

Timber Creek Estates
Home Owners Association

P.O. Box 3665
Breckenridge, CO. 80424

June 10, 1997

Changes were voted into effect by eighty three percent of the property owners of Timber Creek Estates subdivision. The agreed upon changes pertain to article 8.3 "Dwelling Specifications" amended as follows, a single story home shall have a minimum of 2,000 square feet Excluding basement, breezeway, open porches, decks and garage.

A multi-level home shall have a minimum of 1,500 square feet On the primary floor and a minimum of 1,000 square feet on the second floor excluding basement, breezeway, open porches, patios and garage.

Chairman

Date

6-30-97

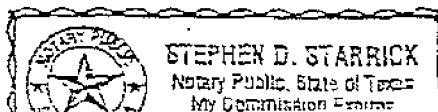
Secretary

Date

6-30-97

SWORN BEFORE ME THIS DAY, JUNE 30, 1997

[Signature]



DECLARATION OF RESTRICTIVE COVENANTS

FOR

TIMBER CREEK ESTATES

Town of Blue River, County of Summit
State of Colorado

DONIS L. DILL

SUMMIT COUNTY RECORDER

2014

2014

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to
Declaration of Restrictive Covenants
for
Timber Creek Estates, Blue River, Colorado

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DECLARATION OF RESTRICTIVE COVENANTS

FOR

TIMBER CREEK ESTATES, BLUE RIVER, COLORADO

THIS DECLARATION, made this 27th day of March, 1996, by Brown & Brown Developers, Inc., Chris Peterson, and Barbara Quade (hereinafter referred to collectively as "Declarant").

WITNESSETH:

WHEREAS, Declarant is the Owner of that certain real estate located in the County of Summit, State of Colorado, the legal description of which is set forth in Exhibit A attached hereto and thereby incorporated herein, which real estate is hereinafter referred to as the "Property"; and

WHEREAS, Declarant desires to establish a common interest community pursuant to the Colorado Common Interest Ownership Act, Sections 38-33.3-101, et seq., Colorado Revised Statutes, as it may be further amended from time to time (the "Act"). The name of the common interest community shall be Timber Creek Estates, and the name of the homeowners association shall be Timber Creek Estates Homeowners Association, Inc., a Colorado non-profit corporation. Timber Creek Estates shall be a planned community, as defined under the Act.

WHEREAS, Declarant desires to establish a planned community with up to 35 single family residential lots, and subject the project and the Property to certain covenants, conditions, and restrictions; and

WHEREAS, Declarant has caused to be incorporated under the laws of the State of Colorado, Timber Creek Estates Homeowners Association, Inc., a nonprofit corporation for the purposes of exercising the functions as herein set forth.

NOW, THEREFORE, Declarant hereby submits the Property to the provisions of the Act. In the event the Act is repealed, the Act, on the effective date of the Declaration, shall remain applicable; and

Further, Declarant hereby declares that the Property described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties

having any right, title, or interest in said real property, or any part thereof, and their heirs, successors, and assigns, and shall insure for the benefit of each Owner thereof.

ARTICLE I DEFINITIONS

The following words, when used in this Declaration or in any Supplemental Declaration (unless inconsistent with the context hereof), shall have the following meaning:

Section 1.1 "Association" means the Timber Creek Estates Homeowners Association, Inc., a Colorado nonprofit membership corporation, its successors and assigns.

Section 1.2 "Board of Directors" or "Board" means the Board of Directors of the Association, elected by the Owners, to perform the obligations of the Association relative to operation, maintenance, and management of Timber Creek Estates.

Section 1.3 "Committee" means the Architectural Review Committee provided for in Article II hereof.

Section 1.4 "General Common Areas" means that real property and improvements thereon in Timber Creek Estates, Town of Blue River, Colorado, to be owned by the Association for the common use and enjoyment of the Owners on a non-exclusive basis, except as otherwise provided herein. "General Common Areas" shall also mean and include improvements, such as fences, street lights, and the like, constructed and/or maintained by the Association upon easements reserved for or granted to the Association, or upon public rights of way. Common Areas A and B, as designated on the plat for Timber Creek Estates Phase 1, are General Common Areas. The Association may acquire additional real property and designate such as General Common Area in the future.

Section 1.5 "Declarant" means Brown & Brown Developers, Inc., Chris Peterson, and Barbara Quade, their successors and assigns. For the purpose of evidencing that Declarant's rights hereunder have been assigned and obligations assumed by any party, any Declarant may record an assignment or deed conveying their rights herein set forth in the records of Summit County, Colorado, and upon such recording Declarant's rights and obligations hereunder shall be so determined.

