 3, 2026

		TOTAL
Assets		
Current Assets		
Bank Accounts		
Clearing account		0.00
Vectra Bank HLOA 9731		51,737.97
Total for Bank Accounts		\$51,737.97
Other Current Assets		
Undeposited Funds		0.00
Total for Other Current Assets		\$0.00
Total for Current Assets		\$51,737.97
Fixed Assets		
Lake aeration system, less depreciation		2,621.76
Total for Fixed Assets		\$2,621.76
Total for Assets		\$54,359.73
Liabilities and Equity		
Liabilities		
Total for Liabilities		
Equity		
Retained Earnings		54,359.73
Net Income		
Total for Equity		\$54,359.73
Total for Liabilities and Equity		\$54,359.73



07/02/2014 11:42 AM
Boulder County Clerk, CO

RF: \$256.00

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Page: 1 of 50

DF: \$0.00

After recording, please return to:

Packard and Dierking, LLC
2595 Canyon Boulevard, #200
Boulder, Colorado 80302
Attention: Rebecca Hall, Esq.

**DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND
RESTRICTIONS FOR HIDDEN LAKE COMMUNITY**

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**DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND
RESTRICTIONS FOR HIDDEN LAKE COMMUNITY**

THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR HIDDEN LAKE COMMUNITY is made effective as of _____, 20__.

RECITALS

A. The Members of the Association are owners of certain lots located within the Hidden Lake Subdivision, created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1 ("Hidden Lake Subdivision").

B. The Members of the Association desire to convert the ownership of certain lots and the improvements thereon within Hidden Lake Subdivision to the planned community form of ownership pursuant to the Colorado Common Interest Ownership Act (the "Community").

ARTICLE 1

DECLARATION AND SUBMISSION

The Lots shall be held, sold and conveyed subject to the following covenants, restrictions and easements, which shall run with the land and be binding on all parties and heirs, successors and assigns of parties having any right, title or interest in all or any part of the Property.

ARTICLE 2

DEFINITIONS

The following terms shall have the meanings set forth below when used herein:

2.1 Act. The Colorado Common Interest Ownership Act, codified at Colo. Rev. Stat. § 38-33.3-101 et seq., as the same has been and may hereafter be amended from time to time, and any statute which from time to time may replace the same.

2.2 Articles of Incorporation or Articles. The Articles of Incorporation of the Association that have been or will be filed with the Secretary of State of the State of Colorado, as amended from time to time.

2.3 Assessment. An assessment, which may be a Common Assessment or a Special Assessment, that is levied by the Association on one or more Lots pursuant to the terms of this Declaration.

2.4 Association. Hidden Lake Owners Association, Inc., a Colorado nonprofit corporation that is incorporated or will be incorporated pursuant to the terms of this Declaration.

2.5 Authorized Representative. A natural person who is appointed by an Owner, pursuant to Section 5.3, as a proxy, attorney-in-fact or authorized representative to vote on behalf of such Owner in matters coming before the Association.

2.6 Board of Directors or Board. The Board of Directors of the Association.

2.7 Hidden Lake Subdivision. The residential community development known as Hidden Lake Subdivision of which the Community is a part.

2.8 Bylaws. The Bylaws of the Association, as amended from time to time.

2.9 Common Allocation. A percentage allocated to each Lot that is derived from a fraction, the numerator of which is one and the denominator of which is the total number of Lots with in the Community. The percentages comprising the Common Allocations for the various Lots may be rounded by the Association in accordance with its ordinary practices adopted from time to time, provided the rounding methodology is applied in a materially uniform and consistent manner for all of the Lots.

2.10 Common Assessment. An Assessment levied on all Lots subject to assessment to fund the Common Expenses as more particularly described in Section 6.3.

2.11 Common Elements. All property or possessory interests therein (and, in the case of real property, the Improvements thereon) within the Community owned by the Association pursuant to this Declaration for the benefit, use or enjoyment of the Owners, including without limitation Outlots A, B, C, D and E, and Lots 21A and 22A (the "Outlots").

2.12 Common Expenses. Except for those costs and expenses expressly excluded below, all costs, expenses and financial liabilities incurred by the Association pursuant to this Declaration or the Bylaws, including, without limitation: all costs of operating, managing, maintaining, replacing or restoring the Common Elements; taxes on the Common Elements; general administrative costs incurred by the Association, including any administrative costs incurred in levying and collecting Assessments; and contributions to the Reserve Fund. Except as expressly provided in this Declaration, Common Expenses shall not include costs or expenses to be funded by or payable through the levying of Special Assessments.

2.13 County. The County of Boulder, State of Colorado.

2.14 County Code. The ordinances, resolutions, and regulations of the County, as codified, amended and replaced from time to time.

2.15 Declaration. This Declaration, as amended or supplemented from time to time.

2.16 Delinquency Costs. As defined in Section 7.1.

2.17 Director. A member of the Board of Directors.

2.18 Eligible Holder. An institutional holder, insurer or guarantor of a First Mortgage who provides a written request for notices to the Association, stating the name and address of such holder, insurer or guarantor and the street address, or, if not available, other sufficient information, of the Lot to which its Mortgage relates.

2.19 Final Plat. The Final Plat of Hidden Lake Subdivision filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1, or any amended or replacement version of any such final plat in effect from time to time.

2.20 First Mortgage. A Mortgage that is subordinate to this Declaration or recorded after the Effective Date, and is recorded and has priority of record over all other recorded liens except those liens made superior by statute (e.g., general *ad valorem* tax liens and special assessments and mechanics' liens).

2.21 Fiscal Year. The fiscal year of the Association set from time to time by the Board pursuant to the Bylaws.

2.22 Improvements. All structures, improvements and appurtenances on or to real property of every type and kind including, without limitation, buildings, outbuildings, fixtures, billboards, utilities, patios, tennis courts, swimming pools, garages, doghouses, mailboxes, aerials, antennas, facilities associated with regular or cable or satellite television, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, grading, drainage facilities, windbreaks, plantings, planted trees and shrubs, poles, signs, exterior air conditioning units, water softener fixtures or equipment, pumps, wells, tanks, solar collectors, reservoirs, pipes, lines, meters, towers and other facilities used in connection with water, sewer, gas, electricity, solar energy, telephone or other utilities or telecommunications facilities, as well as any construction activities necessary to construct any such items.

2.23 Unoccupied Lots. Those Lots that do not have completed Improvements. For purposes of this definition, Improvements are deemed completed when the County has issued a certificate of occupancy for the Improvements located on such Lot.

2.24 Lot. A physical portion of the Community, whether developed with Improvements or undeveloped, that is a separate, legally established lot, parcel or unit of real property that may be legally transferred or conveyed without further subdivision or other similar approval from the County. Notwithstanding the foregoing, the term "Lot" shall not include any Common Elements owned in fee simple by the Association or any other "common elements" (as defined in the Act) established under any Supplemental Declaration, or any property dedicated or otherwise conveyed to any government, special district or other quasi-governmental entity for a public purpose.

2.25 Member. A Person who is a member of the Association pursuant to Section 5.2.

2.26 Membership. The membership in the Association held by a Member.

2.27 Mortgage. An unpaid or outstanding mortgage, deed of trust, deed to secure debt or any other form of security instrument encumbering the Community or a portion thereof.

2.28 Mortgagee. A beneficiary or holder of a Mortgage.

2.29 Nonprofit Act. The Colorado Revised Nonprofit Corporation Act, as set forth in Colorado Revised Statutes §§ 7-121-101 et seq., as the same may be amended from time to time.

2.30 Owner. A Person or Persons owning fee simple title of record to any Lot subject to this Declaration from time to time. The term "Owner" shall include a seller under an executory contract for sale and exclude a buyer thereunder and shall include a landlord pursuant to a lease for a Lot and exclude a tenant thereunder.

2.31 Permittee. A Person, other than an Owner, who is a tenant or occupant of a Lot or a Person who is an agent, employee, customer, contractor, licensee, guest or invitee of an Owner or of such tenant or occupant.

2.32 Person. A natural person, corporation, partnership, limited liability company, trust, municipality, special district, or other legal entity, whether public or private.

2.33 Quorum. With respect to a meeting of the Members or the Board, the percentage or number of the Members or Board that constitutes a quorum pursuant to the applicable provisions of the Bylaws.

2.34 Records. The official real property records maintained by the clerk and recorder of Boulder County, Colorado; the phrases "to Record" and "Recording" mean, respectively, to file or filing for recording in the Records, and the phrases "of Record" and "Recorded" mean having been recorded in the Records.

2.35 Reserve Fund. A reserve fund to be established and maintained by the Association for the periodic major repair or replacement of the Common Elements and for unbudgeted and unplanned Common Expenses incurred by the Association from time to time.

2.36 Rules. The rules and regulations, if any, governing the use of the Common Elements adopted from time to time by the Association. The Rules shall be binding upon all Owners and their Permittees.

2.37 Special Assessment. An Assessment levied in accordance with Section 6.4.

2.38 Taking. A taking by the exercise of eminent domain or conveyance in lieu thereof.

ARTICLE 3

CREATION OF THE COMMUNITY

3.1 Creation. Upon the Recording of this Declaration, the Community shall be a "planned community" pursuant to the Act, and the name of the planned community shall be "Hidden Lake Community." The Community is located entirely within the County.

3.2 Number of Lots. The Lots included within the Community as of the date hereof are set forth on Exhibit A attached hereto. Any additional lot in the Hidden Lake Subdivision may be added to the Community, subject to the terms and conditions set forth herein, and thereafter shall be included hereunder as a Lot within the Community.

3.3 Allocations.

(a) Allocation of Votes. In all matters submitted to a vote of the Members, each Lot is allocated one vote in the Association; provided, however, that no vote shall be exercised for any Lot owned by the Association.

(b) Allocation of Common Expenses. Each Lot is allocated, and the Owner of the Lot is liable for, a percentage of the Common Expenses equal to such Lot's Common Allocation in effect from time to time. All other costs and expenses of the Association are allocated among the Lots as otherwise provided in this Declaration. Notwithstanding the foregoing, the rate of assessments against the Unoccupied Lots shall be less than that against other Lots, as described in Section 6.5 below.

3.4 Subdivision by Owners. The subdivision, re-subdivision or reconfiguration of any Lot shall in no event relieve any Owner of such Lot from the obligations appurtenant to such Lot hereunder.

3.5 Duty to Accept Property Transferred by Owner. The Association shall accept title to any undivided interest in Outlots, including Improvements thereon, transferred to the Association by any Owner of a Lot, together with responsibility to perform all duties and functions of the Association which are set forth in this Declaration or otherwise assumed by the Association, in connection with such undivided interest in the Outlots.

ARTICLE 4

EASEMENTS

4.1 Easement for Use, Access and Enjoyment in and to the Common Elements. The Association hereby establishes and grants to each Owner a nonexclusive easement of use, access and enjoyment in and to the Common Elements for the purposes for which the Common Elements are intended and operated by the Association. Any Owner may extend its right of use and enjoyment to its Permittees subject to reasonable regulation by the Association. Unless otherwise provided in a writing furnished to the Association by the Owner, an Owner who leases its Lot shall be deemed to have exclusively assigned all such rights to the

lessee or lessees of such Lot. The easement established by this Section 4.1 shall be appurtenant to and pass with the title to the Lots and shall be subject to:

(a) This Declaration and any other applicable covenants, including any applicable Supplemental Declaration;

(b) The right of the Association to adopt Rules regulating the use and enjoyment of the Common Elements;

(c) The right of the Association to suspend the right of any Owner or such Owner's Permittees to use any recreational facility or other amenity of any type situated within or on the Common Elements (i) for any period during which any Assessment against such Owner's Lot remains delinquent, and (ii) for a period not to exceed 30 days for a single violation (or for a longer period in the case of any continuing violation) of this Declaration, the Bylaws or the Rules, after providing such notice and hearing as may be required by the Bylaws;

(d) The right of the Association to dedicate or transfer all or any part of the Common Elements, subject to Section 12.2 and such other approval requirements as may be set forth in this Declaration or the Act; and

(e) The right of the Association to mortgage, pledge or hypothecate any or all of the Common Elements as security for money borrowed or debts incurred, subject to the limitations of the Act and the approval requirements set forth in Section 12.2.

4.2 Association's Right to Grant Additional Easements. Notwithstanding anything to the contrary in Section 12.2 or other Sections of this Declaration, the Association may grant easements over the Common Elements for installation and maintenance of utilities, drainage facilities and roads and for other purposes that benefit the Members.

4.3 Easements Run with Land. All easements established and granted pursuant to this Article 4 are appurtenant to and run with the Community and will be perpetually in full force and effect so long as this Declaration is in force and will be binding upon the Association, Owners, Permittees and any other Persons having any interest in the Community or any part thereof. The Lots and the Common Elements will be conveyed and encumbered subject to all easements set forth in this Article 4, whether or not specifically mentioned in such conveyance or encumbrance.

ARTICLE 5

THE ASSOCIATION

5.1 Function of Association, Generally. The Association shall be responsible for management, maintenance, repair, replacement, operation and control of the Common Elements and collection of the Assessments. It shall have all powers necessary or desirable to effectuate such purposes, including the right to (a) operate, regulate, manage, maintain, alter,

repair, replace, and charge fees in connection with the operation and use of the Common Elements; (b) enforce all provisions of this Declaration; and (c) perform all rights and obligations granted to the Association under this Declaration, the Articles, the Bylaws, the rules and regulations, and any procedures, rules, regulations or policies adopted under such documents by the Association ("Association Documents"). The administration and management of the Common Elements shall be governed by the Association Documents and duly adopted rules, regulations and resolutions of the Association. In case of conflict between the Declaration and the Articles, the Bylaws or the Rules, this Declaration shall govern.

5.2 Membership. Every Owner of a Lot for which the undivided interests in the Outlots appurtenant to such Lot have been conveyed to the Association shall be a Member. When an Owner consists of more than one Person, all such Persons will, collectively, be considered one Member of the Association and all such Persons shall be jointly and severally obligated to perform the responsibilities of Owner. Membership will automatically terminate when a Person ceases to be an Owner, whether through sale, transfer, intestate succession, testamentary disposition, foreclosure or otherwise. The Association will recognize a new Owner as a Member (i) upon presentation of satisfactory evidence of the sale, transfer, succession, disposition, foreclosure or other transfer of a Lot to such Owner, and (ii) written verification that the undivided interests in the Outlots appurtenant to such Lot have been conveyed to the Association. Membership may not be transferred, pledged or alienated in any way, except to a new Owner upon conveyance of a Lot and such written verification that the undivided interests in the Outlots appurtenant to such Lot have been conveyed to the Association. Any attempted prohibited transfer of a Membership will be void and will not be recognized by the Association.

5.3 Authorized Representative. Any Member who is either: (i) two or more Persons; or (ii) one Person that is not a natural person (i.e., an estate or a trust, corporation, partnership, limited liability Association or other entity), shall appoint, and any Owner who is one natural person may appoint, an Authorized Representative. Any Member so required to appoint an Authorized Representative shall do so immediately upon becoming an Owner. Any Member who is required or elects to appoint an Authorized Representative shall provide written notice to the Association of the appointment of such Authorized Representative or any subsequent replacement therefore within 10 days after appointment. Such notice must (a) be signed by all Persons constituting the Member; (b) be dated; and (c) contain a statement that the natural person named therein will remain the Authorized Representative of such Member until a subsequent notice is given to the Association naming a successor. Such notice will be deemed a proxy given by all Persons constituting such Member to the Authorized Representative named therein for all purposes under this Declaration, the Bylaws, the Act and the Colorado Revised Nonprofit Corporation Act. The appointment of an Authorized Representative will be binding upon all Persons comprising the appointing Member and the vote of the Authorized Representative will be conclusive as to the Association, unless and until the Association receives a notice appointing a replacement Authorized Representative (or, in the case of an Authorized Representative appointed by an Member who is one natural person, a notice terminating the appointment of such Authorized Representative). Unless the notice of appointment expressly states otherwise, the Authorized Representative shall be authorized to designate in a writing delivered to the Association a temporary, substitute Authorized Representative. Upon receipt of any notice appointing an Authorized Representative, the Association may request such additional evidence of authority as it may reasonably deem necessary to verify the due appointment of the

named Authorized Representative. If a Member who is required or elects to appoint an Authorized Representative owns more than one Lot, such Member may elect to appoint: (1) the same natural person to serve as Authorized Representative for each Lot owned by such Member; (2) a different natural person to serve as Authorized Representative for each such Lot; or (3) the same natural person to serve as Authorized Representative for two or more of such Lots and one or more different natural persons to serve as Authorized Representatives for the remaining Lot(s) owned by such Member.

5.4 Majority Approval. Except as otherwise provided in this Declaration, the Bylaws or the Act, the affirmative vote of the Members present and voting, either in person or by proxy, at a meeting of the Association called and held in accordance with the Bylaws will be sufficient to approve any matter submitted to a vote of the Association if such Members hold a majority of the votes in the Association represented at such meeting.

5.5 Board of Directors. The affairs of the Association shall be governed by the Board of Directors, which may, by resolution, delegate any portion of its authority to an executive committee or an officer, executive manager or Director of the Association. The qualifications and number of Directors, the term of office of Directors, the manner in which Directors shall be elected and the manner in which Directors shall be replaced upon removal or resignation shall be as set forth in the Bylaws.

5.6 Delivery of Property to Association. Within 60 days after the Members elect a majority of the Directors, each Member shall have conveyed to the Association its 1/51st undivided interest in the Outlots appurtenant to such Member's Lot.

5.7 Powers. In the performance of its functions and duties, the Association shall have the power to:

(a) adopt and amend the Bylaws, and make and enforce the Rules, consistent with the rights, duties, terms and conditions established by this Declaration and the Bylaws;

(b) subject to Section 6.1, adopt and amend budgets for revenues, expenditures and reserves and assess and collect any Assessments and any other amounts due from Owners or others to the Association;

(c) exercise any of the enforcement powers set forth in Section 5.8 or elsewhere in this Declaration;

(d) institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the Common Elements or the Association;

(e) make contracts and incur liabilities in accordance with a properly ratified budget;

(f) borrow funds to cover Association expenditures and pledge Association assets as security therefore, provided that Common Elements may be subjected to a security interest only pursuant to Section 12.2;

(g) provide for the use, maintenance, repair, replacement and modification of the Common Elements in accordance with a properly ratified budget or otherwise in accordance with this Declaration;

(h) cause additional Improvements to be made as a part of the Common Elements in accordance with the properly ratified budget, or otherwise in accordance with this Declaration;

(i) grant easements, leases, licenses, and concessions through or over the Common Elements;

(j) impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements and for any services provided to persons other than Owners;

(k) impose charges for late payment of Assessments and recover reasonable attorneys' fees and other legal costs for collection of Assessments and other actions to enforce the powers of the Association, regardless of whether or not suit was initiated, and, after providing notice and an opportunity to be heard pursuant to the Bylaws, levy reasonable fines for violations of this Declaration, the Bylaws or the Rules;

(l) impose reasonable charges and fees for services including, but not limited to, the preparation, copying and recordation of amendments to this Declaration or statements of unpaid Assessments pursuant to Section 7.7;

(m) provide for the indemnification of its officers and Directors as provided in the Bylaws or the Articles and maintain directors' and officers' liability insurance;

(n) perform any duties or functions properly delegated to the Association by any Supplemental Association or the Architectural Review Committee;

(o) exercise any other powers expressly conferred by this Declaration, the Bylaws or the Act or reasonably implied from or necessary to effectuate such powers;

(p) except as prohibited by the Act, exercise all other powers that may be exercised in the State of Colorado by a nonprofit corporation; and

(q) exercise any other powers necessary and proper for the governance and operation of the Association.

5.8 Enforcement.

(a) Sanctions and Self-Help. The Association may impose sanctions for violations of this Declaration, the Bylaws or the Rules in accordance with procedures set forth in this Declaration or other policies adopted by the Board of Directors, including reasonable monetary fines and suspension of the right to use any Common Elements. In addition, the Association may exercise self-help (e.g., enter upon a Lot and make any corrective measure necessary to cure a violation) to cure violations and suspend any services it provides to the Lot of any Owner who is more than thirty days delinquent in paying any Assessment or other charge due to the Association following delivery of a notice of such violations to such Owner. All remedies set forth in this Declaration and the Board policies shall be cumulative of each other and of any remedies available at law or in equity. In any action to enforce the provisions of this Declaration, Board policies or any Rules, if the Association prevails it shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs, reasonably incurred in such action.

(b) No Waiver. In no event shall the Association's failure to enforce any covenant, requirement, restriction or rule provided for in this Declaration, the Bylaws or the Rules constitute a waiver of the Association's right to later enforce such provision or any other covenant, requirement, restriction or rule.

5.9 Common Elements. The Association shall provide for the care, operation, management, and repair for the Common Elements. Without limiting the generality of the foregoing, such obligations shall include keeping the Common Elements in good, clean, attractive and sanitary condition, order and repair; removal of any materials from the Common Elements that might impair access thereto; and making necessary or desirable alterations, additions, betterments, or improvements to or on the Common Elements. In general, the Association shall exercise its duties in a manner designed to maintain the value of the Community.

5.10 Board Authority. Except as otherwise specifically provided by law or in this Declaration, the Articles or the Bylaws, all rights and powers of the Association may be exercised by the Board without a vote of the Members. In the performance of their duties, the Directors will act according to their ordinary business judgment, except to the extent the Act requires a greater standard of care. Unless otherwise provided in this Declaration or the Act, the affirmative vote of a majority (i.e., more than 50%) of the Directors will be necessary and sufficient to approve any matter before the Board. The Board shall select the officers of the Association, which officers may also serve as Directors.

5.11 Books and Records. The Association shall make available for inspection, upon request, during normal business hours or under other reasonable circumstances, to Owners and Mortgagees, current copies of the Association Documents and the books, records and financial statements of the Association prepared pursuant to the Association's Bylaws and as required by the Act and Nonprofit Act. The Association may charge a reasonable fee for copying such materials in accordance with the requirements of the Act. The Association shall maintain such books and records as may be required under the Act and as required by the Nonprofit Act.

5.12 Rules and Regulations. The Board may promulgate and enforce, including enforcement by levying and collecting charges or fines for the violation thereof, reasonable rules and regulations governing the use of the Lots, Common Elements and any property owned or managed by the Association. All such rules and regulations shall be consistent with, and shall not materially diminish, the rights and duties established in this Declaration and the reasonable enjoyment of the Uses permitted hereunder, and in no event shall any such rules and regulations change the uses to which any Lot is restricted under this Declaration.

ARTICLE 6

BUDGET AND ASSESSMENTS

6.1 Budget. The Board, on behalf of the Association, shall cause to be prepared and will adopt annually, prior to the beginning of each Fiscal Year of the Association, a proposed budget for the Association. The proposed budget will include all of the following items, in addition to any other items the Board deems appropriate:

- (a) the estimated Common Expenses of the Association for such Fiscal Year;
- (b) the estimated revenues of the Association that will be necessary to defray the Common Expenses;
- (c) the current cash balance in the Reserve Fund, which fund shall be established and maintained by the Board;
- (d) an estimate of the amount required to be spent during such Fiscal Year from the Reserve Fund for the major repair or replacement of the Common Elements; and
- (e) a statement of the amount required to be added to the Reserve Fund during such Fiscal Year to cover anticipated withdrawals and adequately address contingencies and anticipated needs in future Fiscal Years.

The Board shall submit the Budget to the Owners pursuant to Section 303(4) of the Act.

6.2 Creation of Assessments. There shall be two types of Assessments: (a) Common Assessments as described in Section 6.3; and (b) Special Assessments as described in Section 6.4. Each Owner, by accepting a deed for any Lot, is deemed to covenant and agree to pay these Assessments pursuant to the terms and conditions of this Declaration.