Section 1.6 "Declaration" shall mean and refer to this Declaration of Restrictive Covenants for Timber Creek Estates.

Section 1.7 "Lot" means any numbered lot shown on any recorded subdivision map of the Property, but shall not include any Tract or any of the General Common Areas.

alteration therein be made until satisfactory and complete plans and specifications showing the nature, kind, shape, color, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design, color, and location in relation to surrounding structures, topography, and natural surroundings by the Architectural Review Committee. Approval by the Architectural Review Committee is in addition to and not in lieu of Town and other building code requirements.

Section 2.2 Committee. There is hereby created an Architectural Review Committee ("Committee") which shall initially be composed of the following members:

H. Gene Brown

P.O. Box 3665
Breckenridge, CO 80424

Patricia A. Brown

P.O. Box 3665
Breckenridge, CO 80424

M. Scott Lerner

P.O. Box 2082
Breckenridge, CO 80424

The Committee may designate a representative to act on its behalf. In the event of death, resignation, or removal of any member of the Committee, the Board shall have full authority to designate a successor or successors. The Board may, in its discretion, increase the size of the Committee to five members. The members of the Committee shall serve at the pleasure of the Board and may be removed, with or without cause, by the Board, at any time. Neither the members of the Committee, nor its designated representative, shall be entitled to any compensation for services performed pursuant to this Declaration.

Section 2.3 Approval. In approving or disapproving plans and specifications submitted to it pursuant to these Declarations, the Committee shall consider: (i) the quality and type of workmanship and materials, (ii) the external design and harmony with existing structures, (iii) the location with respect to topography and finish grade elevation, (iv) the various terms and provisions of the Declaration, as amended, and (v) the Architectural Guidelines for Timber Creek Estates as promulgated, and amended, by the Board of Directors of the Timber Creek Estates Homeowners Association, Inc. Accompanying the plans and specifications submitted for approval shall be the name and address of the party to whom approval or disapproval is to be mailed. Approval or disapproval will be effective on the date of postmark, when mailed by first class mail, postage prepaid, and addressed to the named party. Plans and specifications and site plans shall be deemed to have been received by the Committee when one or more of the Committee members, or its designated representative, acknowledges receipt of such documents in writing.

Section 2.4 Written Decision. The Committee's approval or disapproval shall be in writing. In the event the Committee fails to approve or disapprove the plans and specifications and site

plans within 30 days after the date upon which one or more members of the Committee has acknowledged receipt of same, in writing, as provided in Section 2.3, approval will be deemed to have been granted.

ARTICLE III THE ASSOCIATION

Section 3.1 Authority. The business and affairs of the Property shall be managed by the Association, a Colorado non-profit corporation. The Association shall be governed by its Bylaws, as amended from time to time.

Section 3.2 Powers.

(a) The Association shall have all of the powers, authority and duties permitted pursuant to the Act necessary and proper to manage the business and affairs of the Project. The Association shall further have the power and authority to establish and enforce a system and schedule of monetary fines to be imposed against Owners for violations of the terms and provisions of this Declaration, the Articles of Incorporation, the By-Laws or any Rules and Regulations of the Association. Such fines shall be in such amounts as are determined reasonable by the Board of Directors, taking into account the impact of the violation on the Project, the Owners, and the administrative time and effort necessary to deal with the violation, and may, if deemed appropriate by the Board of Directors, provide for fines in increasing amounts for repeated offenses, and further, may provide for a repeated fine for each day of a violation, and shall be published for a period of thirty (30) days before taking effect. In the event that a fine is imposed against any Owner pursuant hereto such Owner shall be liable to the Association for the amount of such fine or fines and for all costs and expenses incurred by the Association in collecting such fine or fines, including attorney's fees, and the Association shall have a lien on the Lot or Tract of said Owner for the full amount due the Association hereunder, which lien shall be superior to any and all other liens and encumbrances against said Lot or Tract, except the lien for general taxes, and said lien may be foreclosed in the same manner as is provided by in Section 6.11 hereof.

(b) The Association may assign its future income, including its right to receive annual, supplementary and special assessments, only by the affirmative vote of the Owners of Lots to which at least 51 percent (51%) of the votes in the Association are allocated, at a meeting called for that purpose.

Section 3.3 Declarant Control. The Declarant shall, for a period of ten years from the date of the recording of this instrument, have all the powers reserved in Section 38-33.3-303(5)

of the Act to appoint and remove officers and members of the Board of Directors.