6.3 Common Assessments. An Owner's Common Assessment shall be determined based on the adopted and ratified Budget. The Board shall levy and assess the Common Assessments to each Owner in accordance with the Common Allocation for such Owner's Lot on the date of the Common Assessment. Common Assessments shall be payable in advance monthly, and shall be due on the first day of each month in regular installments on a prorated basis, and shall be considered in default if not paid within fifteen days of the due date. If the Association omits or fails to set the amount of the Common Assessments for any

assessment year, the Owners shall be obligated to continue making periodic payments to the Association for Common Assessments in the same amount and on the same schedule as last fixed by the Association. Common Assessments shall provide for the payment of all estimated Common Expenses growing out of or connected to repair work, operation, utilities, additions, alterations, and improvement of and to all Common Elements; expenses and fees of management; insurance premiums for insurance as provided in Article 10 hereof; charges for trash removal; legal and accounting fees; expenses and liabilities incurred by the Association performing its duties under this Declaration; and the creation and maintenance of contingency and reserve funds for repair work relating to the Common Elements. Any surplus funds derived from Common Assessments shall be transferred to the Reserve Fund or used for Association operations, as determined in the Board's sole discretion. By acceptance of a deed to his or her Lot, each Owner hereby directs the Board to make this determination each year.

6.4 Special Assessments. In addition to other authorized Assessments, the Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted, including, without limitation, the costs of any construction, restoration, unexpected repair or replacement of any Common Elements, Improvements thereon or any other capital improvements that benefit all of the Owners and are not covered by the Reserve Fund. Special Assessments shall commence as to each Lot pursuant to Section 6.6. Subject to Section 6.6, each Lot is subject to Special Assessments for the Lot's Common Allocation of the total Special Assessments levied by the Association, except that the Special Assessments against Unoccupied Lots shall be set in accordance with Section 6.5 below. Except as otherwise specifically provided in this Declaration, no Special Assessment shall require the approval of the Members. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the Fiscal Year in which the Special Assessment is approved. The Board shall have the right to require that Special Assessments be paid in advance of the provision of the subject services or Improvements. Without limiting the generality of the foregoing, the Board may levy Special Assessments to cover certain costs of restoration or replacement of Common Elements in the event of damage, destruction or Taking of Common Elements, as set forth in Sections 10.2(a)(v) and 10.3.

6.5 Unoccupied Lots. Common and Special Assessments shall be sufficient to meet the expected needs of the Association and shall be apportioned among the Lots in accordance with their Common Allocation. Notwithstanding the foregoing, however, the amount of the Common and Special Assessments against the Unoccupied Lots may be set at a lower rate than the rate of Common Assessments and Special Assessments against other Lots, because the Unoccupied Lots receive and benefit from fewer services funded by such Assessments than other Lots. Colorado Revised Statutes §38-33.3-315(3)(b) states that "Any common expense or portion thereof benefiting fewer than all of the units shall be assessed exclusively against the units benefited." Based on this provision, the Board has discretion to determine whether a lower rate for Common and Special Assessments is warranted for Unoccupied Lots, and if determined so, what such lower rate shall be.

6.6 Commencement of Assessments. The obligation to pay Common Assessments and Special Assessments shall commence as to each Lot on the day on which the Association first levies Assessments pursuant to this Article 6. The first annual Common

Assessments and Special Assessments levied on each Lot shall be prorated according to the number of months remaining in the Fiscal Year at the time Assessments commence on the Lot.

6.7 Working Capital Fund. To provide the Association with sufficient initial working capital and funding to meet its obligations and to cover the cost of unforeseen expenditures or to purchase any additional equipment or services, an initial "Working Capital Fund" will be established in an amount equal to three months' Common Assessments for each Lot. For each Lot, the contribution to the Working Capital Fund in an amount equal to three months' Common Assessments is due on the closing of the sale of the Lot to an Owner other than the Developer of such Lot. Amounts contributed to the Working Capital Fund do not constitute advance payments of Common Assessments.

ARTICLE 7

ENFORCEMENT OF ASSESSMENTS

7.1 Payment of Assessments. Each Owner shall pay, or cause to be paid, all Assessments assessed against such Owner's Lot by the Association in accordance with the terms of this Declaration. Each Assessment is a separate, distinct and personal debt and obligation of the Owner against whose Lot the Assessment is levied. All Assessments are payable in full without offset for any reason whatsoever. Each Owner's obligation to pay Assessments is entirely independent of any obligation of the Association to the Owner. No Owner may exempt itself from liability for any Assessment by non-use of Common Elements, abandonment of its Lot or any other means. Any Assessment or installment of an Assessment not paid within 30 days after it becomes due is delinquent. If an Assessment or installment of an Assessment is delinquent, the Association may recover all of the following (collectively, the "Delinquency Costs"): (a) interest from the date due at the rate established from time to time by the Board (but not to exceed 21% per year); (b) one-time late charges and other monetary penalties imposed by the Association pursuant to this Declaration and the Bylaws; and (c) all collection and enforcement costs, including reasonable attorneys' fees, incurred by the Association, together with any and all other costs incurred and/or accrued after the date of the Delinquency Notice described in Section 7.2 below. The Association may also adopt other policies regarding enforcement actions (such as loss of Owner privileges within the Community or suspension of Owner voting rights) in the event an Assessment is delinquent. Each Assessment, together with any applicable Delinquency Costs, shall be a charge and continuing lien upon the Lot against which the Assessment is levied until paid, as more particularly provided in Section 7.3. Each such Assessment, together with any applicable Delinquency Costs, also shall be the personal obligation of the Person that was the Owner of such Lot at the time the Assessment and the applicable Delinquency Costs arose. Where the Owner consists of multiple Persons, each such Person shall be jointly and severally liable for each and every obligation of the Owner.

7.2 Delinquency Notice. If any Assessment or installment of any Assessment is delinquent, the Association may notify the Owner of the delinquency and state in the notice: (a) the amount and due date of the delinquent Assessment or installment thereof; (b) the Delinquency Costs accrued to date; and (c) the date by which the delinquent Assessment installment thereof and all associated Delinquency Costs must be paid.

7.3 Lien for Assessments. The Association has an automatic lien against each Lot to secure payment of all Assessments and associated Delinquency Costs levied by the Association against such Lot. Such lien shall be perfected upon the Recording of this Declaration, and no further claim of lien shall be required. Notwithstanding the foregoing and without limitation on the automatic lien against each Lot established hereby, the Association has the right, but not the obligation, to prepare and Record a "Notice of Lien" setting forth (i) the amount of any Assessment or Delinquency Costs or other amount due and owing to the Association; (ii) the date such amount was due and payable and the date from which interest accrues; (iii) all Delinquency Costs accrued as of the date of Recording of such Notice of Lien; (iv) the Lot affected by the lien; and (v) the name or names, last known to the Association, of the Owner of the Lot. The automatic lien of the Association against each Lot established and perfected by this Section 7.3 shall be superior to all other liens and encumbrances, except (a) liens and encumbrances Recorded before this Declaration; (b) liens for real estate taxes and other governmental assessments or charges against the Lot; and (c) subject to the limited priority established in favor of the Association pursuant to Section 38-33.3-316(2)(b)(I) of the Act, any First Mortgage on the Lot that was Recorded before the date on which the Assessment or installment thereof the Association is seeking to enforce became delinquent. Subject to the limitations of the preceding sentence, the sale or transfer of any Lot shall not affect the lien for any existing delinquent Assessments.

7.4 Payment by Mortgagee. Any Mortgagee of any Lot may pay any unpaid amount payable with respect to such Lot, together with any and all costs and expenses incurred with respect to the lien, and upon such payment that Mortgagee shall have a lien on the Lot for the amounts paid with the same priority as the lien of such Mortgagee's Mortgage.

7.5 Enforcement of Assessments. The amount of any delinquent Assessments and associated Delinquency Costs may be enforced against the Owner liable for them in either or both of the following ways, at the option of the Association (which shall not be exclusive of any other remedies or enforcement rights available to the Association at law or in equity):

(a) Suit. The Association may bring a suit or suits at law to enforce the Owner's obligation to pay a delinquent Assessment and associated Delinquency Costs. Each action will be brought in the name of the Association. If the Association prevails in any such action, the Association will be entitled to receive the reasonable attorneys' fees and costs incurred by the Association in bringing the action against the defaulting Owner. Upon full satisfaction of the judgment, the Association, by one of its officers, will execute and deliver to the judgment debtor an appropriate satisfaction of the judgment.

(b) Lien Foreclosure. If the Association gives a notice concerning the delinquent Assessment that substantially complies with the provisions of Section 7.2 and the delinquent Assessment is not paid in full by the due date specified in such notice, then the Association may foreclose, in the same manner as the foreclosure of a mortgage under the laws of the State of Colorado, the lien established in Section 7.3 securing the Assessment and any associated Delinquency Costs. The Association may bid for a Lot at any foreclosure sale, pay all or part of the bid amount by crediting the lien amount against the bid, and acquire, hold, lease, mortgage and convey such Lot. While a Lot is

owned by the Association following foreclosure: (a) no right to vote shall be exercised on behalf of the Association as the Owner of such Lot; and (b) no Assessments shall be levied against such Lot; and (c) each other Lot shall be charged, in addition to its usual Assessments, its pro rata share of the Assessments that would have been charged the Lot acquired by foreclosure had such Lot not been acquired by the Association.

7.6 Disputes and Records. Any Owner or an Owner's authorized representative may inspect the books and records of the Association during regular business hours upon reasonable prior notice. If an Owner disputes the amount of any Assessment against its Lot and is unable to resolve the issue through an inspection of the Association's books and records, the Owner will continue to pay in a timely manner the full amount of the disputed Assessment until, if ever, it is finally determined that the amount is incorrect (in which case the Association will promptly refund any overpayment). If the Owner fails to pay the disputed Assessment while the dispute is pending, the Association may immediately pursue any of its remedies for the failure (including, without limitation, suit against the Owner and/or foreclosure of the Association's lien against the Owner's Lot), and the pendency of the dispute is not a bar or defense to any actions by the Association.

7.7 Certificate. Within 14 calendar days after receiving a written request from any Owner, Mortgagee or a designee of either of them, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's registered agent, the Association will furnish to the requesting party, by personal delivery or certified mail, first-class postage prepaid, return receipt requested, a certificate executed on behalf of the Association and addressed to the requesting party, stating any then unpaid Assessments due from the requesting Owner or the Owner of the Lot encumbered by the requesting Mortgagee's Mortgage, or stating that there are no unpaid Assessments due from such Owner, as the case may be. A certificate furnished by the Association pursuant to this Section 7.7 is binding on the Association, the Board and every Owner. Such Owner's Lot shall not be subject to a lien for any unpaid Assessments against the Lot to the extent that (a) the lien arises before the date of the certificate and the amount of the lien exceeds any unpaid amounts stated in the certificate, or (b) if the Association does not furnish a certificate pursuant to this Section 7.7, the unpaid Assessments are due as of the date of the request. The Association may charge the Owner of any Lot for which such a certificate is furnished pursuant to this Section 7.7, and the Owner will pay, a reasonable fee for the preparation of the certificate in an amount determined by the Board from time to time.

ARTICLE 8

MAINTENANCE

8.1 Association's Responsibilities.

(a) Maintenance of Common Elements. The Association shall maintain and keep in good repair the Common Elements.

(b) Operation of Facilities. The Association shall maintain the Improvements, facilities and equipment, if any, within the Common Elements in

continuous operation, except for any periods necessary, as determined in the sole discretion of the Board, to perform required maintenance or repairs.

8.2 Owner's Responsibility. Each Owner shall be responsible for costs of repair or replacement of any portion of the Common Elements that is damaged or destroyed by reason of the willful misconduct or gross negligence of such Owner or any of its Permittees.

8.3 Maintenance Standard. Unless otherwise specifically provided herein or in other instruments creating and assigning such maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement, as necessary. All maintenance shall be performed in a manner consistent with the quality of maintenance prevailing within the Community. Neither the Association nor any Owner shall be liable for any damage or injury occurring on or arising out of the condition of property which it does not own, except pursuant to Section 8.2 or to the extent that it has been negligent in the performance of its maintenance responsibilities.

8.4 Security. The Association may, but shall not be obligated to, maintain or support certain activities in the Community designed to make the Community safer than it otherwise might be. In no event shall the Association be considered an insurer or guarantor of security in the Community, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any fire protection system, or security system or measures, cannot be compromised or circumvented, nor that any such system or security measure undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and covenants to inform his or her Permittees that neither the Association nor the Board of Directors and/or any committees thereof are insurers and that each Person using the Community assumes all risks of personal injury and loss or damage to property, including Lots and Improvements and the contents of Lots, resulting from acts of third parties.

ARTICLE 9

USE RESTRICTIONS

9.1 Compliance with Laws. Each Lot Owner shall comply with all applicable laws, ordinances, and regulations of all governmental bodies having jurisdiction over the Property. Nothing shall be done or kept in any Lot or in or on the Common Elements, or any part thereof, that would be in violation of any statute, rule, ordinance, regulation, permit, or other imposed requirement of any governmental body having jurisdiction over the same.

9.2 Compliance with Association Documents. Each Owner shall comply strictly with, and shall cause his or her Permittees to comply strictly with, all of the provisions of this Declaration, the Articles and the Bylaws, the Final Plat, and the decisions, rules, regulations and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, maintainable by the Board in the name of the Association on behalf of the Owners, or in a proper case, by an aggrieved Owner.

9.3 Property to be Maintained. Each Lot Owner shall at all times maintain its Lot in a manner consistent with the standard of first class residential real estate properties of comparable size in the Boulder County area. No trash, litter, junk, boxes, containers, bottles, cans, implements, grass, shrubs, or tree clippings, plant waste, machinery, metal, lumber or other building materials shall be permitted to remain exposed upon any Lots so that same are visible from any neighboring Lot or street, except as necessary during any period of construction. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. No garbage or trash cans or receptacles shall be maintained in an exposed or unsightly manner. No unsightliness or waste shall be permitted on or in any part of a Lot.

9.4 No Hazardous Activities. No activity shall be conducted on any part of the Common Elements that 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 Common Element and no open fires shall be lighted or permitted on any Common Element except in a contained barbecue unit while attended and in use for cooking purposes or within an interior fireplace. Further, no hazardous materials or chemicals shall at any time be located, kept or stored in, on or at any Common Element except such as may be contained in household products normally kept at homes for use of the residents thereof and in such limited quantities so as to not constitute a hazard or danger to person or property. In no event shall the items set forth herein be deemed to be a complete list of hazardous activities prohibited hereunder, and the Board shall have the right to terminate any other hazardous activity carried on by an Owner or its Permittees in violation of the provisions hereof.

9.5 Use of Common Elements. Each Owner and Owner's Permittees may use the Common Elements in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners. The Board may adopt rules, regulations, restrictions or policies governing or restricting the use of the Common Elements. Each Owner and Owner's Permittees, by the Owner's acceptance of a deed or other instrument of conveyance or assignment to its Lot, agrees to be bound by any such adopted rules, regulations or policies. No Owner or Owner's Permittees shall cause, or further, an obstruction of the Common Elements, nor shall anything be stored on any part of the Common Elements, without prior written consent of the Board. Nothing shall be altered, constructed on, or removed from the Common Elements except upon the prior written consent of the Board.

9.6 Rules and Regulations. In addition to the other restrictions set forth in this Article 9, the Owners shall also comply with any and all Rules adopted by the Association.

9.7 Mining Operations. No oil or gas drilling, oil or gas development operations, oil refining, quarrying or mining operations of any kind shall be permitted in the Community.

ARTICLE 10

INSURANCE, DAMAGE AND TAKINGS

10.1 Association's Insurance.

(a) Required Coverage. The Association, acting through the Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance if reasonably available or, if not reasonably available, the most nearly equivalent coverages as are reasonably available:

(i) Blanket "all risk" property insurance covering any insurable Improvements owned by the Association. The Association shall have the authority to insure any property for which it has maintenance or repair responsibility, regardless of ownership. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement cost of the insured Improvements.

(ii) Commercial general liability insurance, insuring the Association and the Owners against damage or injury caused by the negligence of the Association or any of its Members, employees, agents or contractors while acting on its behalf. If generally available at reasonable cost, the commercial general liability coverage (including primary and any umbrella coverage) shall have a limit of at least \$1,000,000.00 per occurrence with respect to bodily injury, personal injury and property damage.

(iii) Workers' compensation insurance and employer's liability insurance to the extent required by law.

(iv) Directors' and officers' liability coverage in an amount determined by the Board.

(v) Fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's business judgment but not less than two months' Assessments plus all reserves on hand, and containing a waiver of all defenses based upon the exclusion of Persons serving without compensation.

(vi) Such additional insurance as the Board determines advisable, which may include, without limitation, automobile insurance, flood insurance, boiler and machinery insurance and building ordinance coverage.

(b) Policy Requirements. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to any Owner or Mortgagee. Each policy may provide for a deductible which may not exceed the lesser of \$10,000.00 or one percent (1%) of the policy face amount, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 10.1(a). Premiums for all insurance

maintained by the Association pursuant to this Section 10.1 shall be Common Expenses and shall be included in the Common Assessment. In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance coverage. All insurance coverage obtained by the Association shall:

(i) be written with companies authorized to do business in the State of Colorado;

(ii) be written in the name of the Association as trustee for the Association and the Members;

(iii) be written as a primary policy, not contributing with and not supplemental to the coverage that any Owners, occupants or their Mortgagees may carry individually;

(iv) include an inflation guard endorsement, as applicable;

(v) include an agreed amount endorsement, if the policy contains a co-insurance clause;

(vi) provide that each Owner is an insured person under the policy with respect to liability arising out of such Owner's membership in the Association;

(vii) include an endorsement precluding cancellation, invalidation, suspension or non-renewal by the insurer on account of any curable defect or violation or any act or omission of any Owner, without prior written demand to the Association to cure the defect, violation, act or omission and allowance of a reasonable time to effect such cure;

(viii) include an endorsement precluding cancellation, invalidation or condition to recovery under the policy on account of any act or omission of any Owner, unless such Owner is acting within the scope of its authority on behalf of the Association; and

(ix) include an endorsement requiring at least 30 days' prior written notice to the Association, and to each Owner and Mortgagee to whom a certificate of insurance has been issued, of any cancellation, substantial modification or non-renewal.

(c) Other Policy Provisions. In addition, the Association may use reasonable efforts to secure insurance policies which list the Owners as additional insureds and provide:

(i) a waiver of subrogation as to any claims against the Board, the officers or employees of the Association, and the Owners and their Permittees;

(ii) a waiver of the insurer's rights to repair and reconstruct instead of paying cash;

(iii) an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;

(iv) a cross liability provision; and

(v) a provision vesting in the Association exclusive authority to adjust losses; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in settlement negotiations, if any, related to such losses.

10.2 Damage and Destruction.

(a) Property Insured by Association.

(i) Immediately after damage or destruction to all or any part of the Community covered by insurance written in the name of the Association, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. Repair or reconstruction, as used in this paragraph, means the repair or restoration of the damaged property to substantially the condition in which it existed prior to the damage, allowing for changes necessitated by changes in applicable building codes.

(ii) Any damage to or destruction of the Common Elements shall be repaired or reconstructed unless: (i) a decision not to repair or reconstruct is made by Members representing at least a majority of the total votes in the Association; (ii) repair or reconstruction would be illegal under any state or local statute governing health and safety; or (iii) the planned community established by this Declaration is terminated pursuant to Section 14.2(b).

(iii) If the damage or destruction to the Common Elements will not be repaired or reconstructed pursuant to Section 10.2(a)(ii) and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive landscaped condition.

(iv) Any insurance proceeds attributable to damage to Common Elements will be applied to the costs of repair or reconstruction (if any) and then, if any insurance proceeds remain, distributed among all Lots in proportion to their Common Allocations.

(v) If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Association may, without a vote of the Members, levy Special Assessments to cover the shortfall.

(vi) Each Lot will continue to be subject to Assessments following any damage to any portion of the Common Elements, without abatement as a result of such damage.

10.3 Takings.

(a) Taking of Common Elements.

(i) Each Owner shall be entitled to written notice of any Taking of any Common Elements or portion thereof. The Association will be solely responsible for negotiating, and is hereby authorized to negotiate with the condemning authority on behalf of all Owners concerning, the amount of the award for any Taking by which a condemning authority acquires any Common Elements or portion thereof without also acquiring 100% of the Lots, and the acceptance of such award by the Association will be binding on all Owners. Any award made for such Taking shall be payable to the Association as trustee for all Owners and shall be disbursed as set forth in Sections 10.3(a)(ii) and 10.3(a)(iii). Notwithstanding the foregoing, no Common Elements shall be conveyed in lieu of and under threat of condemnation without the approval of the Board, acting with the approval of Members representing at least 75% of the total votes in the Association.

(ii) If the Taking involves a portion of the Common Elements on which Improvements have been constructed, the Association shall restore or replace such Improvements on the remaining land included in the Common Elements to the extent available, unless otherwise voted within 60 days after such Taking by Members representing at least a majority of the total votes in the Association. Any such construction shall be in accordance with plans approved by the Association. If the award made for such Taking is insufficient to cover the costs of restoration or replacement, the Association may, without a vote of the Members, levy Special Assessments to cover the shortfall.

(iii) If the Taking does not involve any Improvements on the Common Elements, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall become an asset of the Association.

ARTICLE 11

MORTGAGEE PROVISIONS

11.1 No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Member or other party priority over any rights of the First Mortgagee of any Lot in the case of distribution to such Member of insurance proceeds or condemnation awards for losses to or a Taking of the Common Elements.

11.2 Notice to Mortgagees. Upon receipt by the Association of a written request for notices as described in Section 2.18, any Eligible Holder who provides such request will be entitled to timely written notice of:

(a) Any condemnation loss or casualty loss that affects a material portion of the Community or that affects any Lot on which there is a First Mortgage held, insured or guaranteed by such Eligible Holder;

(b) Any delinquency in the payment of Assessments or charges owed by a Lot subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of 60 days after notice of such delinquency has been delivered to the Member, or any other violation of this Declaration or the Bylaws relating to such Lot or the Member or occupant thereof which is not cured within 60 days of notice of such violation;

(c) Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

ARTICLE 12

CONVEYANCING AND ENCUMBRANCING

12.1 Lots. A description of any Lot in accordance with the requirements of Colorado law for the conveyance of real property will, if included in an otherwise proper instrument, be sufficient for all purposes to sell, convey, transfer, encumber and otherwise affect not only such Lot but also all easements, rights and other benefits appurtenant thereto as provided in this Declaration. A Person who becomes an Owner will promptly notify the Association of his or her ownership of a Lot. An Owner may encumber his or her Lot as he or she sees fit, subject to the provisions of this Declaration.

12.2 Common Elements. The Common Elements or portions thereof may be conveyed or subjected to a lien or security interest in accordance with the Act, with the written approval of Owners to whom are allocated at least 75% of the votes in the Association. Such conveyance or encumbrance will not affect the priority or validity of pre-existing encumbrances. Any net proceeds from the sale of any portion of the Common Elements will be an asset of the Association.

ARTICLE 13

AMENDMENT

13.1 Required Votes.

(a) Amendments to this Declaration that, under the Act, may be made by the Association without the approval of the Owners may be so made by the Association, subject, however, to any required consent in favor of any Person expressly required by this Declaration.

(b) Except as otherwise expressly permitted under the Act, any amendment to this Declaration that changes the uses to which any Lot is restricted requires the vote or agreement of Owners to which at least 67% of the votes in the Association are allocated.

(c) Any amendment to this Declaration that changes a specific clause or provision prescribing a certain percentage of affirmative votes for action to be taken under that clause or provision shall require the affirmative vote of those Owners of Lots to which at least that percentage (as prescribed in that clause or provision) of the votes in the Association are allocated.

(d) Any amendment to this Declaration that changes a specific clause or provision requiring the agreement of any Person(s) for action to be taken under that clause or provision shall require the written consent of such Person(s).

(e) Except as provided above in this Section 13.1 and in any other provision of this Declaration, this Declaration may be amended by the affirmative vote or agreement of the Owners of Lots to which more than 50% of the votes in the Association are allocated.

13.2 Amending Documents. An amendment to this Declaration is effective only when all of the following events occur:

(a) Owner Approval. The amendment is reduced to a writing that is approved (by affirmative vote or agreement) by the Owners of Lots to which at least the applicable required percentage of votes in the Association are allocated.

(b) Certificate by Association. A written certificate, executed and acknowledged by the president or any other authorized officer of the Association, is attached to the written amendment which states that the amendment was approved by the applicable required percentage of Owners pursuant to Section 13.1.

(c) Recording. The approved written amendment described in Section 13.2(a) and the certificate described in Section 13.2(b) are recorded.

ARTICLE 14

GENERAL PROVISIONS

14.1 Permittees Bound. All provisions of this Declaration, the Bylaws and the Rules shall also apply to all Permittees of any Owner. Each Owner shall cause all of its Permittees to comply with this Declaration, the Bylaws and the Rules, and each Owner shall be responsible for all violations and losses to the Common Elements caused by such Permittees, notwithstanding the fact that such Permittees of a Lot are fully liable and may be sanctioned for any violation.

14.2 Duration and Termination.

(a) Perpetual Duration. Unless terminated as provided in Section 14.2(b), this Declaration shall have perpetual duration. If Colorado law hereafter limits the period during which covenants may run with the land, then to the extent consistent with such law, this Declaration shall automatically be extended at the expiration of such period for successive periods of twenty years each, unless terminated as provided herein.

(b) Termination. Unless otherwise provided by Colorado law, in which case such law shall control, this Declaration may be terminated only by an instrument signed by Owners who represent at least 75% of the votes in the Association. Any termination instrument shall be Recorded and must comply with the termination procedures set forth in the Act. Nothing in this Section 14.2(b) shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

14.3 Compliance; Right of Action. Every Owner and Permittee shall comply with this Declaration, the Bylaws and the Rules. In recognition of the fact that a violation of any of the easements, restrictions, requirements, conditions and covenants set forth in this Declaration will cause irreparable damage to the Community that is subject to this Declaration, it is hereby declared, and by acquiring an interest in any Lot all Owners and Eligible Holders will be deemed to have agreed, that, except to the extent expressly provided to the contrary in this Declaration, any violation or attempted violation of any provision of this Declaration will give the Association and any aggrieved Owner the right to prosecute a proceeding at law or in equity against the Person who is violating or attempting to violate such provision and the right to recover sums due or damages or to obtain any other remedy available at law or in equity, including, without limitation, injunctive relief. In any action where a court determines that the Association is the substantially prevailing party, the Association shall be entitled to receive an award of its costs and reasonable attorneys' fees incurred in maintaining or defending such action.

14.4 Indemnity. Each Owner will be liable to and will protect, defend, indemnify and hold the Association harmless from and against any and all damages, claims, demands, liens (including, without limitation, mechanics' and materialmen's liens and claims), losses, costs and expenses (including, without limitation, reasonable attorneys' fees, court costs and other expenses of litigation) and liabilities of any kind or nature whatsoever suffered or incurred by, or threatened or asserted against, the Association as a result of or in connection with (a) the willful misconduct, negligence or breach of the Act, this Declaration, the Bylaws or the Rules by the indemnifying Owner or his or her Permittees; or (b) any repair, restoration, replacement, alteration or other construction, demolition, installation or removal work on or about the Community contracted for, or performed by, the indemnifying Owner or his or her Permittees. The indemnifying Owner will pay for all such claims suffered or incurred by the Association for which such Owner is responsible hereunder promptly upon receipt of a demand from the Association therefore. Nothing herein will be deemed to relieve any Permittee from liability for its own acts or omissions. Nothing contained in this Section 14.4 will be construed to provide for any indemnification which would violate applicable laws, void any or all of the

provisions of this Section 14.4, or negate, abridge, eliminate or otherwise reduce any other indemnification or right which the Association or the Owners have by law.

14.5 Severability. In the event any provision of this Declaration is deemed illegal or invalid by judgment or court order, a legally valid provision similar to the invalidated provision shall be substituted therefore. Invalidation of any provision of this Declaration, in whole or in part, or of any application of a provision of this Declaration, by judgment or court order shall in no way affect other provisions or applications of this Declaration.

14.6 Governing Law. This Declaration shall be governed by and construed under the laws of the State of Colorado.

14.7 Captions. The captions and section headings in this Declaration are for convenience only and shall not be considered in construing any provisions of this Declaration.

14.8 Notices. Except for notices concerning meetings of the Association or the Board, which will be given in the manner provided in the Bylaws, any notices required or permitted hereunder or under the Bylaws to be given to any Owner, the Association, the Board or any Eligible Holder will be sent by certified mail, first-class postage prepaid, return receipt requested, to the intended recipient at: (a) in the case of notices to an Owner, the mailing address of such Owner in the County or any other address designated by such Owner in writing to the Association; (b) in the case of notices to the Association or the Board, the address of the Association's registered agent; or (c) in the case of notices to an Eligible Holder, the address thereof most recently given to the Association by notice from such Eligible Holder. All notices will be deemed given and received three business days after such mailing. Any Owner or Eligible Holder may change its address for purposes of notice by notice to the Association in accordance with this Section 14.8. The Association or the Board may change its address for purposes of notice by notice to all Owners in accordance with this Section 14.8. Any such change of address will be effective five days after giving of the required notice.

14.9 Colorado Common Interest Ownership Act. This Declaration shall be subject to all mandatory requirements of the Act, as amended. In the event of any conflict between any term or provision of this Declaration and any mandatory provision of the Act, the mandatory provisions of the Act shall control in all instances. In the event of any conflict between any term of provision of this Declaration and any permissive or non-mandatory provision of the Act, the provisions of this Declaration shall control in all instances.

14.10 Additional Mortgage Provisions. No breach of or default under any of the covenants, conditions, restrictions or easements contained in this Declaration shall render invalid or affect in any manner the lien of any Mortgage given in good faith and for value and encumbering any portion of the Community, but the title of any Owner who acquires any portion of the Community by foreclosure or deed-in-lieu of foreclosure of any such Mortgage Recorded after the date of Recording of this Declaration or subordinated to this Declaration shall be subject to any such covenants, conditions, restrictions or easements.

14.11 No Representations, Guaranties or Warranties. No representations, guaranties or warranties of any kind, express or implied, shall be deemed to have been given or

made by the Board of Directors, the Association, or by any of its officers, directors, members, partners, agents or employees, in connection with any portion of the Community, or any Improvement, its or their physical condition, structural integrity, freedom from defects, zoning, compliance with applicable laws, fitness for intended use, or view, 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. The release and waiver set forth in Section 14.13 (Waiver) shall apply to this Section.

14.12 Disclaimer Regarding Safety. THE ASSOCIATION, THE BOARD OF DIRECTORS, AND THEIR OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, HEREBY DISCLAIM ANY OBLIGATION REGARDING THE SECURITY OF ANY PERSONS OR PROPERTY WITHIN THE COMMUNITY. BY ACCEPTING A DEED TO PROPERTY WITHIN THE COMMUNITY, EACH OWNER ACKNOWLEDGES THAT THE ASSOCIATION, THE BOARD OF DIRECTORS AND THEIR OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, ARE ONLY OBLIGATED TO DO THOSE ACTS SPECIFICALLY ENUMERATED IN THIS DECLARATION, OR IN THE ARTICLES OF INCORPORATION, BYLAWS OR RULES AND REGULATIONS OF THE ASSOCIATION, AND ARE NOT OBLIGATED TO DO ANY OTHER ACTS WITH RESPECT TO THE SAFETY OR PROTECTION OF PERSONS OR PROPERTY WITHIN THE COMMUNITY. THE RELEASE AND WAIVER SET FORTH IN SECTION 14.14 (WAIVER) SHALL APPLY TO THIS SECTION.

14.13 Waiver. By acceptance of a deed to a Lot, each Owner hereby releases, waives, and discharges the Board of Directors, the Association, and their respective officers, directors, members, partners, agents and employees, heirs, personal representatives, successors and assigns, from all losses, claims, liabilities, costs, expenses, and damages, arising directly or indirectly from any hazards, disclosures or risks set forth in this Declaration.

IN WITNESS WHEREOF, the undersigned have executed this Declaration as of the dates given below.

Members of the Association:

[signature pages to follow]

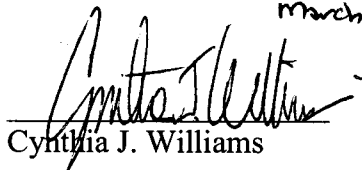
Lot 13:

March 26, 2014



Joe V. Williams

March 26, 2014



Cynthia J. Williams

STATE OF COLORADO)

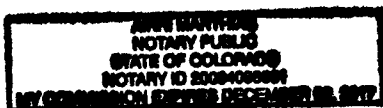
) ss:

COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 26 day of March, 2014, by Joe V. Williams and Cynthia J. Williams.

Witness my hand and official seal.

{SEAL}





Notary Public

My commission expires: DEC 02, 2017

Lot 18 & 19:

Ronald M. Harber
Ronald M. Harber

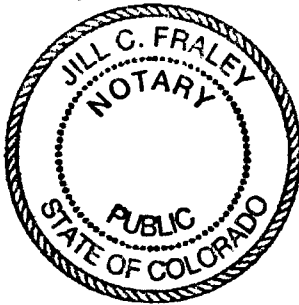
Diana Sue Harber
Diana Sue Harber

STATE OF COLORADO)
COUNTY OF Barmer) ss:

The foregoing instrument was acknowledged before me this 4 day of April, 2014, by Ronald M. Harber and Diana Sue Harber.

Witness my hand and official seal.

{SEAL}



Jill G. Fraley
Notary Public
My commission expires: Sep 21, 2015

Lot 20:

The Fitzgerald Family Trust Dated June 30, 1995

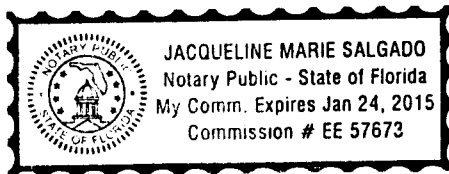
By: Andrew L. Fitzgerald
Andrew L. Fitzgerald, Trustee

STATE OF FL.)
) ss:
COUNTY OF Lake)

The foregoing instrument was acknowledged before me this 17th day of April, 2014, by Andrew L. Fitzgerald, Trustee of the Fitzgerald Family Trust Dated June 30, 1995.

Witness my hand and official seal.

{S E A L}



Jacqueline M. Salgado
Notary Public
My commission expires: 1-24-15

Lot 21:

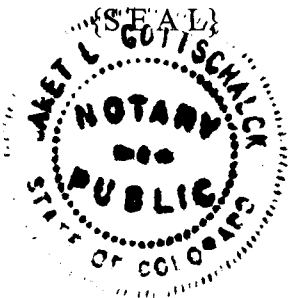
Thomas A. Pawlish
Thomas A. Pawlish

Therese L. Pawlish
Therese L. Pawlish

STATE OF COLORADO)
) ss:
COUNTY OF Jefferson)

The foregoing instrument was acknowledged before me this 10th day of April, 2014, by Thomas A. Pawlish & Therese L. Pawlish.

Witness my hand and official seal.



Janet L. Gottschalik
Notary Public
My commission expires: 04-12-2016

Lot 24:

Rosemary Choate
Rosemary Choate

Judd Choate
Judd Choate

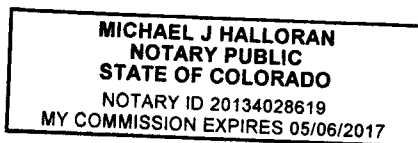
Lyn Kathlene
Lyn Kathlene

STATE OF COLORADO)
) ss:
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 2nd day of May, 2014, by Rosemary Choate, Judd Choate & Lyn Kathlene.

Witness my hand and official seal.

{S E A L}



Michael J. Halloran
Notary Public
My commission expires: 5/6/2017

Lot 25:

Dorothy S. Tucker
Dorothy S. Tucker

Charles B. Tucker, Jr.
Charles B. Tucker, Jr.

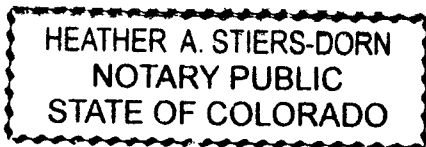
STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 10th day of April, 2014, by Dorothy S. Tucker and Charles B. Tucker, Jr.

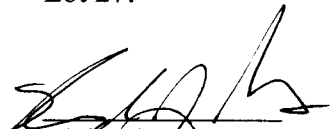
Witness my hand and official seal.

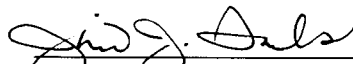
{S E A L}

Heather A. Stiers-Dorn
Notary Public
My commission expires: June 2, 2015



Lot 27:


Richard J. Sands

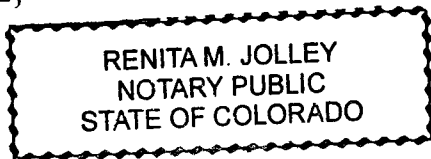

Janice J. Sands

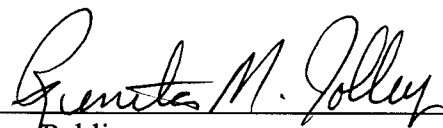
STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 3rd day of APRIL, 2014, by Richard J. Sands and Janice J. Sands.

Witness my hand and official seal.

{S E A L}





Notary Public
My commission expires: July 27, 2015

Lot 32:

Sallie V. Dalton

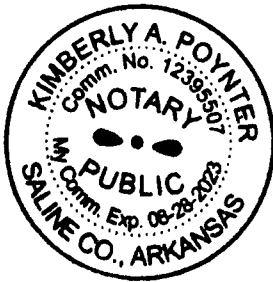
Sallie V. Dalton

STATE OF ~~COLORADO~~ ARKANSAS)
COUNTY OF Pulaski) ss:

The foregoing instrument was acknowledged before me this 15th day of April, 2014, by Sallie V. Dalton.

Witness my hand and official seal.

{SEAL}



Kimberly A. Poynter
Notary Public

My commission expires: 8/28/2023

Lot 32:

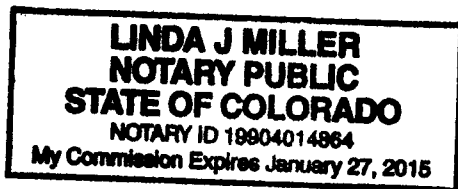
Barbara Schroeder
Barbara Schroeder

STATE OF COLORADO)
COUNTY OF Denver) ss:

The foregoing instrument was acknowledged before me this 8 day of May, 2014, by
Barbara Schroeder.

Witness my hand and official seal.

{SEAL}



Linda J Miller
Notary Public
My commission expires: 1-27-15

Lot 33:

Craig Bristow
Craig A. Bristow

Gerry L. Bristow
Gerry L. Bristow

STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 5th day of April, 2014, by
Craig A. and Gerry L. Bristow.

Witness my hand and official seal.



Mallahan
Notary Public
My commission expires: 8/8/2016

Lot 35:

Dale Hostetter
Dale Hostetter

Jocelyn Hostetter
Jocelyn Hostetter

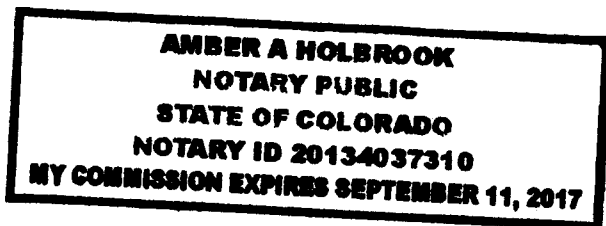
STATE OF COLORADO)
) ss:
COUNTY OF Weld)

The foregoing instrument was acknowledged before me this 26 day of March, 2014, by Dale and Jocelyn Hostetter.

Witness my hand and official seal.

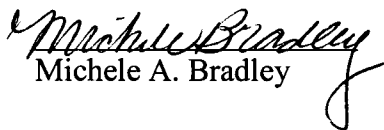
{S E A L}

Amber A Holbrook
Notary Public
My commission expires: Sept 11, 2017



Lot 36:


Kenneth C. Bradley

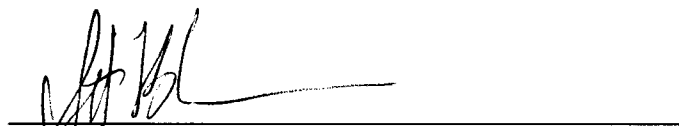

Michele A. Bradley

STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

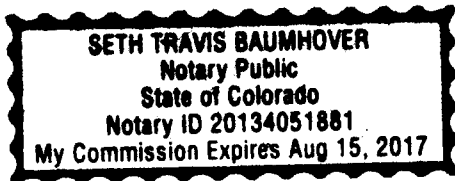
The foregoing instrument was acknowledged before me this 16th day of May, 2014, by
Kenneth C. and Michele A. Bradley.

Witness my hand and official seal.

{S E A L}



Notary Public
My commission expires: 08/15/17



Lot 37:

Sue E. Appel Living Trust

By:

Sue E. Appel Trustee
Sue E. Appel, Trustee

STATE OF COLORADO)

) ss:

COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 24 day of March, 2014, by Sue E. Appel, Trustee for the Sue E. Appel Living Trust.

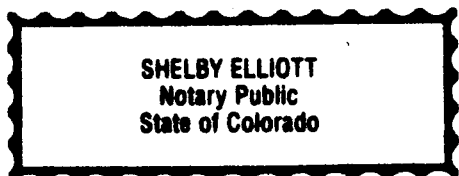
Witness my hand and official seal.

{S E A L}

Shelby Elliott

Notary Public

My commission expires: 5/8/16



ID # 20124029503

Lot 41:

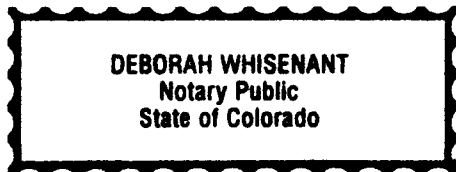
Stacy Brunet
Stacy Brunet

STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 21st day of May, 2014, by Stacy Brunet.

Witness my hand and official seal.

{S E A L}



Deborah Whisenant
Notary Public
My commission expires: June 27 2016

Lot 42:

David Barry

David Barry

STATE OF COLORADO)

) ss:

COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 28th day of June, 2014, by David Barry.

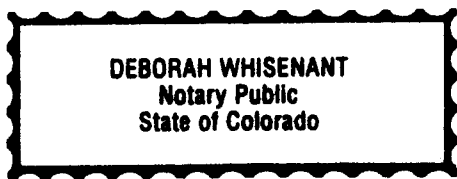
Witness my hand and official seal.

{SEAL}

Deborah Whisenant

Notary Public

My commission expires: June 27 2016



Lot 44:

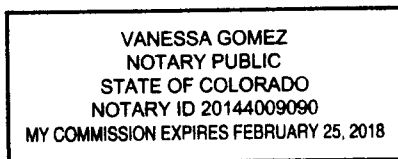

Dennis Zekoff

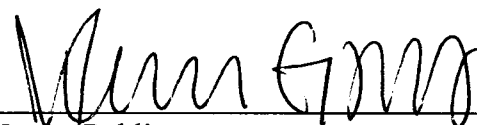
STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 26 day of MARCH, 2014, by
Dennis Zekoff.

Witness my hand and official seal.

{S E A L}




Notary Public
My commission expires: 02/25/18

EXHIBIT

A

Description of the Community

The following Lots in the Hidden Lake Subdivision are subject to this Declaration, and constitute the Community hereunder:

Lot 13, Hidden Lake Subdivision created by subdivision map filed May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lots 18 & 19, , Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 20, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 21, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 24, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 25, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 27, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 32, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 33, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 35, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 36, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 37, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 41, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 42, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 44, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

BYLAWS
OF
HIDDEN LAKE OWNERS ASSOCIATION, INC.

ARTICLE 1
SCOPE OF BYLAWS

1.1 **THE CORPORATION.** These bylaws will apply to Hidden Lake Owners Association, Inc., a Colorado nonprofit corporation (the "***Corporation***"), the Articles of Incorporation (the "***Articles***") for which were filed with the Colorado Secretary of State on July 23, 2012. The Corporation was established pursuant to the Colorado Revised Nonprofit Corporation Act (the "***Nonprofit Act***").

1.2 **THE DECLARATION.** The Corporation is organized to manage and to perform functions on behalf of the Owners designated in, and subject to, that certain Declaration of Hidden Lake Owners Association, Inc. (the "***Declaration***"), dated as of July 23, 2012, and recorded in the office of the Clerk and Recorder of the County of Boulder, Colorado. In the event either the Articles or these bylaws conflict with the Declaration, the Declaration will control. In the event the Articles conflict with these bylaws, the Articles will control.

ARTICLE 2
OFFICES AND AGENT

2.1 **PRINCIPAL OFFICE.** The principal office and place of business of the Corporation in the State of Colorado will be designated from time to time by the board of directors. Initially, the principal office will be as set forth in the Articles.

2.2 **REGISTERED OFFICE.** The registered office of the Corporation will be maintained in Boulder County, Colorado and may be, but need not be, the same as the principal office. The address of the registered office may be changed from time to time by the board of directors. Initially, the registered office will be as set forth in the Articles.

2.3 **REGISTERED AGENT.** The registered agent will be designated from time to time by the Corporation. Initially, the registered agent will be as set forth in the Articles.

ARTICLE 3
MEMBERSHIP

3.1 **CRITERIA AND PROCEDURES FOR MEMBERSHIP.** Members of the Corporation will be every Owner of a Lot for which the undivided interests in the Outlots appurtenant to such Lot have been conveyed to the Corporation, as more particularly described in the Declaration. If fee simple title to a Lot for which the undivided interests in the Outlots appurtenant to such Lot have been conveyed to the Corporation is held by more than one person or entity, then such persons or entities will jointly appoint one person to exercise the rights and obligations of Membership in the Corporation on behalf of such persons or entities.

3.2 **CONSIDERATION FOR MEMBERSHIP.** No consideration is required to become a Member of the Corporation. Rather, as set forth above, Membership will accrue automatically to all Owners of

Lots for which the undivided interests in the Outlots appurtenant to such Lots have been conveyed to the Corporation. Though no consideration is required to become a Member, the Corporation may levy monetary assessments and fines on Members as set forth in the Declaration and the documents promulgated by or for the Corporation thereunder.

3.3 **RIGHTS AND OBLIGATIONS OF MEMBERS.** The rights and obligations of Members regarding voting are as set forth herein and in Section 5 of the Declaration.

3.4 **TRANSFER OF MEMBERSHIP.** Membership will be appurtenant to and may not be separated from ownership of any Lot. Membership may not be transferred other than by transfer of an interest in the Lot to which the Membership is appurtenant, as set forth in the Declaration.

3.5 **RESIGNATION.** A Member may not resign at any time.

3.6 **TERMINATION.** A Member will cease to be a Member only when such Member no longer owns a Lot. Such termination of Membership does not relieve the Member from any obligations the Member may have to the Corporation as a result of obligations incurred or commitments made prior to termination.