Section 3.4 Powers of the Board of Directors. The Board of Directors shall have all the powers contained in the Articles of Incorporation, Bylaws, and Rules and Regulations of the Association, however, the Board of Directors may not act on behalf of the Association to amend the Declaration to terminate the common interest community, to elect members of the executive board, to determine the qualifications, powers, and duties or terms of office of the Board of Directors, but the Board of Directors may fill vacancies in its membership for the unexpired portion of any term.

Section 3.5 Compliance with Association Articles, Bylaws, Etc. Each Owner shall abide by and benefit from each provision, covenant, condition, and restriction contained in the Articles of Incorporation, Bylaws, and Rules and Regulations of the Association, by which each Owner agrees, by accepting a deed to any Lot or Tract, to be bound, or which is contained in any rule, regulation, or restriction promulgated pursuant to said Articles and Bylaws. The obligations, burdens, and benefits of membership in the Association touch and concern the land and shall be covenants running with each Owner's Lot or Tract for the benefit of all other Lots and Tracts.

Section 3.6 Notice. The Association will give notice to all Owners of matters over which the Board has jurisdiction affecting Timber Creek Estates; this notice will be hand delivered or sent prepaid by United States Mail to the mailing address of each Owner or to the mailing address designated in writing by the Owner.

ARTICLE IV LOTS AND PROPERTY RIGHTS

Section 4.1 Lots.

(a) The number of Lots in the Property is twenty-five (25). The Declarant reserves the right to create up to, but no more than, ten (10) additional Lots within the area designated upon the Plat Map recorded in the records of Summit County on April 10, 1996, under Reception No. 512866 (the "Plat") as Tract X, for a total of thirty-five (35) Lots;

(b) The identification number of each Lot is shown on the Plat; and

(c) Every deed, lease, mortgage, deed of trust, or other instrument shall legally describe a Lot in the following manner:

"Lot _____, Timber Creek Estates Phase 1, according to the Plat thereof and subject to the Declaration of Restrictive Covenants for Timber Creek Estates on file in the Office of

the Clerk and Recorder, County of Summit,
State of Colorado."

Section 4.2 Tracts.

(a) The number of Tracts in the Property is eight (8), those being Tracts A, B, C, D, F, G, H, and X as designated on the Plat. Declarant reserves the right to include Tract "E," Replat of Part of THE DOT SUBDIVISION, recorded on September 28, 1977, at Reception No. 168484, Summit County, Colorado, in the Project at a future date. Declarant reserves the right to resubdivide Tract X into up to, but no more than, ten (10) single family Lots;

(b) The identification letter of each Tract is shown on the Plat; and

(c) Every deed, lease, mortgage, deed of trust or other instrument shall legally describe a Tract in the following manner:

"Tract _____, Timber Creek Estates Phase 1, according to the Plat thereof and subject to the Declaration of Restrictive Covenants for Timber Creek Estates on file in the Office of the Clerk and Recorder, County of Summit, State of Colorado."

Section 4.3 Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment, and easement of access to the General Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the General Common Areas;

(b) the right of the Association to suspend the voting rights and right to use of any recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the General Common Areas to any governmental, public, or private entity, authority, or utility for such purposes and subject to such conditions as may be agreed to by two-thirds of the Lot Owners. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by at least sixty-seven percent of the Lot Owners has been recorded.

(d) the right of the Association to borrow money for the purpose of improving the General Common Areas, and in aid

thereof to mortgage said General Common Areas, and to take such steps as may be reasonably necessary to protect the General Common Areas from foreclosure; no such action shall be effective unless an instrument agreeing to such action signed by at least sixty-seven percent of the Owners has been recorded;

(e) the right of the Association to close or limit the use of the General Common Areas while maintaining, improving, or making replacements therein or thereto; and

(f) the easements over, under, and across said General Common Areas as described herein or on any plat map of the Property.

Section 4.4 Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, or the Rules and Regulations of the Association, his rights of enjoyment to the General Common Areas and facilities to the members of his family, his guests, his invitees, his tenants, or contract purchasers of his Lot or Tract.

Section 4.5 Limit on Declarant's Development Rights. Any development rights, as that term is defined under the Act, or other rights reserved by the Declarant under this Article IV shall be exercised by Declarant no later than December 31, 2016.

ARTICLE V MEMBERSHIP AND VOTING RIGHTS

Section 5.1 Membership. Every Owner of a Lot and the Owner of Tract X shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Tract which is subject to assessment.

Section 5.2 Voting Rights. The Association shall have one class of voting membership. Members shall be all Owners of Lots and Tract X and shall be entitled to one vote for each Lot owned. Until such time as Tract X is re-subdivided, the Owner of Tract X shall have ten (10) votes. Once Tract X has been re-subdivided, there shall be one vote for each Lot created by such re-subdivision. When more than one person holds an interest in any Lot, all such persons shall be members, provided, however, that there shall be no more than one vote cast, with no fractional votes, for or with respect to any Lot and such vote shall be cast as the persons owning any Lot shall determine.

Section 5.3 Owners of Tracts. Except as provided in this Article V, Owners of Tracts shall not, solely as the result of such ownership, be members of the Association, and there shall be no vote for or on behalf of any Tract on any matter coming before the Association. Furthermore, Tracts shall not be subject to Annual, Supplementary, or Special Assessments pursuant to this Declaration.

ARTICLE VI
COVENANTS FOR ASSESSMENTS

Section 6.1 Creation of the Lien and Personal Obligation
For Assessments.

(a) Declarant, for each Lot owned within the Property, hereby covenants and each Owner of any Lot and Tract, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, (2) supplementary assessments, (3) special assessments, (4) improvement assessments, and (5) fines, such assessments and fines to be established and collected as herein provided.

(b) All annual, supplementary, special, improvement assessments, and fines together with interest, at the highest lawful rate as provided by the Act as may be further amended from time to time, late charges, costs, and reasonable attorney's fees:

(1) General Lien. shall be a charge on the land and shall be a continuing lien in favor of the Association against the Lot against which each such assessment is made. The Association's lien resulting from this paragraph shall be prior to any other lien or claim against a Lot, except for a lien for ad valorem taxes, purchase money Mortgage, liens and encumbrances recorded before the recordation of this Declaration and except as otherwise provided in this Declaration. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person, or entity, who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to an Owner's successors in title unless expressly assumed by them;

(2) Super-Priority Lien. shall be a charge on the land and shall be a continuing lien in favor of the Association against the Lot against which each such assessment is made to the extent provided by the Act, (C.R.S. § 38-33.3-316 (2) (b)), as may be further amended from time to time. The Association's lien resulting from this paragraph shall be prior to any other lien or claim against a Lot, except for a lien for ad valorem taxes, liens and encumbrances recorded before the recordation of this Declaration and except as otherwise provided in this Declaration. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person, or entity, who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to an Owner's successors in title unless expressly assumed by them; and

(3) First-Priority Lien. shall, if such assessment is an Improvement Assessment, be a charge on the land and shall be a continuing lien in favor of the Association against the Lot against which each such assessment is made, which lien shall be prior to any other lien or claim against the said Lot, except for a lien for ad valorem taxes and except for any liens or encumbrances recorded prior to the recording of this Declaration.

Section 6.2 Purpose of Assessments. The assessment levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents and Owners of the Property and for the improvement, maintenance, and repair of the General Common Area and any buildings and other improvements situated upon the General Common Areas.

Section 6.3 Annual Assessments.

(a) Annual assessments shall be made for the purposes of providing funds for the normal operations of the Association including, but not limited to, maintenance and repair of the General Common Areas, salaries, costs of operating the Association, insurance premiums, management fees, office costs, and adequate reserve funds for maintenance, repairs, replacements, and those portions of the General Common Areas that must be replaced on a periodic basis, improvements to the General Common Areas, amounts necessary to pay deficits or debts incurred by the Association, and funds for any other purpose or purposes of the Association provided for herein. The total amount of money required to be raised by annual assessments for each fiscal year shall be the amount, as determined by the Board, necessary to satisfy the costs and expenses of fulfilling such functions and obligations of the Association in such fiscal year, including the payment of reserves, and providing a reasonable carry-over reserve for subsequent fiscal years. To determine the amount required to be raised by annual assessments for any fiscal year, the Board shall prepare an annual budget for such fiscal year showing, in reasonable detail, the various matters proposed to be covered by the budget, the estimated income and other funds which will be available in that fiscal year, and the estimated total amount of money required to be raised by annual assessments to cover such costs and expenses and to provide a reasonable reserve. The Board of Directors shall furnish a summary of such budget to the Lot Owners and shall set a date for a meeting of the Lot Owners to consider the ratification of such budget as required by the Act, as may be further amended from time to time. Upon request, the Board will furnish a summary of the most recently adopted budget to any Mortgagee. Based on such budget, the Board of Directors shall determine the amount of the annual assessment per Lot for such fiscal period.

(b) If the Board shall fail to establish an annual assessment for any year, the annual assessment for such year

shall remain the same as for the year immediately preceding; except that, upon approval by majority vote of the entire membership of the Association, such annual assessment may be increased or decreased for the remainder of the assessment year as of the first day of the month following such vote.

(c) Annual assessments shall apply only to Lots now or hereafter subjected to this Declaration and included within the jurisdiction of the Association.