ARTICLE 4 MEMBERSHIP MEETINGS

4.1 **ANNUAL MEETING.** An annual meeting will be held with the Members and the Board of Directors of the Corporation (as defined in the Declaration) to approve annual budgets and discuss other pertinent matters.

4.2 **REGULAR MEETINGS.** Regular Membership meetings may be held at a time, date and place stated in or fixed in accordance with a resolution of the board of directors.

4.3 **SPECIAL MEETINGS.** Special meetings of the Members may be called at any time by the President, the board of directors or by Members holding at least twenty percent (20%) of all votes in the Corporation. When calling special meetings, Members must make a written demand on the board of directors to notify the Membership of the time, place and purpose of the special meeting. The purpose of any special meeting of the Members must be stated in the notice of the meeting to the Membership. Only business within the purpose or purposes described in the notice of the meeting may be conducted at a special meeting of Members. Special meetings will be held at such time and place as may be designated by the authority calling such meeting.

4.4 **COURT ORDERED MEETINGS.** A Member may apply to the Colorado district court located in the County of Boulder, Colorado, to seek an order that a Membership meeting be held: (a) if after such Member participated in a proper demand on the board of directors for a special meeting, notice of the special meeting was not given within thirty days after the date of the demand; or (b) if after such Member participated in a proper demand on the board of directors for a special meeting, the special meeting was not held in accordance with the demand.

4.5 **PLACE OF MEETING.** The entity calling for a meeting, whether the board of directors or a group of Members, may designate any place in Boulder County, Colorado, as the place for the meeting. If no designation of place is made in the notice thereof to the Membership, the place of meeting will be the principal office of the Corporation.

4.6 NOTICE OF MEETINGS. Notice must be given to each Member entitled to vote at a meeting in a fair and reasonable manner. The method of notice will be as set forth in Section 13.1 below. Notice must state the place, date and hour of the meeting and must be given not less than ten nor more than fifty days before the date of the meeting.

Notice of a special or regular meeting must include a description of the purpose or purposes of the meeting. Notice of an annual meeting need not include a description of the purpose or purposes of the meeting, except that the purpose or purposes must be stated with respect to: (a) any proposed amendment to or restatement of the Articles, these Bylaws or the Declaration; (b) any proposed merger of the Corporation with another entity; (c) any proposed sale, lease, or exchange of all or substantially all of the property of the Corporation; (d) any proposed dissolution of the Corporation; or (e) any other purpose for which a statement of purpose is required by the Nonprofit Act. When giving notice of an annual, regular or special meeting, the Corporation will provide notice of a matter a Member intends to raise at the meeting if the board of directors receives notice of such intention at least ten days before the Corporation gives notice of the meeting.

4.7 ADJOURNMENT OF MEETING. At any meeting of the Members, a vote of the majority of the Members present may adjourn the meeting to another time. When a meeting is adjourned to another date, time or place, notice need not be given of the new date, time or place if the new date, time or place of such meeting is announced before adjournment of the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business that may have been transacted at the original meeting.

4.8 WAIVER OF NOTICE. A Member may waive notice of a meeting before or after the time and date of the meeting by a writing signed by such Member. Such waiver should be delivered to the Corporation for filing with the corporate records, but this delivery and filing will not be conditions to the effectiveness of the waiver. Further, by attending a meeting either in person or by proxy, a Member waives objection to lack of notice or defective notice of the meeting unless the Member objects at the beginning of the meeting to the holding of the meeting or the transaction of business at the meeting because of lack of notice or defective notice. By attending the meeting, the Member also waives any objection to consideration at the meeting of a particular matter not within the purpose of purposes described in the meeting notice unless such Member objects to considering the matter when it is presented.

4.9 TYPES OF COMMUNICATION IN LIEU OF ATTENDANCE. Any or all of the Members may participate in a regular or special meeting by, or the meeting may be conducted through the use of, an electronic or telephonic communication method whereby the Member may be heard by the other Members and may hear the deliberations of the other Members on any matter properly brought before the Members; or by participating in "real time" e-mail communication in which all Members are participating in this form of communication. The vote of such Member shall be counted and the presence noted as if that Member was present in person on that particular matter.

4.10 ACTION BY MEMBERS WITHOUT MEETING. Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by Members entitled to vote with respect to the subject matter thereof holding at least the requisite voting rights required for approval of that subject matter; provided, however, that if less than all Members sign such consent, the non-signing Members shall be given a copy of the written consent (along with materials that would be required to accompany a notice of a meeting at which the action would have been submitted to the Members for action) within fifteen (15) days following

execution thereof. Such consent will have the same force and effect as action taken at a meeting of Members and may be stated as such in any document. Action taken under this Section is effective as of the date the last writing necessary to effect the action is received by the Corporation, unless all of the writings specify a different effective date, in which case such specified date will be the effective date for such action.

Any Member who has signed a writing describing and consenting to action taken pursuant to this Section may revoke such consent by a writing signed by the Member describing the action and stating the Member's prior consent is revoked, if such writing is received by the Corporation before the effectiveness of the action. All signed written instruments necessary under this provision will be filed with the minutes of the Membership meetings.

ARTICLE 5 MEMBERSHIP

5.1 VOTING ENTITLEMENT. As set forth in the Declaration, certain action of the Corporation must be taken, and other action of the Corporation may be taken, by a vote of the Members. Each Lot shall be entitled to one vote. The allocation of voting rights to Members, the matters on which a vote of Members must or may be taken, and the number of votes required to constitute an affirmative vote or for action pursuant thereto to be taken will be as set forth herein.

5.2 QUORUM AND MANNER OF VOTING. Except as otherwise provided in the Declaration or otherwise in the Nonprofit Act, fifty percent (50%) of the votes entitled to be cast on a matter will constitute a quorum for action on the matter. If, and only if, a quorum exists and is present, action on a matter will be approved if Members holding a majority of the votes in the Corporation represented at such meeting vote in favor of such of such matter.

5.3 PROXIES. Votes allocated to a Lot may be cast pursuant to a proxy duly executed by a Member. If a Lot is owned by more than one person, each Owner of the Lot may vote or register protest to the casting of votes by the other Owners of the Lot through a duly executed proxy filed with the board of directors of the Corporation before or at the time of the meeting. A Member may not revoke a proxy given pursuant to this Section except by actual notice of revocation to the person presiding over a meeting of the Corporation. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates 11 months after its date, unless it specifies a shorter term.

The death or incapacity of the Member appointing a proxy does not affect the right of the Corporation to accept the proxy's authority unless notice of the death or incapacity is received by the board of directors or an agent authorized to tabulate votes before the proxy exercises its authority under the appointment.

The Corporation will not be required to recognize an appointment made irrevocable if it has received a writing revoking the appointment signed by the Member either personally or by the Member's attorney-in-fact, notwithstanding that the revocation may be a breach of an obligation of the Member to another person not to revoke the appointment.

ARTICLE 6 BOARD OF DIRECTORS

6.1 **QUALIFICATIONS.** Each director of the Corporation must be a natural person and a Member (or authorized representative of a Member) of the Corporation. The directors, who need not be residents of the state of Colorado, will manage the affairs of the Corporation. The number of directors will initially be seven. Such initial directors shall be Arthur H. Appel, Kenneth Bradley and Dave Barry. The Members may increase or decrease the number of directors on the board of directors by majority vote. Each director shall be elected by the Members of the Corporation and will hold a three year term; provided that the tenure of the directors shall be staggered such that no more than four directors are new to the board of directors at any one election. In no event shall two or more directors have an ownership interest in the same Lot.

6.2 **DUTIES.** Among other duties, the board of directors shall annually prepare and propose for Member approval a proposed budget for the Corporation for the upcoming calendar year and an annual amount of the assessment against each Lot owned by a Member for such year. Except as provided in the Declaration, the annual assessment shall be equal for each Lot. The board of directors may approve Corporation expenses of less than \$3,500; however, Corporation expenses of \$3,500 or more shall be approved only upon a majority vote of the Members as provided herein.

6.3 **ANNUAL MEETING.** (a) The board of directors shall meet at least annually and from time to time as set by the majority of the Members for the purpose of: (i) electing directors, (ii) reviewing the financial expenditures of the previous year, (iii) considering a budget for the upcoming year and (iv) transacting such other business as may come before the meeting. Any action taken at this meeting must be approved by a majority of the board of directors.

(b) Written or printed notice of any meeting of the Members, stating the place, day and hour of the meeting, and the purpose(s) for which the meeting is called, shall be delivered personally or by mail to each Member entitled to vote at such meeting not less than ten (10) nor more than fifty (50) days before the date of the meeting.

6.4 **SPECIAL MEETINGS.** Special meetings of the board of directors may be called by or at the request of any director. Special meetings will be held at the date, time and place, in Boulder County, Colorado, as may be designated by the authority calling such meeting.

6.5 QUORUM; VOTING.

(a) A quorum at all meetings of the board of directors will consist of a majority of the directors holding office. Less than a quorum may adjourn from time to time without further notice until a quorum is secured. The act of a majority of the directors present at a meeting at which a quorum is present will be the act of the board of directors.

(b) A director who is present at a meeting of the board of directors is deemed to have assented to all action taken unless: (i) the director objects at the beginning of the meeting, or promptly upon arrival, to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken; (ii) the director contemporaneously requests that the director's dissent or abstention as to any specific action taken be entered in the minutes; or (iii) the director causes written notice of the director's dissent or abstention as to any specific action to be received by the presiding officer of the meeting before adjournment or by the Corporation promptly after adjournment. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

(c) Any director may cast a vote pursuant to a proxy duly executed by such director filed with the board of directors of the Corporation before or at the time of the meeting. A director may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the board of directors. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates 11 months after its date, unless it specifies a shorter term.

6.6 **VACANCIES.** Any vacancy in the board of directors will be filled by the vote of the Members conducted at the annual meeting or a special meeting called for such purpose. A director elected or appointed to fill a vacancy will serve for the unexpired term of such person's predecessor in office and until such person's successor is duly elected and qualified. Any position on the board of directors to be filled by reason of an increase in the number of directors should be filled as soon as practicable after the time such increase is authorized.

6.7 **RESIGNATION.** A director may resign at anytime by giving written notice of resignation to the Corporation. The resignation is effective when the notice is received by the Corporation unless the notice specifies a later effective date. A director who resigns may deliver a statement to that effect to the Colorado Secretary of State.

6.8 **REMOVAL.** A majority of Members present and entitled to vote at any meeting of the Members may remove any director, with or without cause; provided, however, that (i) notice that removal of one or more directors must be given in the notice for the meeting, and (ii) the director who is subject to removal at such a meeting must be given an opportunity to be heard. For purposes of this meeting a quorum of fifty percent (50%) of the Members shall be required.

6.9 **ACTION WITHOUT A MEETING.** If a majority of the directors or Members of a committee established for such purpose, as the case may be, severally or collectively consent in writing to any action taken or to be taken by the Corporation, and the number of directors or of the committee constitutes a quorum, that action shall be a valid corporate action as though it had been authorized at a meeting of the directors or the committee, as the case may be. Any such writings may be received by electronically transmitted facsimile or other form of wire or wireless communication providing the Corporation with a complete copy of the document, including a copy of the signature. Actions so taken will be effective when the last writing necessary to effect the action is received by the Corporation unless the writings set forth a different date. Any director who has signed a writing may revoke it by a writing signed, dated and stating the prior vote is revoked. However, such writing must be received by the Corporation before the last writing necessary to effect the action is received. All such actions will have the same effect as action taken at a meeting, and shall be filed with the minutes of the meetings of the board of directors.

6.10 **COMPENSATION.** No Member of the board of directors may receive any compensation for serving in such office. Notwithstanding the foregoing, nothing herein shall prohibit the Corporation from compensating a director or any entity with which a director is affiliated for services or supplies furnished to the Corporation in a capacity other than as a director pursuant to a contract or agreement with the Corporation, provided that such director's interest was made known to the Members prior to entering into such contract and such contract was approved by a majority of the Members, excluding the interested director.

6.11 **NOTICE.** Notice of the date, time and place of any meeting must be given to each director not less than ten (10) nor more than fifty (50) days before the date of the meeting by written

notice either personally delivered or mailed to each director at the address on record for such director. Notice will be deemed given and effective when personally delivered or, if mailed, on the earlier of: (a) three business days after such notice is deposited in the U. S. Postal Service mail, properly addressed, with first class postage prepaid; or (b) the date shown on the return receipt, if mailed by registered or certified mail return receipt requested, provided that the return receipt is signed by the director to whom the notice is addressed.

6.12 WAIVER OF NOTICE. A director may waive notice of a meeting before or after the time and date of the meeting by a writing signed by such director. Such waiver should be delivered to the Corporation for filing with the corporate records, but such delivery and filing will not be conditions to the effectiveness of the waiver. Further, a director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless at the beginning of the meeting, or promptly upon the director's later arrival, the director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and does not thereafter vote for or assent to action taken at the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting. If all directors are present at any meeting, no notice shall be required and any business may be transacted at such meeting.

6.13 TYPES OF COMMUNICATION IN LIEU OF ATTENDANCE. Any or all of the directors may participate in an annual, regular or special meeting by, or the meeting may be conducted through the use of, an electronic or telephonic communication method whereby the director may be heard by the other Members and may hear the deliberations of the other Members on any matter properly brought before the Members; or by participating in "real time" e-mail communication in which all Members are participating in this form of communication. The vote of such Member shall be counted and the presence noted as if that Member was present in person on that particular matter.

6.14 STANDARD OF CONDUCT FOR DIRECTORS. Each director must perform his duties as a director in good faith, in a manner the director reasonably believes to be in the best interests of the Corporation, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. In the performance of his duties, a director will be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by the persons designated below. However, a director will not be considered to be acting in good faith if the director has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A director will not be liable to the Corporation or its Members for any action the director takes or omits to take as a director if, in connection with such action or omission, the director performs his duties in compliance with this Section. A director will not be deemed to be a trustee with respect to the Corporation or with respect to any property held or administered by the Corporation.

The designated persons on whom a director is entitled to rely are: (i) one or more employees of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented; or (ii) legal counsel, a public accountant, or other person as to matters that the director reasonably believes to be within such person's professional or expert competence.

ARTICLE 7 OFFICERS AND AGENTS AND EMPLOYEES

7.1 GENERAL. The initial officers of the Corporation will be a President, Secretary and Treasurer. The officers will be appointed by the directors. The board of directors may designate one or more committees, other officers and agents each of which shall have and may exercise such authority in

the management of the Corporation as shall be provided in such resolution or in the Declaration; provided that no committee, officer or agent so designated will have authority in excess of the authority of the board of directors as provided in the Articles or Bylaws of the Corporation, absent approval of the Members holding 75% percent or more of the voting rights in the Corporation.

7.2 PRESIDENT. The President will be the chief executive officer of the Corporation. He or she will preside at all meetings of the Members of the Corporation and of the board of directors. He or she will have all of the general powers and duties that are incident to the office of president of a nonprofit corporation organized under the laws of the State of Colorado. In addition, following authorization or approval of the particular amendment as applicable, the President may prepare, execute, and record amendments, attested to by the Secretary, to the Declaration and these Bylaws on behalf of the Corporation.

7.3 SECRETARY. The Secretary will keep the minutes of the proceedings of the Members and the board of directors. He or she will see that all notices are duly given in accordance with the provisions of these Bylaws, the Declaration and as required by law. He or she will be custodian of the corporate records and of the seal of the Corporation and affix the seal to all documents when authorized by the board of directors. He or she will keep at its registered office or principal place of business within or outside Colorado a record containing the names and registered addresses of all Members and the designation of the Lot owned by each Member. He or she will, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the board of directors.

7.4 TREASURER. The Treasurer will be the principal financial officer of the Corporation and will have the care and custody of all funds, securities, evidences of indebtedness and other personal property of the Corporation and will deposit the same in accordance with the instructions of the board of directors. He or she will receive and give receipts for monies paid in on account of the Corporation, and will pay out of the funds on hand all bills, payrolls and other just debts of the Corporation of whatever nature upon maturity. He or she will perform all other duties incident to the office of the Treasurer and, upon request of the board of directors, will make such reports to it as may be required at any time. He or she will, if required by the board of directors or by law, give the Corporation a bond in such sums and with such sureties as may be satisfactory to the board of directors, conditioned upon the faithful performance of his or her duties and for the restoration to the Corporation of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation. He or she will have such other powers and perform such other duties as may be from time to time prescribed by the board of directors or the President.

ARTICLE 8

CORPORATE DOCUMENTS AND RECORDS

8.1 CORPORATE RECORDS. The Corporation must keep as permanent records current copies of the Articles and these bylaws and the books, records and financial statements of the Corporation as required by the Nonprofit Act.

8.2 INSPECTION AND COPYING OF CORPORATE RECORDS. The Corporation will make available to Members for inspection, upon request, during normal business hours or under other reasonable circumstances, any such records. The Corporation may charge a reasonable fee for copying such materials.

8.3 **AUDITS.** The Corporation shall maintain financial records as required by the Nonprofit Act.

ARTICLE 9 CONTRACTS, LOANS, DEPOSITS

9.1 **CONTRACTS.** So long as consistent herewith and with the Declaration, the board of directors may enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. The board of directors may delegate this authority to a managing agent, and such authority may be general or confined to specific instances.

9.2 **LOANS.** No loans will be contracted for on behalf of the Corporation and no evidence of indebtedness may be issued in the name of the Corporation unless authorized by a vote of at least 75% of the directors. No loan will be made to any director of the Corporation.

9.3 **DEPOSITS.** All funds of the Corporation not otherwise employed will be deposited from time to time to the credit of the Corporation in such banks, financial institutions, or other custodians as the board of directors may select.

ARTICLE 10 INDEMNIFICATION

10.1 **ACTIONS OTHER THAN BY OR IN THE RIGHT OF THE CORPORATION.** The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a Member of the board of directors or officer of the Corporation, who is or was serving at the request of the Corporation in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) judgments, fines, amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner that such individual reasonably believed to be in the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Determination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner he or she reasonably believed to be in the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe his or her conduct was unlawful. Such liability shall be satisfied within 30 days after request therefor if there exists adequate operating funds but, if not, the funds shall be raised by a special assessment of the Members as quickly as possible, without the need of the Members' approval.

10.2 **ACTIONS BY OR IN THE RIGHT OF THE CORPORATION.** The Corporation shall indemnify any person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure judgment in its favor by reason of the fact that such person is or was a Member of the board of directors or officer of the Corporation or is or was serving at the request of the Corporation in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner that he or she reasonably believed to be in the best interests of the Corporation; but no indemnification shall be made in respect of any claim, issue or matter as to which such person has been

adjudged to be liable for gross negligence or willful misconduct in the performance of his or her duty in the Corporation unless, and to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses if such court deems proper.

10.3 SUCCESSFUL ON THE MERITS. To the extent that a director or any officer, fiduciary or agent of the Corporation has been wholly successful on the merits in defense of any action, suit or proceeding referred to in Sections 10.1 or 10.2 of this Article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection therewith.

10.4 DETERMINATION REQUIRED. Any indemnification under Sections 10.1 or 10.2 of this Article (unless ordered by a court) and as distinguished from Section 10.3, shall be made by the Corporation only as authorized by the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because such individual has met the applicable standard of conduct set forth in Sections 10.1 or 10.2 above. Such determination shall be made by the board of directors by majority vote of a quorum consisting of those directors who were not parties to such action, suit or proceeding or, if no majority of disinterested directors exists, then by independent legal counsel or by a majority of Members entitled to vote thereon. Such determination shall be reasonable, based on substantial evidence of record, and supported by a written opinion. The board of directors shall provide a copy of its written opinion to the officer or director seeking indemnification upon request.

10.5 PAYMENT IN ADVANCE OF FINAL DISPOSITION. The Corporation shall pay for or reimburse the reasonable expenses incurred by a former or current director or officer who is a party to a proceeding in advance of final disposition of the proceeding if (i) the director or officer furnishes to the Corporation a written affirmation of the director's or officer's good faith belief that he or she has met the standard of conduct described in Sections 10.1 or 10.2; (ii) the director or officer furnishes to the Corporation a written understanding, executed personally or on the director's or officer's behalf, to repay the advance if it is ultimately determined that the director or officer did not meet the standard of conduct; and (iii) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article. The undertaking required in this Section 10.5 shall be an unlimited general obligation of the board of directors, but need not be accepted by the subject director or officer or may be accepted without reference to financial ability to make repayment.

10.6 NO LIMITATION OF RIGHTS. The indemnification provided by this Article shall not be deemed exclusive of nor a limitation upon any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the Members or disinterested directors or otherwise, nor by any rights that are granted pursuant to the Nonprofit Act. Upon a vote of the board of directors or a majority of the Members, the Corporation may also indemnify a Member appointed by the board to serve on a committee (when such committee Member is not also a director) upon such terms and conditions as the board of directors shall deem just and reasonable.

10.7 DIRECTORS AND OFFICERS INSURANCE. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Member of the board of directors or an officer of the Corporation against any liability asserted against him or her and incurred by such individual in any such capacity or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such individual against such liability under the provisions of this Article 10.

ARTICLE 11 LIABILITY

No Member, director, managing agent or employee of the Corporation is liable, as such, for the acts, debts, liabilities or obligations of the Corporation. No director will be personally liable to the Corporation for monetary damages for any breach of fiduciary duty as a director, except that no director's liability to the Corporation for monetary damages will be eliminated or limited on account of any of the following: (i) any breach of the director's duty of loyalty to the Corporation or its Members; (ii) any acts or omissions of the director not in good faith or that involve intentional misconduct or a knowing violation of law; (iii) the director's assent to or participation in a loan by the Corporation to any director of the Corporation; or (iv) any transaction in which the director received improper personal benefit. Nothing herein will be construed to deprive any director of the right to all defenses ordinarily available to a director nor will anything herein be construed to deprive any director of any right for contribution from any other director or other person. Any repeal or modification of this Article will be prospective only and will not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

ARTICLE 12 AMENDMENTS

These bylaws may be amended only upon a vote of 75% or more of the Members in the Corporation.

ARTICLE 13 METHOD OF NOTICE

13.1 METHOD OF NOTICE.

(a) Any notice to an Owner by the Corporation or by another Owner will be sufficiently given if in writing and hand delivered, sent by facsimile or email transmission, or sent by certified U.S. mail, postage prepaid (provided that if a notice is sent by facsimile transmission, a copy shall be mailed by certified mail no later than the next business day), at the address registered with the Corporation as provided in the Declaration.

(b) All notices, demands or other notices intended to be served upon the Corporation or the board of directors of the Corporation will be sent by certified mail, postage prepaid, to the registered agent for the Corporation at the registered address of the Corporation, as may be on record with the Office of the Secretary of the State of Colorado.

ARTICLE 14 MISCELLANEOUS

14.1 **FISCAL YEAR.** The fiscal year of the Corporation will be determined by the board of directors.

14.2 **GENDER.** The masculine gender is used in these bylaws as a matter of convenience only and will be interpreted to include the feminine and neuter genders as the circumstances indicate.

14.3 **DEFINITIONS.** Capitalized terms not otherwise defined in these articles will have the meanings ascribed to such terms in the Declaration or the Nonprofit Act, as the case may be.

14.4 **RECEIPT OF NOTICES BY THE CORPORATION.** Notices, Member writings consenting to action, and other documents or writings will be deemed to have been received by the Corporation when they are actually received: (1) at the registered office of the Corporation in Colorado; (2) at the principal office of the Corporation (as that office is designated in the most recent document filed by the Corporation with the Secretary of State for Colorado designating a principal office) addressed to the Corporation; (3) by the President of the Corporation wherever he or she may be found; or (4) by any other person authorized from time to time by the board of directors to receive such writings wherever such person is found.

14.5 **PRESENCE.** Except with respect to a meeting called pursuant to Section 9 hereof, the terms "present" and "presence" with respect to a Member, director or officer means attendance in person, by proxy (to the fullest extent provided by the Nonprofit Act), via telephonic or other electronic means or via "real time" e-mail.

14.6 **WAIVER.** No restriction, condition, obligation or provision contained in these bylaws shall be deemed to have been abrogated or waived by reason or any failure to enforce the same, irrespective of the number of violations or breaches that may occur.

The above bylaws were approved and adopted by the board of directors of Hidden Lake Owners Association, Inc., effective as of July 23, 2012.

Kenneth Bradley, President

**RESOLUTION
OF THE
HIDDEN LAKE OWNERS ASSOCIATION, INC.**

POLICIES AND PROCEDURES

SUBJECT: Adoption of policies and procedures for the Association regarding the following:

1. Investment of Reserves;
2. Inspection and Copying of Association Records;
3. Covenant and Rule Enforcement;
4. Board Member Conflicts of Interest;
5. Conduct of Meetings;
6. Collection of Unpaid Assessments;
7. Dispute Resolution; and
8. Adoption of Policies, Procedures, Rules, Regulations and Guidelines.

PURPOSES: To comply with Colorado law.

AUTHORITY: The Association's Articles of Incorporation and Bylaws, the Declaration for Hidden Lake Community, and Colorado law.

EFFECTIVE DATE: _____, 2012

RESOLUTION: The Association hereby adopts the following Policies and Procedures subject to the following:

(a) Unless otherwise defined, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

(b) The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Community.

(c) The Board may deviate from the procedures set forth if in its sole discretion such deviation is reasonable under the circumstances.

(d) The following policies may be amended from time to time by the Board.

To the extent any provision of the Declaration, Articles of Incorporation, and Bylaws of the Association conflicts with the following policies, such provision shall be void as of the Effective Date.

1. INVESTMENT OF RESERVE POLICY

A. The investment strategy of the Association should emphasize a long-term outlook by diversifying the maturity dates of fixed-income instruments within the portfolio utilizing a laddered investment approach, at the discretion of the Board. The Board acknowledges that the Association, the Board and its officers are bound by the standard of conduct in the Colorado Revised Nonprofit Corporation Act (C.R.S. §7-121-401) with respect to investment of reserves.

B. The Board shall invest funds held in the Reserve Funds accounts to generate revenue that will accrue to the Reserve Funds accounts balance pursuant to the foregoing investment strategy. The Board, in its sole discretion, may hire a qualified investment counselor to assist in formulating a specific investment strategy.

C. Unless otherwise approved by the Board, all investments will be FDIC (Federal Deposit Insurance Corporation) insured and/or guaranteed by the United States Government.

D. In order to determine funding of the Reserve Fund, the Board may determine, in its sole discretion, with the assistance and advice of professionals, the life expectancy of those portions of the Community to be maintained by the Association and the anticipated costs of maintaining, replacing and improving those identified areas.

2. INSPECTION AND COPYING OF ASSOCIATION RECORDS

A. The Association shall permanently retain the following records as required by Colorado law:

- Minutes of all Board and Member meetings
- All actions taken by the Board or Members by written ballot or email in lieu of a meeting
- All actions taken by a committee on the behalf of the Board instead of the Board acting on behalf of the Association

B. A Member or its authorized agent is entitled to inspect and copy any of the books and records of the Association, upon reasonable prior notice to the Association, at the Member's expense.

C. Association records shall not be used by any Member for:

- (i) Any purpose unrelated to a Member's interest as a Member;
- (ii) The purpose of soliciting money or property unless such money or property will be used solely to solicit the votes of the Members in an election to be held by the Association;
- (iii) Any commercial purpose;

(iv) For the purpose of giving, selling, or distributing such Association records to any person; or

(v) Any improper purpose as determined in the sole discretion of the Board.

D. The following records shall NOT be available for inspection and/or copying as they are deemed confidential:

(i) Attorney-client privileged documents and records, unless the Board decides to disclose such communications at an open meeting;

(ii) Any documents that are confidential under constitutional, statutory or judicially imposed requirements; and

(iii) Any documents, or information contained in such documents, disclosure of which would constitute an unwarranted invasion of individual privacy, including but not limited to social security numbers, dates of birth, personal bank account information, and driver's license numbers.

E. Any Member requesting copies of Association records shall be responsible for all actual costs incurred by the Association.

F. The Association reserves the right to have a third person present to observe during any inspection of record by a Member or the Member's representative.

G. No Member shall remove any original book or record of the Association from the place of inspection nor shall any Member alter, destroy or mark in any manner, any original book or record of the Association.

H. Nothing contained in this policy shall be construed to require the Association to create records that do not exist or compile records in a particular format or order.

3. DECLARATION AND RULE ENFORCEMENT

A. Complaints regarding alleged violations of the Articles, Bylaws, rules and regulations, if any ("Rules") and/or the Declaration of the Association may be reported by a Member within the Community or any Board member(s) by submission of a written complaint to the Board. The complaint shall identify the complainant ("Complainant"), the alleged violator ("Violator"), if known, and set forth a statement describing the alleged violation.

B. Upon receipt of a complaint by the Association, the Association shall conduct a fair and impartial investigation into the nature and accuracy of the alleged violation, as follows:

i. If a violation is found to exist, a warning letter shall be sent by registered or certified mail from the Board by registered or certified mail to the Violator explaining the nature of the violation. Violators must correct the violation within 30 days after the date of the warning letter.

- ii. If the alleged Violator does not correct a violation within 30 days after the date of the first warning letter, such violation will be considered a second violation for which a fine may be imposed following notice and opportunity for a hearing, as set forth below. In the event of a second violation, the Board shall send by registered or certified mail a second letter to the alleged Violator, providing notice and an opportunity for a hearing, and explaining that a fine may be imposed pursuant to this policy if a violation is found to exist. The letter shall further state that the alleged Violator is entitled to a hearing on the merits of the matter provided that such hearing is requested by the Violator in writing within 10 days of the date on the second violation letter.
- iii. If a hearing is requested by the alleged Violator, the Board, committee or other person conducting such hearing, as may be determined in the sole discretion of the Board, will serve a written notice of the hearing to all parties involved at least fifteen (15) days prior to the hearing date.
- iv. At the beginning of each hearing, the presiding officer shall introduce the case by describing the alleged violation and the procedure to be followed during the hearing, as determined by the Board. Neither the Complainant nor the alleged Violator is required to be in attendance at the hearing. The Board shall base its decision solely on the matters set forth in the Complaint, results of the investigation and such other credible evidence as may be presented at the hearing. Unless otherwise determined by the Board, all hearings shall be open to attendance by all Members. After all testimony and other evidence has been presented at a hearing, the Board shall, within a reasonable time, not to exceed 40 days, render its written findings and decision, and impose a fine, if applicable.
- v. If the alleged Violator fails to request a hearing within 10 days after the date of any notice letter, or fails to appear at a scheduled hearing, the Board may make a decision with respect to the alleged violation based on the Complaint, results of the investigation, and any other available information without the necessity of holding a formal hearing. If a violation is found to exist, the alleged Violator may be assessed one or more fines pursuant to these policies and procedures.

C. The Board may impose such fines as it deems reasonable for all recurring covenant violations. The Board may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board may condition waiver of the entire fine, or any portion thereof, upon the Violator coming into and staying in compliance with the Declaration or the Association's Articles, Bylaws or Rules.

D. This enforcement process is adopted in addition to all other enforcement means that are available to the Association through its Declaration, Bylaws, Articles of Incorporation and Colorado law. The use of this process does not preclude the Association from using any other enforcement means.

4. CONFLICTS OF INTEREST

A. A conflict of interest exists whenever any contract, decision or other action taken by or on behalf of the Board would financially benefit:

- (i) a Director;
- (ii) a parent, grandparent, spouse, child, or sibling of the Director;
- (iii) a parent or spouse of any of the persons in subsection (ii); or
- (iv) an entity in which a Director is a director or officer or has a financial interest.

B. Any conflict of interest on the part of any Director shall be disclosed to the other Directors at the first meeting of the Board at which there is scheduled any discussion or vote on the matter. The interested Director may not participate in the discussion or vote on the matter in accordance with C.R.S. §7-128-501. The minutes of the meeting shall reflect the disclosure made, the abstention from voting, the composition of the quorum and record who voted for and against.

C. Any contract entered into or any vote or decision made in violation of this policy shall be void and unenforceable, unless (i) appropriate disclosures are made to the Board, and the Board (without the vote of the interested Director) approves or ratifies such contract or decision, (ii) disclosure is made to all Members and all Members approve or ratify such contract or decision, or (iii) the contract or decision is determined to be fair to the Association by the Board (without the vote of the interested Director). If a contract or decision made in violation of this policy is deemed void and unenforceable, the Board, at the next meeting of the Board, shall vote again on such contract, decision or other action taken in violation of this policy.

5. CONDUCT OF MEETINGS

Meetings of the Members of the Association and the Board of the Association shall be called pursuant to the Bylaws of the Association.

6. COLLECTION OF UNPAID ASSESSMENTS

The Association hereby gives notice of its adoption of the following policies and procedures for the collection of assessments and other charges of the Association:

A. The Board shall determine in its reasonable discretion the due date for annual assessments. Assessments or other charges not paid in full to the Association within 29 days of the due date shall be considered past due and delinquent. Assessments or other charges not paid in full to the Association within 29 days of the due date shall incur late fees and interest as provided below.

B. The Association may impose a reasonable late charge for each Member who fails to timely pay its installment of the annual assessment within 29 days of the due date, to be due and payable immediately when incurred, upon demand. In addition to any and all charges imposed under the Declaration, the Articles, the Bylaws, the Rules and this Resolution, the Board may impose a reasonable fee against a Member in the event any check or other instrument attributable to or payable for the benefit of such Member is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds, to be due and payable immediately when incurred, upon demand.. Any returned check shall cause an account to be past due if full payment of the installment of the annual assessment is not timely made within 29 days of the due date.

C. As an additional expense permitted under the Declaration and by Colorado law, the Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of assessments or other charges due the Association from a delinquent Member. The reasonable attorney fees incurred by the Association shall be due and payable immediately when incurred, upon demand.

D. All late charges, return check charges and attorneys fees charged under this policy shall be the personal obligation of the Member(s) of the Lot for which such assessment or installment is unpaid.

E. In the event the Association shall cause a collection or demand letter or notices to be sent to a delinquent Member, such letter or notices shall be sent via registered or certified mail.

F. The Association may choose to foreclose on its lien in lieu of or in addition to suing a Member for a money judgment. The purpose of foreclosing is to obtain payment of all assessments owing in situations where either a money judgment lawsuit has been or is likely to be unsuccessful or other circumstances favor such action.

G. The Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association shall determine appropriate under the circumstances.

H. Failure of the Association to comply with any provision in this policy shall not be deemed a defense to payment of assessment fees or other charges, late charges, return check charges, attorney fees and/or costs as described and imposed by this policy.

7. DISPUTE RESOLUTION.

A. Any controversy, claim, dispute, or other matter in question (collectively, "Claim") between or among the Association, one or more Members, Directors of the Association, or any other person subject, or agrees to be bound by, to this Declaration must be determined by binding arbitration in accordance with Colorado's Uniform Arbitration Act, Colorado Revised Statutes Section 13-22-201, *et seq.*, and the provisions set forth in this Section 7. "Claim" will not include: (a) any action by the Association to collect Assessments or other amounts due from any Member, (b) any action by the Association to obtain a temporary

restraining order or emergency equitable relief and such ancillary relief as a court may deem appropriate to maintain the status quo, (c) any suit between Members that does not involve the Association as a party, to the extent such suit asserts a cause of action independent of the Association Documents, or (d) any action in which an indispensable party is not a party bound by the Declaration unless such indispensable party agrees to be bound by the Declaration for purpose of resolution of the Claim.

B. Prior to arbitration, the parties shall endeavor to resolve disputes by mutual agreement for a period of fifteen (15) days. Claims that are not mutually resolved shall be decided by arbitration which shall be conducted by an arbitrator mutually agreed upon by the disputing parties or otherwise selected as provided below. The parties shall share the arbitrator's fee and any filing fees pro rata according to the number of parties. A demand for arbitration shall be made within a reasonable time after the Claim has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such Claim would be barred by the applicable statute of limitations. All Claims are subject to the laws, rules and regulations of the State of Colorado and its political subdivisions, including the Construction Defect Reform Act, Colorado Revised Statutes Section 13-20-801 *et seq.* with respect to any claims asserted for construction or design defects.

C. The parties may agree on an arbitrator. If they are unable to agree, arbitration and mediation will be conducted by the Denver office of the Judicial Arbiter Group, or its successor, utilizing its rules appropriate to the subject matter of the dispute. If the Judicial Arbiter Group and is without successor, the parties will contact another agreed upon dispute resolution organization or service and will use its procedures to select an arbitrator.

D. The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof. The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. The arbitrator shall award the prevailing party all reasonable costs and expenses, including attorney fees, costs and expert witness fees.

E. In addition to compliance with the foregoing alternative dispute resolution procedures set forth in this Section 7, if applicable, the Association shall not initiate any judicial or administrative proceeding unless first approved by a vote of 75% of the Members, except that no such approval shall be required for actions or proceedings: (i) initiated to enforce the provisions of this Declaration, including collection of assessments and foreclosure of liens; (ii) initiated to challenge ad valorem taxation or condemnation proceedings; (iii) initiated against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies; or (iv) to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it. This Section shall not be amended unless such amendment is approved by the same percentage of votes necessary to institute proceedings.

8. ADOPTION OF POLICIES, PROCEDURES, RULES, REGULATIONS, OR GUIDELINES.

A. The Board shall consider the following in drafting any policy:

(i) whether the governing documents or Colorado law grants the Board the authority to adopt such a policy;

(ii) the need for such policy based upon the scope and importance of the issue and whether the governing documents adequately address the issue; and

(iii) the immediate and long-term impact and implications of the policy.

B. The adoption of every policy shall be listed on the agenda for the Board meeting prior to adoption by the Board and any Member who wishes to comment on the proposed policy shall be afforded such opportunity in compliance with Colorado law.

C. The Board may forego the notice and opportunity to comment in the event the Board determines in its sole discretion that providing notice and opportunity to comment is not practical given the emergency nature of such policy.

D. After the period for Member comment expires, the Board may adopt any policy. Upon adoption of a policy, the policy or notice of such policy, including the effective date, shall be provided to all Members by any reasonable method as determined in the sole discretion of the Board, including but not limited to posting on the Association's website (if any) or mailing.

E. The Board shall keep copies of any and all adopted policies in a book designated as a Policy Book. The Board may further categorize policies, procedures, rules and regulations, resolutions and guidelines but shall not be required to do so.

PRESIDENT'S CERTIFICATION:

The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association at a duly called and held meeting of the Board of Directors on _____, 2012 and in witness thereof, the undersigned has subscribed his name.

_____, President

HIDDEN LAKE OWNERS ASSOCIATION, INC.
CONSENT OF THE DIRECTORS
IN LIEU OF ORGANIZATIONAL MEETING

BY CONSENT, pursuant to the authority granted by Section 7-122-105 of the Colorado Revised Nonprofit Corporation Act, the undersigned, being all of the members of the Board of Directors of Hidden Lake Owners Association, Inc., a Colorado nonprofit corporation (the "Corporation"), hereby waive actual attendance at an organizational meeting of the Board of Directors for the purpose of adopting Bylaws and the transaction of such other business as may come before the meeting. In lieu of said organizational meeting, the undersigned hereby take the following actions by consent, to have the same force and effect as actions taken at the organizational meeting of the Board of Directors.

1. ARTICLES OF INCORPORATION. The Corporation's Articles of Incorporation were filed with the Secretary of State of Colorado on July 23, 2012. The Secretary is hereby instructed to insert a copy of the Articles of Incorporation in the minute book.

2. BOARD OF DIRECTORS. Pursuant to the Bylaws of the Corporation, the following persons have been appointed to serve as directors of the Corporation until their successors are duly elected and qualified:

Arthur H. Appel
Kenneth Bradley
Dave Barry

3. OFFICERS. The following persons are hereby appointed to serve as officers of the Corporation in the respective capacities set forth opposite their names until their successors are appointed:

Kenneth Bradley	President
Dave Barry	Vice President
Arthur H. Appel	Secretary/ Treasurer

4. ORGANIZATIONAL EXPENSES. The Corporation hereby adopts the following resolutions pertaining to the acts of the incorporator and the organizational fees and expenses related thereto:

RESOLVED, that the acts of the incorporator performed on behalf of the Corporation, be and hereby are ratified, confirmed and approved; and further

RESOLVED, that the officers of the Corporation be and hereby are authorized to pay all fees and expenses incident to and necessary for the organization of the Corporation.

5. BYLAWS. Bylaws have been prepared for the regulation of the affairs of the Corporation. The directors hereby adopt the following resolution pertaining to such Bylaws:

RESOLVED, that the Bylaws in the form attached hereto have been adopted as the Bylaws of this Corporation and the Secretary be and hereby is instructed to insert such Bylaws in the minute book immediately following the copy of the Articles of Incorporation.

6. POLICIES AND PROCEDURES. A form of SB100/SB 89 Policies and Procedures has been prepared for the regulation of the affairs of the Corporation. The directors hereby adopt the following resolution pertaining to such Policies and Procedures:

RESOLVED, that the Policies and Procedures in the form attached hereto be and hereby are adopted as the Policies and Procedures of this Corporation and the Secretary be and hereby is instructed to insert such Policies and Procedures in the minute book immediately following the copy of the Bylaws.

7. FISCAL YEAR. It is hereby established that the fiscal year of the Corporation shall begin on the first day of January in each year and end on the last day of December of the same year.

8. BANKING. It is necessary to establish a bank account for the Corporation. Therefore, the following resolutions are hereby adopted:

RESOLVED, that the directors of the Corporation be and hereby are authorized to open one or more bank accounts in the name and on behalf of the Corporation with such bank or banks as they may choose; and further

RESOLVED, that the prescribed form of preamble, preambles, resolution or resolutions relating to such account(s) and required by such bank, be and the same hereby are adopted.

9. DECLARATION. The following resolutions regarding adoption of the Declaration, which provides for the organization of an owners association and certain ownership rights relating to Outlots (as defined in the Declaration) of Hidden Lake Community are hereby adopted:

RESOLVED, that the form, terms and provisions of the Declaration of Hidden Lake Community to be recorded in the real property records of Boulder County, Colorado, be and the same hereby are ratified and adopted.

10. ADOPTION OF BUDGET FOR 2012. The following resolution regarding the adoption of the initial budget (the "Budget") for the remainder of the fiscal/calendar year 2012 is hereby adopted:

RESOLVED, that the attached Budget is hereby adopted for the fiscal/calendar year 2012.

This Consent may be executed in counterparts, all of which when taken together will constitute one original. Facsimile and electronic PDF signatures will be considered originals for all purposes.

Confirmed and ratified effective as of the _____ day of July, 2012.

Arthur H. Appel

Kenneth Bradley

Dave Barry



07/02/2014 11:42 AM
Boulder County Clerk, CO

RF: \$256.00

03389199

Page: 1 of 50

DF: \$0.00

After recording, please return to:

Packard and Dierking, LLC
2595 Canyon Boulevard, #200
Boulder, Colorado 80302
Attention: Rebecca Hall, Esq.

**DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND
RESTRICTIONS FOR HIDDEN LAKE COMMUNITY**

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**DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND
RESTRICTIONS FOR HIDDEN LAKE COMMUNITY**

THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR HIDDEN LAKE COMMUNITY is made effective as of _____, 20__.

RECITALS

A. The Members of the Association are owners of certain lots located within the Hidden Lake Subdivision, created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1 ("Hidden Lake Subdivision").

B. The Members of the Association desire to convert the ownership of certain lots and the improvements thereon within Hidden Lake Subdivision to the planned community form of ownership pursuant to the Colorado Common Interest Ownership Act (the "Community").

ARTICLE 1

DECLARATION AND SUBMISSION

The Lots shall be held, sold and conveyed subject to the following covenants, restrictions and easements, which shall run with the land and be binding on all parties and heirs, successors and assigns of parties having any right, title or interest in all or any part of the Property.

ARTICLE 2

DEFINITIONS

The following terms shall have the meanings set forth below when used herein:

2.1 Act. The Colorado Common Interest Ownership Act, codified at Colo. Rev. Stat. § 38-33.3-101 et seq., as the same has been and may hereafter be amended from time to time, and any statute which from time to time may replace the same.

2.2 Articles of Incorporation or Articles. The Articles of Incorporation of the Association that have been or will be filed with the Secretary of State of the State of Colorado, as amended from time to time.

2.3 Assessment. An assessment, which may be a Common Assessment or a Special Assessment, that is levied by the Association on one or more Lots pursuant to the terms of this Declaration.

2.4 Association. Hidden Lake Owners Association, Inc., a Colorado nonprofit corporation that is incorporated or will be incorporated pursuant to the terms of this Declaration.

2.5 Authorized Representative. A natural person who is appointed by an Owner, pursuant to Section 5.3, as a proxy, attorney-in-fact or authorized representative to vote on behalf of such Owner in matters coming before the Association.

2.6 Board of Directors or Board. The Board of Directors of the Association.

2.7 Hidden Lake Subdivision. The residential community development known as Hidden Lake Subdivision of which the Community is a part.

2.8 Bylaws. The Bylaws of the Association, as amended from time to time.

2.9 Common Allocation. A percentage allocated to each Lot that is derived from a fraction, the numerator of which is one and the denominator of which is the total number of Lots with in the Community. The percentages comprising the Common Allocations for the various Lots may be rounded by the Association in accordance with its ordinary practices adopted from time to time, provided the rounding methodology is applied in a materially uniform and consistent manner for all of the Lots.

2.10 Common Assessment. An Assessment levied on all Lots subject to assessment to fund the Common Expenses as more particularly described in Section 6.3.

2.11 Common Elements. All property or possessory interests therein (and, in the case of real property, the Improvements thereon) within the Community owned by the Association pursuant to this Declaration for the benefit, use or enjoyment of the Owners, including without limitation Outlots A, B, C, D and E, and Lots 21A and 22A (the "Outlots").

2.12 Common Expenses. Except for those costs and expenses expressly excluded below, all costs, expenses and financial liabilities incurred by the Association pursuant to this Declaration or the Bylaws, including, without limitation: all costs of operating, managing, maintaining, replacing or restoring the Common Elements; taxes on the Common Elements; general administrative costs incurred by the Association, including any administrative costs incurred in levying and collecting Assessments; and contributions to the Reserve Fund. Except as expressly provided in this Declaration, Common Expenses shall not include costs or expenses to be funded by or payable through the levying of Special Assessments.

2.13 County. The County of Boulder, State of Colorado.

2.14 County Code. The ordinances, resolutions, and regulations of the County, as codified, amended and replaced from time to time.

2.15 Declaration. This Declaration, as amended or supplemented from time to time.

2.16 Delinquency Costs. As defined in Section 7.1.

2.17 Director. A member of the Board of Directors.

2.18 Eligible Holder. An institutional holder, insurer or guarantor of a First Mortgage who provides a written request for notices to the Association, stating the name and address of such holder, insurer or guarantor and the street address, or, if not available, other sufficient information, of the Lot to which its Mortgage relates.

2.19 Final Plat. The Final Plat of Hidden Lake Subdivision filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1, or any amended or replacement version of any such final plat in effect from time to time.

2.20 First Mortgage. A Mortgage that is subordinate to this Declaration or recorded after the Effective Date, and is recorded and has priority of record over all other recorded liens except those liens made superior by statute (e.g., general *ad valorem* tax liens and special assessments and mechanics' liens).