(d) Annual assessments shall be payable in either twelve equal monthly installments, due and payable on the first day of each month, or four equal quarterly installments, due and payable on the first day of each calendar quarter, at the option of the Board, during each fiscal year.

Section 6.4 Supplementary Assessments. In the event that the Board shall determine, at any time or from time to time, that the amount of the annual assessments is not adequate to pay for the costs and expenses of fulfilling the Association's obligations hereunder, one or more supplementary assessments may be made for the purpose of providing the additional funds required. To determine the amount required to be raised by each supplementary assessment, the Board shall revise the annual budget for such fiscal year as provided in Article VI, Section 6.3, or prepare a new budget, a summary of which shall be furnished to each Owner and shall set a date for a meeting of the Lot Owners to consider the ratification of such budget as required by the Act, as may be further amended from time to time. Upon request, the board will deliver a summary of the revised or new budget to any Mortgagee. Based on such revised or new budget, the Board may make a supplementary assessment for such fiscal year against each Lot.

Section 6.5 Special Assessments. A special assessment for purposes of large or unexpected expenditures that are capital in nature shall be made only upon resolution of the Association's Board of Directors. The Board will deliver to all Lot Owners, by first class mail or otherwise, a summary of the special assessment and shall set a date for a meeting of the Lot Owners for purposes of ratification of the special assessment as required by the Act as may be further amended from time to time.

Section 6.6 Improvement Assessments. In the event that the Association undertakes any cost or expense with regard to any right or obligation of the Association as described in Article VIII of this Declaration, with respect to any individual or particular Lot or Tract, which cost or expense is related solely to one or more Lots or Tracts, but not to all Lots and Tracts, such cost or expense shall be deemed an Improvement Assessment against such Lot or Tract, or Lots or Tracts, and the Owner or Owners thereof, to which such cost or expense relates.

Section 6.7 Assessment Reserves. Each Owner, other than Declarant, shall be required to deposit and maintain continuously with the Association an amount equal to up to six (6) times the

amount of the monthly installments, or up to two (2) times the amount of the quarterly installments, of the annual assessment, as determined appropriate by the Board, such reserve amount to be held without interest accruing to the Lot Owner. This sum shall be used by the Association as a reserve for payment of each Owner's assessments and for working capital of the Association. The advance payment shall not relieve an Owner from making the regular payments of the annual assessments, or any portion thereof, as same become due, nor shall the Association be required to deduct from such advance payment sums due for annual assessments by an Owner prior to instituting any proceedings against the Owner for delinquent assessments. In the event the Association shall, pursuant to the purposes of this Paragraph, draw delinquent assessments from the reserve created by such advance payment applicable to an Owner, the Owner expressly agrees, following ten (10) days prior written notice from the Association, to repay such amounts to the Association in order to properly maintain the reserve account, and such amount to be repaid shall have the same status as an annual, supplementary or special assessment for purposes of Article V of this Declaration. Upon the sale of a Lot, an Owner shall be entitled to a credit from his grantee for the remaining balance of such reserve account applicable to the Owner's Lot. At the time of recording of this Declaration, each Lot will be responsible for 1/25th of the total annual supplementary and special assessments for Timber Creek Estates.

Section 6.8 Uniform Rate of Assessment. Annual, supplementary and special assessments for each Lot shall be uniform and shall be determined by dividing the total assessment by the total number of Lots, so that the assessment will be the same for each Lot.

Section 6.9 Date of Commencement of Annual Assessments; Due Dates. The Annual Assessments provided for herein shall commence as to each Lot on the first day of the month following the date when such Lot ceases to be owned by Brown & Brown Developers, Inc. Written notice of assessments shall be sent to every Owner.

Section 6.10 Certificate of Status of Assessment. The Association shall, upon written demand by a Lot Owner or such Lot Owner's designee or to the holder of a mortgage or its designee, delivered personally or by certified mail, first class postage prepaid, return receipt, to the Association's registered agent and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth the amount of unpaid assessments currently levied against the Owner's Lot. The statement shall be furnished as provided in the Act, which may be further amended from time to time. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 6.11 Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment, installment, or fine not paid within fifteen (15) days after the due date shall bear interest from the due date at the highest rate allowed by the Act, as may be

further amended from time to time. In addition, the Board may establish by resolution a reasonable delinquent or late charge for any assessment not paid when due. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the Association's lien against the Lot, or both. No Owner may waive or otherwise escape liability for the assessments or fines provided for herein by non-use of the General Common Area or abandonment of his Lot. In addition to any other remedies herein or by law provided, the lien herein established may be foreclosed by an action in the court having jurisdiction over the Property in the manner of foreclosure of common law mortgages, pursuant to the law and statutes of the State of Colorado, and subject to all the rights and duties therein provided, including redemption. In any civil action to enforce or recover unpaid assessments or fines, the Association shall be entitled to an award of reasonable attorneys' fees and all costs of collection or foreclosure, all of which shall be included in the lien against the Lot.