2.21 Fiscal Year. The fiscal year of the Association set from time to time by the Board pursuant to the Bylaws.

2.22 Improvements. All structures, improvements and appurtenances on or to real property of every type and kind including, without limitation, buildings, outbuildings, fixtures, billboards, utilities, patios, tennis courts, swimming pools, garages, doghouses, mailboxes, aerials, antennas, facilities associated with regular or cable or satellite television, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, grading, drainage facilities, windbreaks, plantings, planted trees and shrubs, poles, signs, exterior air conditioning units, water softener fixtures or equipment, pumps, wells, tanks, solar collectors, reservoirs, pipes, lines, meters, towers and other facilities used in connection with water, sewer, gas, electricity, solar energy, telephone or other utilities or telecommunications facilities, as well as any construction activities necessary to construct any such items.

2.23 Unoccupied Lots. Those Lots that do not have completed Improvements. For purposes of this definition, Improvements are deemed completed when the County has issued a certificate of occupancy for the Improvements located on such Lot.

2.24 Lot. A physical portion of the Community, whether developed with Improvements or undeveloped, that is a separate, legally established lot, parcel or unit of real property that may be legally transferred or conveyed without further subdivision or other similar approval from the County. Notwithstanding the foregoing, the term "Lot" shall not include any Common Elements owned in fee simple by the Association or any other "common elements" (as defined in the Act) established under any Supplemental Declaration, or any property dedicated or otherwise conveyed to any government, special district or other quasi-governmental entity for a public purpose.

2.25 Member. A Person who is a member of the Association pursuant to Section 5.2.

2.26 Membership. The membership in the Association held by a Member.

2.27 Mortgage. An unpaid or outstanding mortgage, deed of trust, deed to secure debt or any other form of security instrument encumbering the Community or a portion thereof.

2.28 Mortgagee. A beneficiary or holder of a Mortgage.

2.29 Nonprofit Act. The Colorado Revised Nonprofit Corporation Act, as set forth in Colorado Revised Statutes §§ 7-121-101 et seq., as the same may be amended from time to time.

2.30 Owner. A Person or Persons owning fee simple title of record to any Lot subject to this Declaration from time to time. The term "Owner" shall include a seller under an executory contract for sale and exclude a buyer thereunder and shall include a landlord pursuant to a lease for a Lot and exclude a tenant thereunder.

2.31 Permittee. A Person, other than an Owner, who is a tenant or occupant of a Lot or a Person who is an agent, employee, customer, contractor, licensee, guest or invitee of an Owner or of such tenant or occupant.

2.32 Person. A natural person, corporation, partnership, limited liability company, trust, municipality, special district, or other legal entity, whether public or private.

2.33 Quorum. With respect to a meeting of the Members or the Board, the percentage or number of the Members or Board that constitutes a quorum pursuant to the applicable provisions of the Bylaws.

2.34 Records. The official real property records maintained by the clerk and recorder of Boulder County, Colorado; the phrases "to Record" and "Recording" mean, respectively, to file or filing for recording in the Records, and the phrases "of Record" and "Recorded" mean having been recorded in the Records.

2.35 Reserve Fund. A reserve fund to be established and maintained by the Association for the periodic major repair or replacement of the Common Elements and for unbudgeted and unplanned Common Expenses incurred by the Association from time to time.

2.36 Rules. The rules and regulations, if any, governing the use of the Common Elements adopted from time to time by the Association. The Rules shall be binding upon all Owners and their Permittees.

2.37 Special Assessment. An Assessment levied in accordance with Section 6.4.

2.38 Taking. A taking by the exercise of eminent domain or conveyance in lieu thereof.

ARTICLE 3

CREATION OF THE COMMUNITY

3.1 Creation. Upon the Recording of this Declaration, the Community shall be a "planned community" pursuant to the Act, and the name of the planned community shall be "Hidden Lake Community." The Community is located entirely within the County.

3.2 Number of Lots. The Lots included within the Community as of the date hereof are set forth on Exhibit A attached hereto. Any additional lot in the Hidden Lake Subdivision may be added to the Community, subject to the terms and conditions set forth herein, and thereafter shall be included hereunder as a Lot within the Community.

3.3 Allocations.

(a) Allocation of Votes. In all matters submitted to a vote of the Members, each Lot is allocated one vote in the Association; provided, however, that no vote shall be exercised for any Lot owned by the Association.

(b) Allocation of Common Expenses. Each Lot is allocated, and the Owner of the Lot is liable for, a percentage of the Common Expenses equal to such Lot's Common Allocation in effect from time to time. All other costs and expenses of the Association are allocated among the Lots as otherwise provided in this Declaration. Notwithstanding the foregoing, the rate of assessments against the Unoccupied Lots shall be less than that against other Lots, as described in Section 6.5 below.

3.4 Subdivision by Owners. The subdivision, re-subdivision or reconfiguration of any Lot shall in no event relieve any Owner of such Lot from the obligations appurtenant to such Lot hereunder.

3.5 Duty to Accept Property Transferred by Owner. The Association shall accept title to any undivided interest in Outlots, including Improvements thereon, transferred to the Association by any Owner of a Lot, together with responsibility to perform all duties and functions of the Association which are set forth in this Declaration or otherwise assumed by the Association, in connection with such undivided interest in the Outlots.

ARTICLE 4

EASEMENTS

4.1 Easement for Use, Access and Enjoyment in and to the Common Elements. The Association hereby establishes and grants to each Owner a nonexclusive easement of use, access and enjoyment in and to the Common Elements for the purposes for which the Common Elements are intended and operated by the Association. Any Owner may extend its right of use and enjoyment to its Permittees subject to reasonable regulation by the Association. Unless otherwise provided in a writing furnished to the Association by the Owner, an Owner who leases its Lot shall be deemed to have exclusively assigned all such rights to the

lessee or lessees of such Lot. The easement established by this Section 4.1 shall be appurtenant to and pass with the title to the Lots and shall be subject to:

(a) This Declaration and any other applicable covenants, including any applicable Supplemental Declaration;

(b) The right of the Association to adopt Rules regulating the use and enjoyment of the Common Elements;

(c) The right of the Association to suspend the right of any Owner or such Owner's Permittees to use any recreational facility or other amenity of any type situated within or on the Common Elements (i) for any period during which any Assessment against such Owner's Lot remains delinquent, and (ii) for a period not to exceed 30 days for a single violation (or for a longer period in the case of any continuing violation) of this Declaration, the Bylaws or the Rules, after providing such notice and hearing as may be required by the Bylaws;

(d) The right of the Association to dedicate or transfer all or any part of the Common Elements, subject to Section 12.2 and such other approval requirements as may be set forth in this Declaration or the Act; and

(e) The right of the Association to mortgage, pledge or hypothecate any or all of the Common Elements as security for money borrowed or debts incurred, subject to the limitations of the Act and the approval requirements set forth in Section 12.2.

4.2 Association's Right to Grant Additional Easements. Notwithstanding anything to the contrary in Section 12.2 or other Sections of this Declaration, the Association may grant easements over the Common Elements for installation and maintenance of utilities, drainage facilities and roads and for other purposes that benefit the Members.

4.3 Easements Run with Land. All easements established and granted pursuant to this Article 4 are appurtenant to and run with the Community and will be perpetually in full force and effect so long as this Declaration is in force and will be binding upon the Association, Owners, Permittees and any other Persons having any interest in the Community or any part thereof. The Lots and the Common Elements will be conveyed and encumbered subject to all easements set forth in this Article 4, whether or not specifically mentioned in such conveyance or encumbrance.

ARTICLE 5

THE ASSOCIATION

5.1 Function of Association, Generally. The Association shall be responsible for management, maintenance, repair, replacement, operation and control of the Common Elements and collection of the Assessments. It shall have all powers necessary or desirable to effectuate such purposes, including the right to (a) operate, regulate, manage, maintain, alter,

repair, replace, and charge fees in connection with the operation and use of the Common Elements; (b) enforce all provisions of this Declaration; and (c) perform all rights and obligations granted to the Association under this Declaration, the Articles, the Bylaws, the rules and regulations, and any procedures, rules, regulations or policies adopted under such documents by the Association ("Association Documents"). The administration and management of the Common Elements shall be governed by the Association Documents and duly adopted rules, regulations and resolutions of the Association. In case of conflict between the Declaration and the Articles, the Bylaws or the Rules, this Declaration shall govern.

5.2 Membership. Every Owner of a Lot for which the undivided interests in the Outlots appurtenant to such Lot have been conveyed to the Association shall be a Member. When an Owner consists of more than one Person, all such Persons will, collectively, be considered one Member of the Association and all such Persons shall be jointly and severally obligated to perform the responsibilities of Owner. Membership will automatically terminate when a Person ceases to be an Owner, whether through sale, transfer, intestate succession, testamentary disposition, foreclosure or otherwise. The Association will recognize a new Owner as a Member (i) upon presentation of satisfactory evidence of the sale, transfer, succession, disposition, foreclosure or other transfer of a Lot to such Owner, and (ii) written verification that the undivided interests in the Outlots appurtenant to such Lot have been conveyed to the Association. Membership may not be transferred, pledged or alienated in any way, except to a new Owner upon conveyance of a Lot and such written verification that the undivided interests in the Outlots appurtenant to such Lot have been conveyed to the Association. Any attempted prohibited transfer of a Membership will be void and will not be recognized by the Association.

5.3 Authorized Representative. Any Member who is either: (i) two or more Persons; or (ii) one Person that is not a natural person (i.e., an estate or a trust, corporation, partnership, limited liability Association or other entity), shall appoint, and any Owner who is one natural person may appoint, an Authorized Representative. Any Member so required to appoint an Authorized Representative shall do so immediately upon becoming an Owner. Any Member who is required or elects to appoint an Authorized Representative shall provide written notice to the Association of the appointment of such Authorized Representative or any subsequent replacement therefore within 10 days after appointment. Such notice must (a) be signed by all Persons constituting the Member; (b) be dated; and (c) contain a statement that the natural person named therein will remain the Authorized Representative of such Member until a subsequent notice is given to the Association naming a successor. Such notice will be deemed a proxy given by all Persons constituting such Member to the Authorized Representative named therein for all purposes under this Declaration, the Bylaws, the Act and the Colorado Revised Nonprofit Corporation Act. The appointment of an Authorized Representative will be binding upon all Persons comprising the appointing Member and the vote of the Authorized Representative will be conclusive as to the Association, unless and until the Association receives a notice appointing a replacement Authorized Representative (or, in the case of an Authorized Representative appointed by an Member who is one natural person, a notice terminating the appointment of such Authorized Representative). Unless the notice of appointment expressly states otherwise, the Authorized Representative shall be authorized to designate in a writing delivered to the Association a temporary, substitute Authorized Representative. Upon receipt of any notice appointing an Authorized Representative, the Association may request such additional evidence of authority as it may reasonably deem necessary to verify the due appointment of the

named Authorized Representative. If a Member who is required or elects to appoint an Authorized Representative owns more than one Lot, such Member may elect to appoint: (1) the same natural person to serve as Authorized Representative for each Lot owned by such Member; (2) a different natural person to serve as Authorized Representative for each such Lot; or (3) the same natural person to serve as Authorized Representative for two or more of such Lots and one or more different natural persons to serve as Authorized Representatives for the remaining Lot(s) owned by such Member.

5.4 Majority Approval. Except as otherwise provided in this Declaration, the Bylaws or the Act, the affirmative vote of the Members present and voting, either in person or by proxy, at a meeting of the Association called and held in accordance with the Bylaws will be sufficient to approve any matter submitted to a vote of the Association if such Members hold a majority of the votes in the Association represented at such meeting.

5.5 Board of Directors. The affairs of the Association shall be governed by the Board of Directors, which may, by resolution, delegate any portion of its authority to an executive committee or an officer, executive manager or Director of the Association. The qualifications and number of Directors, the term of office of Directors, the manner in which Directors shall be elected and the manner in which Directors shall be replaced upon removal or resignation shall be as set forth in the Bylaws.

5.6 Delivery of Property to Association. Within 60 days after the Members elect a majority of the Directors, each Member shall have conveyed to the Association its 1/51st undivided interest in the Outlots appurtenant to such Member's Lot.

5.7 Powers. In the performance of its functions and duties, the Association shall have the power to:

(a) adopt and amend the Bylaws, and make and enforce the Rules, consistent with the rights, duties, terms and conditions established by this Declaration and the Bylaws;

(b) subject to Section 6.1, adopt and amend budgets for revenues, expenditures and reserves and assess and collect any Assessments and any other amounts due from Owners or others to the Association;

(c) exercise any of the enforcement powers set forth in Section 5.8 or elsewhere in this Declaration;

(d) institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the Common Elements or the Association;

(e) make contracts and incur liabilities in accordance with a properly ratified budget;

(f) borrow funds to cover Association expenditures and pledge Association assets as security therefore, provided that Common Elements may be subjected to a security interest only pursuant to Section 12.2;

(g) provide for the use, maintenance, repair, replacement and modification of the Common Elements in accordance with a properly ratified budget or otherwise in accordance with this Declaration;

(h) cause additional Improvements to be made as a part of the Common Elements in accordance with the properly ratified budget, or otherwise in accordance with this Declaration;

(i) grant easements, leases, licenses, and concessions through or over the Common Elements;

(j) impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements and for any services provided to persons other than Owners;

(k) impose charges for late payment of Assessments and recover reasonable attorneys' fees and other legal costs for collection of Assessments and other actions to enforce the powers of the Association, regardless of whether or not suit was initiated, and, after providing notice and an opportunity to be heard pursuant to the Bylaws, levy reasonable fines for violations of this Declaration, the Bylaws or the Rules;

(l) impose reasonable charges and fees for services including, but not limited to, the preparation, copying and recordation of amendments to this Declaration or statements of unpaid Assessments pursuant to Section 7.7;

(m) provide for the indemnification of its officers and Directors as provided in the Bylaws or the Articles and maintain directors' and officers' liability insurance;

(n) perform any duties or functions properly delegated to the Association by any Supplemental Association or the Architectural Review Committee;

(o) exercise any other powers expressly conferred by this Declaration, the Bylaws or the Act or reasonably implied from or necessary to effectuate such powers;

(p) except as prohibited by the Act, exercise all other powers that may be exercised in the State of Colorado by a nonprofit corporation; and

(q) exercise any other powers necessary and proper for the governance and operation of the Association.

5.8 Enforcement.

(a) Sanctions and Self-Help. The Association may impose sanctions for violations of this Declaration, the Bylaws or the Rules in accordance with procedures set forth in this Declaration or other policies adopted by the Board of Directors, including reasonable monetary fines and suspension of the right to use any Common Elements. In addition, the Association may exercise self-help (e.g., enter upon a Lot and make any corrective measure necessary to cure a violation) to cure violations and suspend any services it provides to the Lot of any Owner who is more than thirty days delinquent in paying any Assessment or other charge due to the Association following delivery of a notice of such violations to such Owner. All remedies set forth in this Declaration and the Board policies shall be cumulative of each other and of any remedies available at law or in equity. In any action to enforce the provisions of this Declaration, Board policies or any Rules, if the Association prevails it shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs, reasonably incurred in such action.

(b) No Waiver. In no event shall the Association's failure to enforce any covenant, requirement, restriction or rule provided for in this Declaration, the Bylaws or the Rules constitute a waiver of the Association's right to later enforce such provision or any other covenant, requirement, restriction or rule.

5.9 Common Elements. The Association shall provide for the care, operation, management, and repair for the Common Elements. Without limiting the generality of the foregoing, such obligations shall include keeping the Common Elements in good, clean, attractive and sanitary condition, order and repair; removal of any materials from the Common Elements that might impair access thereto; and making necessary or desirable alterations, additions, betterments, or improvements to or on the Common Elements. In general, the Association shall exercise its duties in a manner designed to maintain the value of the Community.

5.10 Board Authority. Except as otherwise specifically provided by law or in this Declaration, the Articles or the Bylaws, all rights and powers of the Association may be exercised by the Board without a vote of the Members. In the performance of their duties, the Directors will act according to their ordinary business judgment, except to the extent the Act requires a greater standard of care. Unless otherwise provided in this Declaration or the Act, the affirmative vote of a majority (i.e., more than 50%) of the Directors will be necessary and sufficient to approve any matter before the Board. The Board shall select the officers of the Association, which officers may also serve as Directors.

5.11 Books and Records. The Association shall make available for inspection, upon request, during normal business hours or under other reasonable circumstances, to Owners and Mortgagees, current copies of the Association Documents and the books, records and financial statements of the Association prepared pursuant to the Association's Bylaws and as required by the Act and Nonprofit Act. The Association may charge a reasonable fee for copying such materials in accordance with the requirements of the Act. The Association shall maintain such books and records as may be required under the Act and as required by the Nonprofit Act.

5.12 Rules and Regulations. The Board may promulgate and enforce, including enforcement by levying and collecting charges or fines for the violation thereof, reasonable rules and regulations governing the use of the Lots, Common Elements and any property owned or managed by the Association. All such rules and regulations shall be consistent with, and shall not materially diminish, the rights and duties established in this Declaration and the reasonable enjoyment of the Uses permitted hereunder, and in no event shall any such rules and regulations change the uses to which any Lot is restricted under this Declaration.

ARTICLE 6

BUDGET AND ASSESSMENTS

6.1 Budget. The Board, on behalf of the Association, shall cause to be prepared and will adopt annually, prior to the beginning of each Fiscal Year of the Association, a proposed budget for the Association. The proposed budget will include all of the following items, in addition to any other items the Board deems appropriate:

- (a) the estimated Common Expenses of the Association for such Fiscal Year;
- (b) the estimated revenues of the Association that will be necessary to defray the Common Expenses;
- (c) the current cash balance in the Reserve Fund, which fund shall be established and maintained by the Board;
- (d) an estimate of the amount required to be spent during such Fiscal Year from the Reserve Fund for the major repair or replacement of the Common Elements; and
- (e) a statement of the amount required to be added to the Reserve Fund during such Fiscal Year to cover anticipated withdrawals and adequately address contingencies and anticipated needs in future Fiscal Years.

The Board shall submit the Budget to the Owners pursuant to Section 303(4) of the Act.

6.2 Creation of Assessments. There shall be two types of Assessments: (a) Common Assessments as described in Section 6.3; and (b) Special Assessments as described in Section 6.4. Each Owner, by accepting a deed for any Lot, is deemed to covenant and agree to pay these Assessments pursuant to the terms and conditions of this Declaration.

6.3 Common Assessments. An Owner's Common Assessment shall be determined based on the adopted and ratified Budget. The Board shall levy and assess the Common Assessments to each Owner in accordance with the Common Allocation for such Owner's Lot on the date of the Common Assessment. Common Assessments shall be payable in advance monthly, and shall be due on the first day of each month in regular installments on a prorated basis, and shall be considered in default if not paid within fifteen days of the due date. If the Association omits or fails to set the amount of the Common Assessments for any

assessment year, the Owners shall be obligated to continue making periodic payments to the Association for Common Assessments in the same amount and on the same schedule as last fixed by the Association. Common Assessments shall provide for the payment of all estimated Common Expenses growing out of or connected to repair work, operation, utilities, additions, alterations, and improvement of and to all Common Elements; expenses and fees of management; insurance premiums for insurance as provided in Article 10 hereof; charges for trash removal; legal and accounting fees; expenses and liabilities incurred by the Association performing its duties under this Declaration; and the creation and maintenance of contingency and reserve funds for repair work relating to the Common Elements. Any surplus funds derived from Common Assessments shall be transferred to the Reserve Fund or used for Association operations, as determined in the Board's sole discretion. By acceptance of a deed to his or her Lot, each Owner hereby directs the Board to make this determination each year.

6.4 Special Assessments. In addition to other authorized Assessments, the Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted, including, without limitation, the costs of any construction, restoration, unexpected repair or replacement of any Common Elements, Improvements thereon or any other capital improvements that benefit all of the Owners and are not covered by the Reserve Fund. Special Assessments shall commence as to each Lot pursuant to Section 6.6. Subject to Section 6.6, each Lot is subject to Special Assessments for the Lot's Common Allocation of the total Special Assessments levied by the Association, except that the Special Assessments against Unoccupied Lots shall be set in accordance with Section 6.5 below. Except as otherwise specifically provided in this Declaration, no Special Assessment shall require the approval of the Members. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the Fiscal Year in which the Special Assessment is approved. The Board shall have the right to require that Special Assessments be paid in advance of the provision of the subject services or Improvements. Without limiting the generality of the foregoing, the Board may levy Special Assessments to cover certain costs of restoration or replacement of Common Elements in the event of damage, destruction or Taking of Common Elements, as set forth in Sections 10.2(a)(v) and 10.3.

6.5 Unoccupied Lots. Common and Special Assessments shall be sufficient to meet the expected needs of the Association and shall be apportioned among the Lots in accordance with their Common Allocation. Notwithstanding the foregoing, however, the amount of the Common and Special Assessments against the Unoccupied Lots may be set at a lower rate than the rate of Common Assessments and Special Assessments against other Lots, because the Unoccupied Lots receive and benefit from fewer services funded by such Assessments than other Lots. Colorado Revised Statutes §38-33.3-315(3)(b) states that "Any common expense or portion thereof benefiting fewer than all of the units shall be assessed exclusively against the units benefited." Based on this provision, the Board has discretion to determine whether a lower rate for Common and Special Assessments is warranted for Unoccupied Lots, and if determined so, what such lower rate shall be.

6.6 Commencement of Assessments. The obligation to pay Common Assessments and Special Assessments shall commence as to each Lot on the day on which the Association first levies Assessments pursuant to this Article 6. The first annual Common

Assessments and Special Assessments levied on each Lot shall be prorated according to the number of months remaining in the Fiscal Year at the time Assessments commence on the Lot.

6.7 Working Capital Fund. To provide the Association with sufficient initial working capital and funding to meet its obligations and to cover the cost of unforeseen expenditures or to purchase any additional equipment or services, an initial "Working Capital Fund" will be established in an amount equal to three months' Common Assessments for each Lot. For each Lot, the contribution to the Working Capital Fund in an amount equal to three months' Common Assessments is due on the closing of the sale of the Lot to an Owner other than the Developer of such Lot. Amounts contributed to the Working Capital Fund do not constitute advance payments of Common Assessments.

ARTICLE 7

ENFORCEMENT OF ASSESSMENTS

7.1 Payment of Assessments. Each Owner shall pay, or cause to be paid, all Assessments assessed against such Owner's Lot by the Association in accordance with the terms of this Declaration. Each Assessment is a separate, distinct and personal debt and obligation of the Owner against whose Lot the Assessment is levied. All Assessments are payable in full without offset for any reason whatsoever. Each Owner's obligation to pay Assessments is entirely independent of any obligation of the Association to the Owner. No Owner may exempt itself from liability for any Assessment by non-use of Common Elements, abandonment of its Lot or any other means. Any Assessment or installment of an Assessment not paid within 30 days after it becomes due is delinquent. If an Assessment or installment of an Assessment is delinquent, the Association may recover all of the following (collectively, the "Delinquency Costs"): (a) interest from the date due at the rate established from time to time by the Board (but not to exceed 21% per year); (b) one-time late charges and other monetary penalties imposed by the Association pursuant to this Declaration and the Bylaws; and (c) all collection and enforcement costs, including reasonable attorneys' fees, incurred by the Association, together with any and all other costs incurred and/or accrued after the date of the Delinquency Notice described in Section 7.2 below. The Association may also adopt other policies regarding enforcement actions (such as loss of Owner privileges within the Community or suspension of Owner voting rights) in the event an Assessment is delinquent. Each Assessment, together with any applicable Delinquency Costs, shall be a charge and continuing lien upon the Lot against which the Assessment is levied until paid, as more particularly provided in Section 7.3. Each such Assessment, together with any applicable Delinquency Costs, also shall be the personal obligation of the Person that was the Owner of such Lot at the time the Assessment and the applicable Delinquency Costs arose. Where the Owner consists of multiple Persons, each such Person shall be jointly and severally liable for each and every obligation of the Owner.