Section 6.12 Subordination of the Lien Mortgages. Except as provided in Section 6.1(b)(2) and (3), the lien for assessments or fines provided for herein shall be subordinate to the lien of any purchase money loan evidenced by a purchase money Mortgage of record. Sale or transfer of any Lot shall not affect the lien for said assessments, however, except as is provided in Section 6.1(b)(2) and (3), the sale or transfer of any Lot pursuant to foreclosure of any such Mortgage shall extinguish the lien of assessment charges which became due prior to any such foreclosure. No sale, transfer, foreclosure, or any proceeding in lieu thereof, including deed in lieu of foreclosure, nor cancellation or forfeiture of any such executory land sales contract shall relieve the Lot from liability for any assessment charges or fines thereafter becoming due, nor from the lien thereof. Nothing herein shall be deemed to release any Owner from his personal obligation to pay any assessment or fine.

Section 6.13 Homestead. The lien of the Association for unpaid assessments and fines shall be superior to any homestead exemption as is now or may hereafter be provided by Colorado or Federal law. The acceptance of a deed to any lot subject to this Declaration shall constitute a waiver of the homestead exemption as against said assessment or fine lien.

Section 6.14 Recording of Liens. The board shall immediately record a lien against all Lots owned by an Owner who fails to pay any assessment installment or fine within sixty (60) days of becoming due.

Section 6.15 Notice to Lot Owners. Notice by the Board and other Lot and Tract Owners of matters affecting the Project shall be via first class mail or personal delivery to the Lot Owners and the Association.

ARTICLE VII
INCIDENTS OF LOT OWNERSHIP

Section 7.1 Vehicles and Miscellaneous Equipment. Automobiles, trucks, pickups, campers, motorbikes or motorcycles, trailbikes, trailers, snowmobiles, or any other vehicle of any type, except non-motorized bicycles, shall be operated upon the Property only in areas either designated as roads or as an access easement from a road to a Lot on any plat of Timber Creek Estates or on such portions of each individual Lot or Tract as has been designated as a paved or graveled driveway on plans which have been approved in accordance with Article II hereof, and, further, any and all such operation shall be in accordance with such rules and regulations as may be adopted by the Board of the Association.

Section 7.2 Title. Title to a Lot or Tract may be held or owned by any person or persons and any entity or entities and in any manner in which title to real property may be held or owned in the State of Colorado.

Section 7.3 Inseparability. Every gift, devise, bequest, transfer, encumbrance, conveyance, or other disposition of a Lot or Tract shall be presumed to be a gift, devise, bequest, transfer, encumbrance, or conveyance respectively of the entire Lot or Tract including each easement, or license designated for exclusive Owner use, together with all other appurtenant rights created by law or by this Declaration.

Section 7.4 No Partition. The General Common Areas shall be owned by the Association, and neither any Owner, group of Owners, nor the Association shall bring any action for partition or division of such areas. Similarly, no Lot or Tract, except Tract X, may be divided or subdivided except to the extent designated on the subdivision map.

Section 7.5 Timber Creek Water Company, Inc. Domestic water for the Property is supplied by Timber Creek Water Company, Inc., a Colorado corporation. By accepting a deed to any Lot or Tract, the grantee named therein agrees to be bound by all rules, regulations, tariffs, fee schedules, articles of incorporation, bylaws, and lawful acts of Timber Creek Water Company, Inc., its successors, and assigns.

ARTICLE VIII
PROTECTIVE COVENANTS & EASEMENTS

Section 8.1 Improvements Prohibited. No used or second-hand structure, no building of a temporary character, no mobile home, motor home, house trailer, travel trailer, tent, shack, or outbuilding shall be placed or used on the Property either temporarily or permanently without the written consent of the Board.

Section 8.2 Land Use and Building Type. No Lot or Tract shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any Lot

other than (i) one detached, single-family dwelling; (ii) a caretaker apartment that is integrally attached to the primary residential structure, no larger in floor area than thirty-three percent (33%) of the finished floor area of the living area of the primary residential structure, and clearly secondary to the main structural use; and (iii) a private attached two or more car garage, provided, however, that any purchaser of a Lot from Declarant who erects a dwelling thereon may use such dwelling as a model for a period not exceeding 12 months from the date of completion of such dwelling.