7.2 Delinquency Notice. If any Assessment or installment of any Assessment is delinquent, the Association may notify the Owner of the delinquency and state in the notice: (a) the amount and due date of the delinquent Assessment or installment thereof; (b) the Delinquency Costs accrued to date; and (c) the date by which the delinquent Assessment installment thereof and all associated Delinquency Costs must be paid.

7.3 Lien for Assessments. The Association has an automatic lien against each Lot to secure payment of all Assessments and associated Delinquency Costs levied by the Association against such Lot. Such lien shall be perfected upon the Recording of this Declaration, and no further claim of lien shall be required. Notwithstanding the foregoing and without limitation on the automatic lien against each Lot established hereby, the Association has the right, but not the obligation, to prepare and Record a "Notice of Lien" setting forth (i) the amount of any Assessment or Delinquency Costs or other amount due and owing to the Association; (ii) the date such amount was due and payable and the date from which interest accrues; (iii) all Delinquency Costs accrued as of the date of Recording of such Notice of Lien; (iv) the Lot affected by the lien; and (v) the name or names, last known to the Association, of the Owner of the Lot. The automatic lien of the Association against each Lot established and perfected by this Section 7.3 shall be superior to all other liens and encumbrances, except (a) liens and encumbrances Recorded before this Declaration; (b) liens for real estate taxes and other governmental assessments or charges against the Lot; and (c) subject to the limited priority established in favor of the Association pursuant to Section 38-33.3-316(2)(b)(I) of the Act, any First Mortgage on the Lot that was Recorded before the date on which the Assessment or installment thereof the Association is seeking to enforce became delinquent. Subject to the limitations of the preceding sentence, the sale or transfer of any Lot shall not affect the lien for any existing delinquent Assessments.

7.4 Payment by Mortgagee. Any Mortgagee of any Lot may pay any unpaid amount payable with respect to such Lot, together with any and all costs and expenses incurred with respect to the lien, and upon such payment that Mortgagee shall have a lien on the Lot for the amounts paid with the same priority as the lien of such Mortgagee's Mortgage.

7.5 Enforcement of Assessments. The amount of any delinquent Assessments and associated Delinquency Costs may be enforced against the Owner liable for them in either or both of the following ways, at the option of the Association (which shall not be exclusive of any other remedies or enforcement rights available to the Association at law or in equity):

(a) Suit. The Association may bring a suit or suits at law to enforce the Owner's obligation to pay a delinquent Assessment and associated Delinquency Costs. Each action will be brought in the name of the Association. If the Association prevails in any such action, the Association will be entitled to receive the reasonable attorneys' fees and costs incurred by the Association in bringing the action against the defaulting Owner. Upon full satisfaction of the judgment, the Association, by one of its officers, will execute and deliver to the judgment debtor an appropriate satisfaction of the judgment.

(b) Lien Foreclosure. If the Association gives a notice concerning the delinquent Assessment that substantially complies with the provisions of Section 7.2 and the delinquent Assessment is not paid in full by the due date specified in such notice, then the Association may foreclose, in the same manner as the foreclosure of a mortgage under the laws of the State of Colorado, the lien established in Section 7.3 securing the Assessment and any associated Delinquency Costs. The Association may bid for a Lot at any foreclosure sale, pay all or part of the bid amount by crediting the lien amount against the bid, and acquire, hold, lease, mortgage and convey such Lot. While a Lot is

owned by the Association following foreclosure: (a) no right to vote shall be exercised on behalf of the Association as the Owner of such Lot; and (b) no Assessments shall be levied against such Lot; and (c) each other Lot shall be charged, in addition to its usual Assessments, its pro rata share of the Assessments that would have been charged the Lot acquired by foreclosure had such Lot not been acquired by the Association.

7.6 Disputes and Records. Any Owner or an Owner's authorized representative may inspect the books and records of the Association during regular business hours upon reasonable prior notice. If an Owner disputes the amount of any Assessment against its Lot and is unable to resolve the issue through an inspection of the Association's books and records, the Owner will continue to pay in a timely manner the full amount of the disputed Assessment until, if ever, it is finally determined that the amount is incorrect (in which case the Association will promptly refund any overpayment). If the Owner fails to pay the disputed Assessment while the dispute is pending, the Association may immediately pursue any of its remedies for the failure (including, without limitation, suit against the Owner and/or foreclosure of the Association's lien against the Owner's Lot), and the pendency of the dispute is not a bar or defense to any actions by the Association.

7.7 Certificate. Within 14 calendar days after receiving a written request from any Owner, Mortgagee or a designee of either of them, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's registered agent, the Association will furnish to the requesting party, by personal delivery or certified mail, first-class postage prepaid, return receipt requested, a certificate executed on behalf of the Association and addressed to the requesting party, stating any then unpaid Assessments due from the requesting Owner or the Owner of the Lot encumbered by the requesting Mortgagee's Mortgage, or stating that there are no unpaid Assessments due from such Owner, as the case may be. A certificate furnished by the Association pursuant to this Section 7.7 is binding on the Association, the Board and every Owner. Such Owner's Lot shall not be subject to a lien for any unpaid Assessments against the Lot to the extent that (a) the lien arises before the date of the certificate and the amount of the lien exceeds any unpaid amounts stated in the certificate, or (b) if the Association does not furnish a certificate pursuant to this Section 7.7, the unpaid Assessments are due as of the date of the request. The Association may charge the Owner of any Lot for which such a certificate is furnished pursuant to this Section 7.7, and the Owner will pay, a reasonable fee for the preparation of the certificate in an amount determined by the Board from time to time.

ARTICLE 8

MAINTENANCE

8.1 Association's Responsibilities.

(a) Maintenance of Common Elements. The Association shall maintain and keep in good repair the Common Elements.

(b) Operation of Facilities. The Association shall maintain the Improvements, facilities and equipment, if any, within the Common Elements in

continuous operation, except for any periods necessary, as determined in the sole discretion of the Board, to perform required maintenance or repairs.

8.2 Owner's Responsibility. Each Owner shall be responsible for costs of repair or replacement of any portion of the Common Elements that is damaged or destroyed by reason of the willful misconduct or gross negligence of such Owner or any of its Permittees.

8.3 Maintenance Standard. Unless otherwise specifically provided herein or in other instruments creating and assigning such maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement, as necessary. All maintenance shall be performed in a manner consistent with the quality of maintenance prevailing within the Community. Neither the Association nor any Owner shall be liable for any damage or injury occurring on or arising out of the condition of property which it does not own, except pursuant to Section 8.2 or to the extent that it has been negligent in the performance of its maintenance responsibilities.

8.4 Security. The Association may, but shall not be obligated to, maintain or support certain activities in the Community designed to make the Community safer than it otherwise might be. In no event shall the Association be considered an insurer or guarantor of security in the Community, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any fire protection system, or security system or measures, cannot be compromised or circumvented, nor that any such system or security measure undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and covenants to inform his or her Permittees that neither the Association nor the Board of Directors and/or any committees thereof are insurers and that each Person using the Community assumes all risks of personal injury and loss or damage to property, including Lots and Improvements and the contents of Lots, resulting from acts of third parties.

ARTICLE 9

USE RESTRICTIONS

9.1 Compliance with Laws. Each Lot Owner shall comply with all applicable laws, ordinances, and regulations of all governmental bodies having jurisdiction over the Property. Nothing shall be done or kept in any Lot or in or on the Common Elements, or any part thereof, that would be in violation of any statute, rule, ordinance, regulation, permit, or other imposed requirement of any governmental body having jurisdiction over the same.

9.2 Compliance with Association Documents. Each Owner shall comply strictly with, and shall cause his or her Permittees to comply strictly with, all of the provisions of this Declaration, the Articles and the Bylaws, the Final Plat, and the decisions, rules, regulations and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, maintainable by the Board in the name of the Association on behalf of the Owners, or in a proper case, by an aggrieved Owner.

9.3 Property to be Maintained. Each Lot Owner shall at all times maintain its Lot in a manner consistent with the standard of first class residential real estate properties of comparable size in the Boulder County area. No trash, litter, junk, boxes, containers, bottles, cans, implements, grass, shrubs, or tree clippings, plant waste, machinery, metal, lumber or other building materials shall be permitted to remain exposed upon any Lots so that same are visible from any neighboring Lot or street, except as necessary during any period of construction. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. No garbage or trash cans or receptacles shall be maintained in an exposed or unsightly manner. No unsightliness or waste shall be permitted on or in any part of a Lot.

9.4 No Hazardous Activities. No activity shall be conducted on any part of the Common Elements that 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 Common Element and no open fires shall be lighted or permitted on any Common Element except in a contained barbecue unit while attended and in use for cooking purposes or within an interior fireplace. Further, no hazardous materials or chemicals shall at any time be located, kept or stored in, on or at any Common Element except such as may be contained in household products normally kept at homes for use of the residents thereof and in such limited quantities so as to not constitute a hazard or danger to person or property. In no event shall the items set forth herein be deemed to be a complete list of hazardous activities prohibited hereunder, and the Board shall have the right to terminate any other hazardous activity carried on by an Owner or its Permittees in violation of the provisions hereof.

9.5 Use of Common Elements. Each Owner and Owner's Permittees may use the Common Elements in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners. The Board may adopt rules, regulations, restrictions or policies governing or restricting the use of the Common Elements. Each Owner and Owner's Permittees, by the Owner's acceptance of a deed or other instrument of conveyance or assignment to its Lot, agrees to be bound by any such adopted rules, regulations or policies. No Owner or Owner's Permittees shall cause, or further, an obstruction of the Common Elements, nor shall anything be stored on any part of the Common Elements, without prior written consent of the Board. Nothing shall be altered, constructed on, or removed from the Common Elements except upon the prior written consent of the Board.

9.6 Rules and Regulations. In addition to the other restrictions set forth in this Article 9, the Owners shall also comply with any and all Rules adopted by the Association.

9.7 Mining Operations. No oil or gas drilling, oil or gas development operations, oil refining, quarrying or mining operations of any kind shall be permitted in the Community.

ARTICLE 10

INSURANCE, DAMAGE AND TAKINGS

10.1 Association's Insurance.

(a) Required Coverage. The Association, acting through the Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance if reasonably available or, if not reasonably available, the most nearly equivalent coverages as are reasonably available:

(i) Blanket "all risk" property insurance covering any insurable Improvements owned by the Association. The Association shall have the authority to insure any property for which it has maintenance or repair responsibility, regardless of ownership. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement cost of the insured Improvements.

(ii) Commercial general liability insurance, insuring the Association and the Owners against damage or injury caused by the negligence of the Association or any of its Members, employees, agents or contractors while acting on its behalf. If generally available at reasonable cost, the commercial general liability coverage (including primary and any umbrella coverage) shall have a limit of at least \$1,000,000.00 per occurrence with respect to bodily injury, personal injury and property damage.

(iii) Workers' compensation insurance and employer's liability insurance to the extent required by law.

(iv) Directors' and officers' liability coverage in an amount determined by the Board.

(v) Fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's business judgment but not less than two months' Assessments plus all reserves on hand, and containing a waiver of all defenses based upon the exclusion of Persons serving without compensation.

(vi) Such additional insurance as the Board determines advisable, which may include, without limitation, automobile insurance, flood insurance, boiler and machinery insurance and building ordinance coverage.

(b) Policy Requirements. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to any Owner or Mortgagee. Each policy may provide for a deductible which may not exceed the lesser of \$10,000.00 or one percent (1%) of the policy face amount, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 10.1(a). Premiums for all insurance

maintained by the Association pursuant to this Section 10.1 shall be Common Expenses and shall be included in the Common Assessment. In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance coverage. All insurance coverage obtained by the Association shall:

(i) be written with companies authorized to do business in the State of Colorado;

(ii) be written in the name of the Association as trustee for the Association and the Members;

(iii) be written as a primary policy, not contributing with and not supplemental to the coverage that any Owners, occupants or their Mortgagees may carry individually;

(iv) include an inflation guard endorsement, as applicable;

(v) include an agreed amount endorsement, if the policy contains a co-insurance clause;

(vi) provide that each Owner is an insured person under the policy with respect to liability arising out of such Owner's membership in the Association;

(vii) include an endorsement precluding cancellation, invalidation, suspension or non-renewal by the insurer on account of any curable defect or violation or any act or omission of any Owner, without prior written demand to the Association to cure the defect, violation, act or omission and allowance of a reasonable time to effect such cure;

(viii) include an endorsement precluding cancellation, invalidation or condition to recovery under the policy on account of any act or omission of any Owner, unless such Owner is acting within the scope of its authority on behalf of the Association; and

(ix) include an endorsement requiring at least 30 days' prior written notice to the Association, and to each Owner and Mortgagee to whom a certificate of insurance has been issued, of any cancellation, substantial modification or non-renewal.

(c) Other Policy Provisions. In addition, the Association may use reasonable efforts to secure insurance policies which list the Owners as additional insureds and provide:

(i) a waiver of subrogation as to any claims against the Board, the officers or employees of the Association, and the Owners and their Permittees;

(ii) a waiver of the insurer's rights to repair and reconstruct instead of paying cash;

(iii) an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;

(iv) a cross liability provision; and

(v) a provision vesting in the Association exclusive authority to adjust losses; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in settlement negotiations, if any, related to such losses.

10.2 Damage and Destruction.

(a) Property Insured by Association.

(i) Immediately after damage or destruction to all or any part of the Community covered by insurance written in the name of the Association, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. Repair or reconstruction, as used in this paragraph, means the repair or restoration of the damaged property to substantially the condition in which it existed prior to the damage, allowing for changes necessitated by changes in applicable building codes.

(ii) Any damage to or destruction of the Common Elements shall be repaired or reconstructed unless: (i) a decision not to repair or reconstruct is made by Members representing at least a majority of the total votes in the Association; (ii) repair or reconstruction would be illegal under any state or local statute governing health and safety; or (iii) the planned community established by this Declaration is terminated pursuant to Section 14.2(b).

(iii) If the damage or destruction to the Common Elements will not be repaired or reconstructed pursuant to Section 10.2(a)(ii) and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive landscaped condition.

(iv) Any insurance proceeds attributable to damage to Common Elements will be applied to the costs of repair or reconstruction (if any) and then, if any insurance proceeds remain, distributed among all Lots in proportion to their Common Allocations.

(v) If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Association may, without a vote of the Members, levy Special Assessments to cover the shortfall.

(vi) Each Lot will continue to be subject to Assessments following any damage to any portion of the Common Elements, without abatement as a result of such damage.

10.3 Takings.

(a) Taking of Common Elements.

(i) Each Owner shall be entitled to written notice of any Taking of any Common Elements or portion thereof. The Association will be solely responsible for negotiating, and is hereby authorized to negotiate with the condemning authority on behalf of all Owners concerning, the amount of the award for any Taking by which a condemning authority acquires any Common Elements or portion thereof without also acquiring 100% of the Lots, and the acceptance of such award by the Association will be binding on all Owners. Any award made for such Taking shall be payable to the Association as trustee for all Owners and shall be disbursed as set forth in Sections 10.3(a)(ii) and 10.3(a)(iii). Notwithstanding the foregoing, no Common Elements shall be conveyed in lieu of and under threat of condemnation without the approval of the Board, acting with the approval of Members representing at least 75% of the total votes in the Association.

(ii) If the Taking involves a portion of the Common Elements on which Improvements have been constructed, the Association shall restore or replace such Improvements on the remaining land included in the Common Elements to the extent available, unless otherwise voted within 60 days after such Taking by Members representing at least a majority of the total votes in the Association. Any such construction shall be in accordance with plans approved by the Association. If the award made for such Taking is insufficient to cover the costs of restoration or replacement, the Association may, without a vote of the Members, levy Special Assessments to cover the shortfall.

(iii) If the Taking does not involve any Improvements on the Common Elements, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall become an asset of the Association.

ARTICLE 11

MORTGAGEE PROVISIONS

11.1 No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Member or other party priority over any rights of the First Mortgagee of any Lot in the case of distribution to such Member of insurance proceeds or condemnation awards for losses to or a Taking of the Common Elements.

11.2 Notice to Mortgagees. Upon receipt by the Association of a written request for notices as described in Section 2.18, any Eligible Holder who provides such request will be entitled to timely written notice of:

(a) Any condemnation loss or casualty loss that affects a material portion of the Community or that affects any Lot on which there is a First Mortgage held, insured or guaranteed by such Eligible Holder;

(b) Any delinquency in the payment of Assessments or charges owed by a Lot subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of 60 days after notice of such delinquency has been delivered to the Member, or any other violation of this Declaration or the Bylaws relating to such Lot or the Member or occupant thereof which is not cured within 60 days of notice of such violation;

(c) Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

ARTICLE 12

CONVEYANCING AND ENCUMBRANCING

12.1 Lots. A description of any Lot in accordance with the requirements of Colorado law for the conveyance of real property will, if included in an otherwise proper instrument, be sufficient for all purposes to sell, convey, transfer, encumber and otherwise affect not only such Lot but also all easements, rights and other benefits appurtenant thereto as provided in this Declaration. A Person who becomes an Owner will promptly notify the Association of his or her ownership of a Lot. An Owner may encumber his or her Lot as he or she sees fit, subject to the provisions of this Declaration.

12.2 Common Elements. The Common Elements or portions thereof may be conveyed or subjected to a lien or security interest in accordance with the Act, with the written approval of Owners to whom are allocated at least 75% of the votes in the Association. Such conveyance or encumbrance will not affect the priority or validity of pre-existing encumbrances. Any net proceeds from the sale of any portion of the Common Elements will be an asset of the Association.

ARTICLE 13

AMENDMENT

13.1 Required Votes.

(a) Amendments to this Declaration that, under the Act, may be made by the Association without the approval of the Owners may be so made by the Association, subject, however, to any required consent in favor of any Person expressly required by this Declaration.

(b) Except as otherwise expressly permitted under the Act, any amendment to this Declaration that changes the uses to which any Lot is restricted requires the vote or agreement of Owners to which at least 67% of the votes in the Association are allocated.

(c) Any amendment to this Declaration that changes a specific clause or provision prescribing a certain percentage of affirmative votes for action to be taken under that clause or provision shall require the affirmative vote of those Owners of Lots to which at least that percentage (as prescribed in that clause or provision) of the votes in the Association are allocated.

(d) Any amendment to this Declaration that changes a specific clause or provision requiring the agreement of any Person(s) for action to be taken under that clause or provision shall require the written consent of such Person(s).

(e) Except as provided above in this Section 13.1 and in any other provision of this Declaration, this Declaration may be amended by the affirmative vote or agreement of the Owners of Lots to which more than 50% of the votes in the Association are allocated.

13.2 Amending Documents. An amendment to this Declaration is effective only when all of the following events occur:

(a) Owner Approval. The amendment is reduced to a writing that is approved (by affirmative vote or agreement) by the Owners of Lots to which at least the applicable required percentage of votes in the Association are allocated.

(b) Certificate by Association. A written certificate, executed and acknowledged by the president or any other authorized officer of the Association, is attached to the written amendment which states that the amendment was approved by the applicable required percentage of Owners pursuant to Section 13.1.

(c) Recording. The approved written amendment described in Section 13.2(a) and the certificate described in Section 13.2(b) are recorded.

ARTICLE 14

GENERAL PROVISIONS

14.1 Permittees Bound. All provisions of this Declaration, the Bylaws and the Rules shall also apply to all Permittees of any Owner. Each Owner shall cause all of its Permittees to comply with this Declaration, the Bylaws and the Rules, and each Owner shall be responsible for all violations and losses to the Common Elements caused by such Permittees, notwithstanding the fact that such Permittees of a Lot are fully liable and may be sanctioned for any violation.

14.2 Duration and Termination.

(a) Perpetual Duration. Unless terminated as provided in Section 14.2(b), this Declaration shall have perpetual duration. If Colorado law hereafter limits the period during which covenants may run with the land, then to the extent consistent with such law, this Declaration shall automatically be extended at the expiration of such period for successive periods of twenty years each, unless terminated as provided herein.

(b) Termination. Unless otherwise provided by Colorado law, in which case such law shall control, this Declaration may be terminated only by an instrument signed by Owners who represent at least 75% of the votes in the Association. Any termination instrument shall be Recorded and must comply with the termination procedures set forth in the Act. Nothing in this Section 14.2(b) shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

14.3 Compliance; Right of Action. Every Owner and Permittee shall comply with this Declaration, the Bylaws and the Rules. In recognition of the fact that a violation of any of the easements, restrictions, requirements, conditions and covenants set forth in this Declaration will cause irreparable damage to the Community that is subject to this Declaration, it is hereby declared, and by acquiring an interest in any Lot all Owners and Eligible Holders will be deemed to have agreed, that, except to the extent expressly provided to the contrary in this Declaration, any violation or attempted violation of any provision of this Declaration will give the Association and any aggrieved Owner the right to prosecute a proceeding at law or in equity against the Person who is violating or attempting to violate such provision and the right to recover sums due or damages or to obtain any other remedy available at law or in equity, including, without limitation, injunctive relief. In any action where a court determines that the Association is the substantially prevailing party, the Association shall be entitled to receive an award of its costs and reasonable attorneys' fees incurred in maintaining or defending such action.

14.4 Indemnity. Each Owner will be liable to and will protect, defend, indemnify and hold the Association harmless from and against any and all damages, claims, demands, liens (including, without limitation, mechanics' and materialmen's liens and claims), losses, costs and expenses (including, without limitation, reasonable attorneys' fees, court costs and other expenses of litigation) and liabilities of any kind or nature whatsoever suffered or incurred by, or threatened or asserted against, the Association as a result of or in connection with (a) the willful misconduct, negligence or breach of the Act, this Declaration, the Bylaws or the Rules by the indemnifying Owner or his or her Permittees; or (b) any repair, restoration, replacement, alteration or other construction, demolition, installation or removal work on or about the Community contracted for, or performed by, the indemnifying Owner or his or her Permittees. The indemnifying Owner will pay for all such claims suffered or incurred by the Association for which such Owner is responsible hereunder promptly upon receipt of a demand from the Association therefore. Nothing herein will be deemed to relieve any Permittee from liability for its own acts or omissions. Nothing contained in this Section 14.4 will be construed to provide for any indemnification which would violate applicable laws, void any or all of the

provisions of this Section 14.4, or negate, abridge, eliminate or otherwise reduce any other indemnification or right which the Association or the Owners have by law.

14.5 Severability. In the event any provision of this Declaration is deemed illegal or invalid by judgment or court order, a legally valid provision similar to the invalidated provision shall be substituted therefore. Invalidation of any provision of this Declaration, in whole or in part, or of any application of a provision of this Declaration, by judgment or court order shall in no way affect other provisions or applications of this Declaration.

14.6 Governing Law. This Declaration shall be governed by and construed under the laws of the State of Colorado.

14.7 Captions. The captions and section headings in this Declaration are for convenience only and shall not be considered in construing any provisions of this Declaration.

14.8 Notices. Except for notices concerning meetings of the Association or the Board, which will be given in the manner provided in the Bylaws, any notices required or permitted hereunder or under the Bylaws to be given to any Owner, the Association, the Board or any Eligible Holder will be sent by certified mail, first-class postage prepaid, return receipt requested, to the intended recipient at: (a) in the case of notices to an Owner, the mailing address of such Owner in the County or any other address designated by such Owner in writing to the Association; (b) in the case of notices to the Association or the Board, the address of the Association's registered agent; or (c) in the case of notices to an Eligible Holder, the address thereof most recently given to the Association by notice from such Eligible Holder. All notices will be deemed given and received three business days after such mailing. Any Owner or Eligible Holder may change its address for purposes of notice by notice to the Association in accordance with this Section 14.8. The Association or the Board may change its address for purposes of notice by notice to all Owners in accordance with this Section 14.8. Any such change of address will be effective five days after giving of the required notice.