Section 8.3 Dwelling Specifications. No dwelling shall be erected, altered, or placed on a Lot or permitted to remain there other than one detached single-family dwelling not to exceed thirty-five feet (35') in height at the highest point of the structure, as measured from the average grade of the building footprint. Such dwelling shall have an attached garage for at least two (2) automobiles, and may have an attached area for storage purposes. If the dwelling has one story (whether all on one level or on different levels as in a split-level), excluding any walk-out basement, the first floor area shall be at least 1,500 square feet. If the dwelling has two stories, excluding any walk-out basement, the combined total floor area of the first and second floors shall be at least 2,000 square feet. The first floor area described in the preceding two sentences shall be exclusive of breezeways, open porches, decks, patios, or garages. All structures constructed or placed on the Property shall be completely finished on the exterior thereof within twelve (12) months after commencement of construction.

Section 8.4 No Temporary Structures. No trailer, basement, tent, shack, garage or any other structure of a temporary character shall be used on any Lot or Tract at any time as a temporary or permanent residence.

Section 8.5 Building Location. No building or other structure shall be located on any Lot nearer than 30 feet from the right of way of any dedicated public street or road, or nearer than 25 feet to any lot line which does not form the boundary between the subject lot and a public right of way. In addition to the foregoing, no building or other structure shall be located nearer than 75 feet to the Highway 9 right of way on Lots 1 through 7. For purposes of the covenants and restrictions set forth in this Section 7.5, eaves, decks, overhangs, and patios shall be considered as part of a building. The restrictions set forth in this Section 8.5 shall not apply to Tracts A or D.

Section 8.6 Monitored Automatic Sprinkler System. All habitable buildings placed or erected upon the Property shall be equipped with a monitored, automatic fire suppression sprinkler system approved by the Red, White and Blue Fire Protection District, or its successor. Said automatic fire suppression sprinkler system and the monitoring thereof shall, once a certificate of occupancy is issued for such building, be maintained and replaced, if necessary, at all times in working order by the

Association, with the cost and expense of all such maintenance, and replacement, if necessary, to be an assessment against the Lot or Tract upon which said building is located and to be an obligation of the Owner thereof, pursuant to Article VI of this Declaration.

Section 8.7 Easements for Utilities, and Other Uses.

(a) Utility, access, trail, stream and other easements are reserved and dedicated as shown on the recorded plat of Timber Creek Estates. Within such easements no building, structure, planting, fill, or other material shall be placed on, or permitted to remain, which may damage or interfere with the installation and maintenance of utilities, or which may otherwise damage or interfere with the intended use of such easements. Such easements shall be maintained continuously by the Owner of the Lot or Tract which is subject to said easements except that such Owner shall not be responsible for those improvements for which a public authority or utility company has assumed responsibility. No individual Owner of any Lot or Tract shall have any obligation to maintain or repair any pedestrian or bicycle trail which may be constructed within and upon: (1) the 20 foot wide public access easement which crosses Lots 30, 31, and 32; (2) the 20 foot wide trail easement which is contiguous to the Colorado State Highway 9 right of way and which crosses Lots 1 through 7 and Tracts A, D, F & G; (3) the 10 foot wide private pedestrian easement which crosses Lots 6, 7, 8, and 9, and Tracts B and X; or (4) the 30 foot wide private pedestrian easement which lies 15 feet on either side of the centerline of Katie Creek on Lots 3, 4, 22, 23, and 21, and Tract X. Any trails constructed within and upon such easement areas may, however, be constructed, maintained and repaired by the Association, in which event the cost of same shall be a common expense of the Association.

(b) The Association shall have a perpetual easement over and across those portions of Lots 1 through 7, and Lots 30 through 32, as may be necessary to construct, maintain and repair a fence which may be constructed on such Lots, which fence shall be both parallel and adjacent to (within 20') the trail easements and access easements crossing those Lots.

(c) The private 30' pedestrian easement, as shown adjacent to the common boundaries of Lots 3 and 4, Lots 22 and 23, Tract X and 21, on the plat of Timber Creek Estates Phase 1, is reserved for the private use of Members of the Association, their tenants and guests, so as to provide access, walkways, and paths along the stream known as Katie Creek running through the Subdivision. This easement is to be used for pedestrian access only.

(d) The Association shall have a perpetual easement over and across the easterly 25 feet of Lot 1, adjacent to Whispering Pines Lane, for the purpose of constructing, installing, repairing, and maintaining a gateway and entrance

monuments, and landscaping, for the entrance to the Subdivision.

(e) In the event that any water line is constructed outside of a dedicated easement within the Subdivision, the owner of the central water supply system serving the Subdivision shall have an easement 10 feet wide on either side of said water line for the purpose of maintenance and repair of said water line.