14.9 Colorado Common Interest Ownership Act. This Declaration shall be subject to all mandatory requirements of the Act, as amended. In the event of any conflict between any term or provision of this Declaration and any mandatory provision of the Act, the mandatory provisions of the Act shall control in all instances. In the event of any conflict between any term of provision of this Declaration and any permissive or non-mandatory provision of the Act, the provisions of this Declaration shall control in all instances.

14.10 Additional Mortgage Provisions. No breach of or default under any of the covenants, conditions, restrictions or easements contained in this Declaration shall render invalid or affect in any manner the lien of any Mortgage given in good faith and for value and encumbering any portion of the Community, but the title of any Owner who acquires any portion of the Community by foreclosure or deed-in-lieu of foreclosure of any such Mortgage Recorded after the date of Recording of this Declaration or subordinated to this Declaration shall be subject to any such covenants, conditions, restrictions or easements.

14.11 No Representations, Guaranties or Warranties. No representations, guaranties or warranties of any kind, express or implied, shall be deemed to have been given or

made by the Board of Directors, the Association, or by any of its officers, directors, members, partners, agents or employees, in connection with any portion of the Community, or any Improvement, its or their physical condition, structural integrity, freedom from defects, zoning, compliance with applicable laws, fitness for intended use, or view, 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. The release and waiver set forth in Section 14.13 (Waiver) shall apply to this Section.

14.12 Disclaimer Regarding Safety. THE ASSOCIATION, THE BOARD OF DIRECTORS, AND THEIR OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, HEREBY DISCLAIM ANY OBLIGATION REGARDING THE SECURITY OF ANY PERSONS OR PROPERTY WITHIN THE COMMUNITY. BY ACCEPTING A DEED TO PROPERTY WITHIN THE COMMUNITY, EACH OWNER ACKNOWLEDGES THAT THE ASSOCIATION, THE BOARD OF DIRECTORS AND THEIR OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, ARE ONLY OBLIGATED TO DO THOSE ACTS SPECIFICALLY ENUMERATED IN THIS DECLARATION, OR IN THE ARTICLES OF INCORPORATION, BYLAWS OR RULES AND REGULATIONS OF THE ASSOCIATION, AND ARE NOT OBLIGATED TO DO ANY OTHER ACTS WITH RESPECT TO THE SAFETY OR PROTECTION OF PERSONS OR PROPERTY WITHIN THE COMMUNITY. THE RELEASE AND WAIVER SET FORTH IN SECTION 14.14 (WAIVER) SHALL APPLY TO THIS SECTION.

14.13 Waiver. By acceptance of a deed to a Lot, each Owner hereby releases, waives, and discharges the Board of Directors, the Association, and their respective officers, directors, members, partners, agents and employees, heirs, personal representatives, successors and assigns, from all losses, claims, liabilities, costs, expenses, and damages, arising directly or indirectly from any hazards, disclosures or risks set forth in this Declaration.

IN WITNESS WHEREOF, the undersigned have executed this Declaration as of the dates given below.

Members of the Association:

[signature pages to follow]

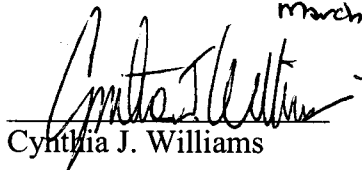
Lot 13:

March 26, 2014



Joe V. Williams

March 26, 2014



Cynthia J. Williams

STATE OF COLORADO)

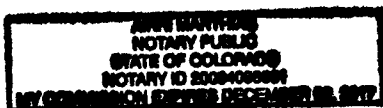
) ss:

COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 26 day of March, 2014, by Joe V. Williams and Cynthia J. Williams.

Witness my hand and official seal.

{SEAL}





Notary Public

My commission expires: DEC 02, 2017

Lot 18 & 19:

Ronald M. Harber
Ronald M. Harber

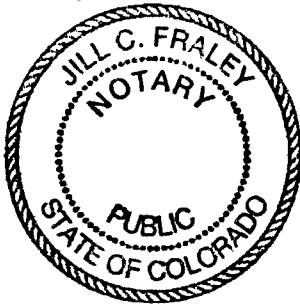
Diana Sue Harber
Diana Sue Harber

STATE OF COLORADO)
COUNTY OF Barmer) ss:

The foregoing instrument was acknowledged before me this 4 day of April, 2014, by Ronald M. Harber and Diana Sue Harber.

Witness my hand and official seal.

{SEAL}



Jill G. Fraley
Notary Public
My commission expires: Sep 21, 2015

Lot 20:

The Fitzgerald Family Trust Dated June 30, 1995

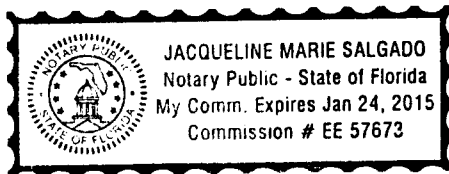
By: Andrew L. Fitzgerald
Andrew L. Fitzgerald, Trustee

STATE OF FL.)
) ss:
COUNTY OF Lake)

The foregoing instrument was acknowledged before me this 17th day of April, 2014, by Andrew L. Fitzgerald, Trustee of the Fitzgerald Family Trust Dated June 30, 1995.

Witness my hand and official seal.

{S E A L}



Jacqueline M. Salgado
Notary Public
My commission expires: 1-24-15

Lot 21:

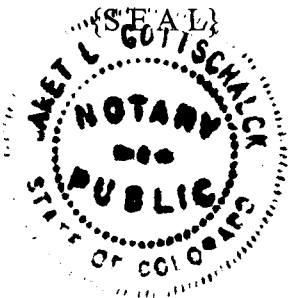
Thomas A. Pawlish
Thomas A. Pawlish

Therese L. Pawlish
Therese L. Pawlish

STATE OF COLORADO)
) ss:
COUNTY OF Jefferson)

The foregoing instrument was acknowledged before me this 10th day of April, 2014, by Thomas A. Pawlish & Therese L. Pawlish.

Witness my hand and official seal.



Janet L. Gottschalik
Notary Public
My commission expires: 04-12-2016

Lot 24:

Rosemary Choate
Rosemary Choate

Judd Choate
Judd Choate

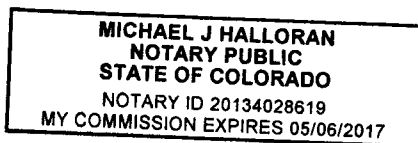
Lyn Kathlene
Lyn Kathlene

STATE OF COLORADO)
) ss:
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 2nd day of May, 2014, by Rosemary Choate, Judd Choate & Lyn Kathlene.

Witness my hand and official seal.

{SEAL}



Michael J. Halloran
Notary Public
My commission expires: 5/6/2017

Lot 25:

Dorothy S. Tucker
Dorothy S. Tucker

Charles B. Tucker, Jr.
Charles B. Tucker, Jr.

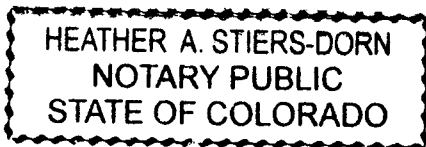
STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 10th day of April, 2014, by Dorothy S. Tucker and Charles B. Tucker, Jr.

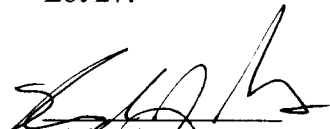
Witness my hand and official seal.

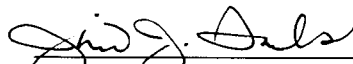
{S E A L}

Heather A. Stiers-Dorn
Notary Public
My commission expires: June 2, 2015



Lot 27:


Richard J. Sands

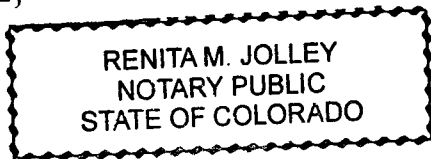

Janice J. Sands

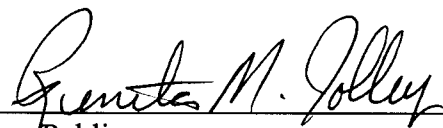
STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 3rd day of APRIL, 2014, by Richard J. Sands and Janice J. Sands.

Witness my hand and official seal.

{SEAL}





Notary Public
My commission expires: July 27, 2015

Lot 32:

Sallie V. Dalton

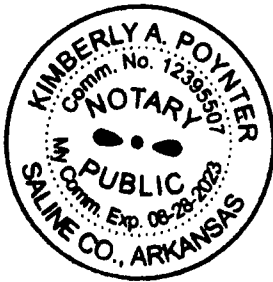
Sallie V. Dalton

STATE OF ~~COLORADO~~ ^{ARKANSAS})
COUNTY OF Pulaski) ss:

The foregoing instrument was acknowledged before me this 15th day of April, 2014, by Sallie V. Dalton.

Witness my hand and official seal.

{SEAL}



Kimberly A. Poynter
Notary Public

My commission expires: 8/28/2023

Lot 32:

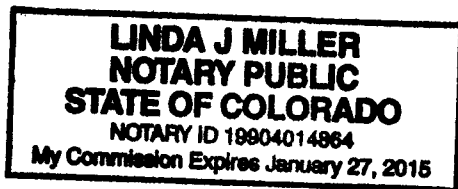
Barbara Schroeder
Barbara Schroeder

STATE OF COLORADO)
COUNTY OF Denver) ss:

The foregoing instrument was acknowledged before me this 8 day of May, 2014, by
Barbara Schroeder.

Witness my hand and official seal.

{SEAL}



Linda J Miller
Notary Public
My commission expires: 1-27-15

Lot 33:

Craig Bristow
Craig A. Bristow

Gerry L. Bristow
Gerry L. Bristow

STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 5th day of April, 2014, by
Craig A. and Gerry L. Bristow.

Witness my hand and official seal.



Mallahan
Notary Public
My commission expires: 8/8/2016

Lot 35:

Dale Hostetter
Dale Hostetter

Jocelyn Hostetter
Jocelyn Hostetter

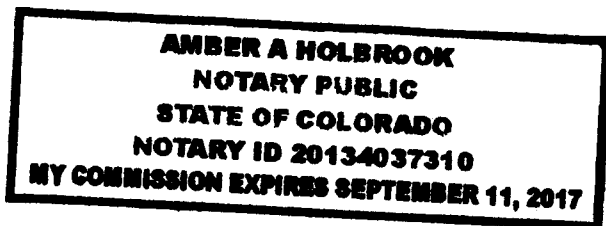
STATE OF COLORADO)
) ss:
COUNTY OF Weld)

The foregoing instrument was acknowledged before me this 26 day of March, 2014, by Dale and Jocelyn Hostetter.

Witness my hand and official seal.

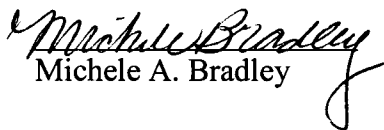
{S E A L}

Amber A Holbrook
Notary Public
My commission expires: Sept 11, 2017



Lot 36:


Kenneth C. Bradley

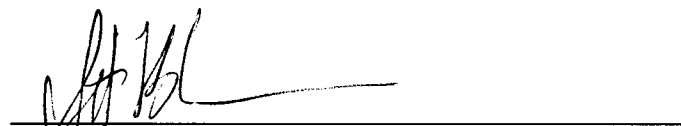

Michele A. Bradley

STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

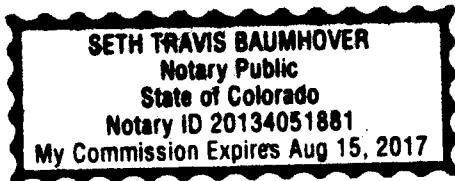
The foregoing instrument was acknowledged before me this 16th day of May, 2014, by
Kenneth C. and Michele A. Bradley.

Witness my hand and official seal.

{S E A L}



Notary Public
My commission expires: 08/15/17



Lot 37:

Sue E. Appel Living Trust

By:

Sue E. Appel Trustee
Sue E. Appel, Trustee

STATE OF COLORADO)

) ss:

COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 24 day of March, 2014, by Sue E. Appel, Trustee for the Sue E. Appel Living Trust.

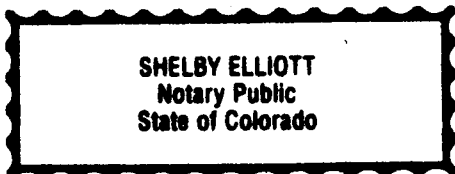
Witness my hand and official seal.

{S E A L}

Shelby Elliott

Notary Public

My commission expires: 5/8/16



ID # 20124029503

Lot 41:

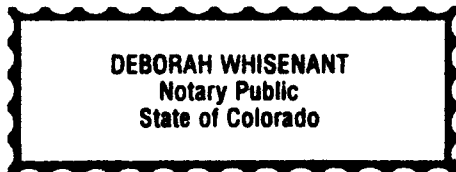
Stacy Brunet
Stacy Brunet

STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 21st day of May, 2014, by Stacy Brunet.

Witness my hand and official seal.

{S E A L}



Deborah Whisenant
Notary Public
My commission expires: June 27 2016

Lot 42:

David Barry

David Barry

STATE OF COLORADO)

) ss:

COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 28th day of June, 2014, by David Barry.

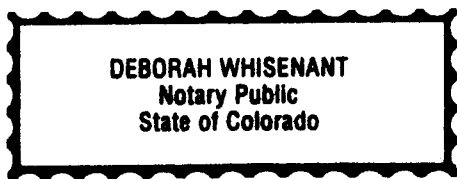
Witness my hand and official seal.

{SEAL}

Deborah Whisenant

Notary Public

My commission expires: June 27 2016



Lot 44:

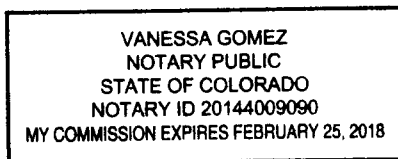

Dennis Zekoff

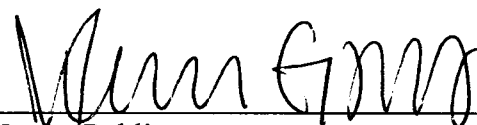
STATE OF COLORADO)
) ss:
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 26 day of MARCH, 2014, by
Dennis Zekoff.

Witness my hand and official seal.

{S E A L}




Notary Public
My commission expires: 02/25/18

EXHIBIT

A

Description of the Community

The following Lots in the Hidden Lake Subdivision are subject to this Declaration, and constitute the Community hereunder:

Lot 13, Hidden Lake Subdivision created by subdivision map filed May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lots 18 & 19, , Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 20, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 21, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 24, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 25, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 27, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 32, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 33, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 35, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 36, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 37, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 41, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 42, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Lot 44, Hidden Lake Subdivision created by subdivision map filed on May 16, 1966 in the real property records of Boulder County, Colorado in Plan File R-2-1-1

Hidden Lake Owners Association (HLOA)

Meeting Minutes

Held at the Mumm residence, 710 Pine Cone Cr.

June 28, 2025

I. Call to order

Erik Mumm (HLOA President) called the annual meeting of the HLOA to order at approximately 10:00 AM

II. Present:

- President: Erik Mumm
- Vice-President: Dave Barry
- Secretary/Treasurer: Gerry Bristow
- Craig Bristow
- Karen Luedtke representing the Hidden Lake LLC
- Bill Colman and friend Carol
- Tom & Barbara Miller
- Stacy Barry
- Alan Taylor
- Susan Osborne & grand-daughter Shawn
- Carolyn Corogin
- Brighton and Kathleen Dawe, and their daughter
- Hyunjoo Park
- Matthew Brown
- Russell & Audrey Borski
- Meaghan Booker
- SPECIAL GUEST: Meg Halford, from Boulder County Wildfire Partners

III. Association business

Special guest Presentation

Meg Halford from Wildfire Partners attended and gave the group a presentation on the risks surrounding wildfire, mitigation techniques and resources available from Boulder County to assist homeowners and communities in their efforts to prevent wildfires. She brought many informational brochures with her to inform the group of various programs available to them.

Meg described how any homeowner could contact Wildfire Partners www.wildfirepartners.org to receive a free risk assessment of their property, outlining steps they can take to make their property safer. Also, communities can work as a whole to create community resiliency. See details at <https://wildfirepartners.org/community-mitigation/> To do this, a liaison is necessary to work with the county and communicate with the neighborhood. If you are interested in becoming the liaison for Hidden Lake, please do let us know at admin@hlowners.org, or just contact the County directly. This is an opportunity for you to step up and serve your community.

Lake

Dave updated the group on the status of the lake.

- The water level is lower than last year, and warm water conditions have contributed to algae growth. A contractor is scheduled to come this week to treat the lake with algaecide.
- The aeration pumps were not functional for a while. Dave & Craig & Bill worked on repairing the system, and as of now, the bubblers are working.
- Fish have not been stocked yet this summer, pending the restoration of a favorable oxygen level.
- Considering that this is a spring-fed lake with a mud bottom, it will never be completely clear. Weeds and algae are a natural occurrence that vary each year depending on rainfall and temperature.

Road

Thanks to the labor of volunteers, the road is overall in pretty good shape.

- Individual families who reside year-round have been plowing the road when it snows (the Barry family, Bob Luedtke and Mitch Barnes). This is not a service that the HLOA covers, however HLOA does provide reimbursement as able for some expenses incurred.
- Bob Luedtke routinely fills potholes and smooths the road.
- Individual homeowners are encouraged to maintain the road in front of their property.

Finance

Gerry Bristow provided copies of the most recent Financial Statements. Erik reviewed the financial statements for the group. The statements will also be available on the HLOA website.

The fiscal year from June 2024 to May 2025 showed a profit of appx. \$9,900. Major factors contributing to the surplus were:

- There was no major road work needed (dump truck loads of gravel fill)
- The fish have not been restocked yet this summer.
- Because of the high water level and clarity of the water, there was no chemical treatment of the lake needed early this spring. Treatment is planned for this summer.
- There was not a catastrophic snow storm requiring the services of heavy equipment to open the road.

Budget

The budget for fiscal 2026 (June 2025 through May 2026) is consistent with typical activity. It is assumed that we will need to incur expenses this year in areas that we did not last year. Dues remain at \$750.

Other Business

Brighton Dawe suggested that we get a community mailbox, because of the post office's inability to reliably deliver packages. A secure metal box with several drawers would cost approximately \$2200. Brighton volunteered to research the logistics and funding for this project.

Approvals:

The budget for Fiscal 2026 was approved by a unanimous vote.

IV. Adjournment Pres. Mumm adjourned the meeting at noon.

Minutes submitted by: Gerry Bristow, Secretary/Treasurer

Approved by: Erik Mumm, President

FY 2025 Profit and Loss

Hidden Lake Owners Association

June 1, 2024-May 31, 2025

DISTRIBUTION ACCOUNT	TOTAL	
	JUN 1 2024 - MAY 31 2025	JUN 1 2023 - MAY 31 2024 (PY)
Income		
Non-Member Donations	7,550.00	6,950.00
Owners Assoc Member Dues	10,500.00	12,002.75
Road Maintenance Contributions		200.00
Unapplied Cash Payment Income		
Total for Income	\$18,050.00	\$19,152.75
Cost of Goods Sold		
Gross Profit	\$18,050.00	\$19,152.75
Expenses		
Corporate Filing Fees	25.00	
Insurance	1,232.00	1,230.00
Lake Maintenance Expense	0	0
Electricity for Pumps	845.67	1,013.60
Pump, diffuser, hose repairs	577.88	
Chemicals, etc		5,807.03
Lake Mgmt fee & Testing		160.00
Restocking of fish		1,800.00
Total for Lake Maintenance Expense	\$1,423.55	\$8,780.63
Miscellaneous Expense	0	0
Depreciation expense	718.65	465.85
Total for Miscellaneous Expense	\$718.65	\$465.85
Office Expenses	0	\$18.81
Computer/Software	1,150.99	710.00
Stamps and Mailing Expense	169.32	157.85
Total for Office Expenses	\$1,320.31	\$886.66
Road Maintenance Expense	\$3,050.00	\$2,725.38
Snow Plow		2,250.00
Total for Road Maintenance Expense	\$3,050.00	\$4,975.38
Website expenses	326.31	310.93
Total for Expenses	\$8,095.82	\$16,649.45
Net Operating Income	\$9,954.18	\$2,503.30
Other Income		
Other Expenses		
Net Other Income	0	0
Net Income	\$9,954.18	\$2,503.30

Balance Sheet

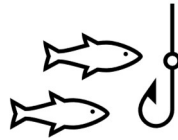
Hidden Lake Owners Association

As of May 31, 2025

DISTRIBUTION ACCOUNT		TOTAL
	AS OF MAY 31, 2025	AS OF MAY 31, 2024 (PY)
Assets		
Current Assets		
Bank Accounts		
Clearing account		
Vectra Bank HLOA 9731	38,254.50	28,845.67
Total for Bank Accounts	\$38,254.50	\$28,845.67
Accounts Receivable		
Other Current Assets		
Undeposited Funds		
Total for Other Current Assets	0	0
Total for Current Assets	\$38,254.50	\$28,845.67
Fixed Assets		
Lake aeration system, less depreciation	3,340.41	2,795.06
Total for Fixed Assets	\$3,340.41	\$2,795.06
Other Assets		
Total for Assets	\$41,594.91	\$31,640.73
Liabilities and Equity		
Liabilities		
Current Liabilities		
Accounts Payable		
Credit Cards		
Other Current Liabilities		
Total for Current Liabilities	0	0
Long-term Liabilities		
Total for Liabilities	0	0
Equity		
Retained Earnings	31,640.73	29,137.43
Net Income	9,954.18	2,503.30
Total for Equity	\$41,594.91	\$31,640.73
Total for Liabilities and Equity	\$41,594.91	\$31,640.73

Let's Keep 'em Alive!

Catch & Release Fishing at Hidden Lake



Do you LIKE the smell of dead fish? Neither do I! Here are some tips on how to keep the fish you catch alive, so you can release them unharmed.

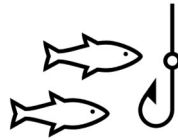
- DO clip or crimp the barbs on your hook. This makes it much easier to remove the hook without injuring the fish.
- DO NOT use live bait. Flies and lures only. Fish tend to swallow the bait making it very hard to remove the hook without killing the fish. Flies are usually just stuck in their lip and can be easily removed.
- Use a knot-less net that does not scrape the fish's outer layer.
- Do not handle the fish if at all possible. If you must touch the fish, wet your hands first. Handling removes the slimy outer protective layer of the fish, which is essential in disease prevention.
- Keep the fish in the water. Try to remove the hook while the fish is still in the lake. Needle-nose pliers or special devices you can buy at fishing supply outlets do the trick.
- If you DO kill the fish, please take it with you. Dead fish floating in the lake is not a welcome sight or smell for anyone!

Rules of the Lake

- No motors on boats.
- Private Lake - No Trespassing by non-landowners
- You must own a lot in Hidden Lakes and have a fishing card in your possession to fish at this lake. Guests must have permission & carry a fishing card.
- Fishing is with flies and lures only. NO LIVE BAIT (like worms, leeches, etc).
- Catch and release only.
- Bend barbs or use barbless hooks, to keep the fish alive.
- Please keep this area clean. Suggestion: If you flip your boat over in the boat yard, it will keep water and dirt/debris from collecting inside. It also makes it a LOT easier to launch.

Let's Keep 'em Alive!

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