(f) The plat of Timber Creek Estates Phase 1 shows a 30 feet wide landscape easement over and across a portion of Tract D, which easement is for the benefit of the Association and the DOT Condominium Homeowners Association, Inc. All landscaping installed within such landscape easement, including any irrigation system, shall be maintained by both Associations, with each Association paying one-half of the cost of such maintenance.

(g) The plat of Timber Creek Estates Phase 1 shows a landscape easement over and across a portion of Lots 1 and 2, which easement is for the benefit of the Association. All landscaping installed within such landscape easement shall be maintained by the Association.

(h) The Association and the DOT Condominium Homeowners Association, Inc., shall have a perpetual easement over and across Tract F for the purpose of installing and maintaining landscaping. All landscaping installed within such Tract F, including any irrigation system, shall be maintained by both Associations, with each Association paying one-half of the cost of such maintenance.

(i) The Owners of Tracts F and G shall, upon the future request of either the Town of Blue River or the State of Colorado, grant to the public an easement forty feet (40') in width over the westerly most portions of said Tracts F and G for the purpose of allowing the construction and maintenance thereupon of an acceleration lane for Colorado Highway 9.

(j) Declarant shall have an easement through the General Common Areas as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising special Declarant rights, whether arising under the Act or reserved in this Declaration.

(k) The private 10' pedestrian easement, as shown on the Plat along the southerly boundary of the Property, is reserved for the private use of the Members of the Association, their tenants, and guests, so as to provide an access, walkways, and paths from the Property to the National Forest land to the east of the Property. This easement is to be used for pedestrian access only.

Section 8.13 Water and Sewage. Each residential structure on a Lot shall connect with such central water and sewer service facilities as are available to service the said Lot.

Section 8.14 Landscaping. All surface areas disturbed by construction shall be returned promptly to their natural condition, or planted with grasses or otherwise landscaped in a manner acceptable to the Committee. Any and all landscaping, other than returning surface areas to their natural condition, must be consented to in writing by the Committee. A landscape plan must be submitted to and approved by the Committee along with all plans for improvements. Tree removal, outside of the building footprint and driveway, or as required for fire mitigation requirements, shall not exceed twenty percent (20%) of remaining live and healthy trees.

Section 8.15 Maintenance of Property. Every Lot or Tract shall be kept and maintained by the Owner thereof in a clean, safe, attractive, and slightly condition and in good repair; and no lumber, grass, shrub, or tree clipping or plant waste, metals, bulk materials, scrap, refuse, or trash shall be kept or stored, or allowed to accumulate on any Lot or Tract.

Section 8.16 Annoying Lights, Sounds, or Odors. No lights shall be emitted from any Lot or Tract which are unreasonably bright or cause unreasonable glare or which are annoying to neighbors; no sound shall be emitted from any Lot or Tract which is unreasonably loud or annoying; and no odor shall be emitted from any Lot or Tract which is noxious or offensive to others. All exterior lighting shall be approved by the Architectural Review Committee before installation.

Section 8.17 Fences. No fences, walls, or other barriers shall be permitted except with the written consent of the Committee.

Section 8.18 Firearms and Hunting. No hunting, target practice, discharge of firearms, or use of archery equipment is permitted on the Property.

Section 8.19 Vehicles. No vehicles of any kind shall be parked or left overnight in any area not specifically designated for parking of such vehicles pursuant to Section 7.1 hereof.

Section 8.20 Recreational Equipment. Recreational equipment is defined for the purposes of this Declaration as travel trailers, pickup campers or coaches, motorized dwellings, trailers, motorcycles, snowmobiles, ATVs, boats, and boat trailers. No recreational equipment shall be used on a Lot or Tract for living, sleeping or housekeeping purposes. No such equipment shall be parked as permitted herein unless it is in condition for safe and effective performance for the function for which it is intended. Recreational equipment which is parked on a Lot or Tract for a period of 10 consecutive days or a cumulative period of 30 days or more in any calendar year will be treated for purposes of this

(e) use hazard insurance proceeds for losses to any General Common Areas, improvements, or other property for other than the repair, replacement or reconstruction of such property.

The foregoing notwithstanding, no attempt to partition or subdivide the Property, or any Lot, or any Tract shall be valid or have any force or effect unless and until such partition or subdivision has been approved and adopted, in writing, the Town of Blue River.

Section 9.2 Majority Vote. In all other respects, the affirmative vote of a majority of the membership represented at a meeting of the Association and entitled to vote on the subject matter shall be the act of the Association unless another number is specifically designated as the required affirmative vote by the specific provision of this Declaration under consideration.

ARTICLE X GENERAL PROVISIONS

Section 10.1 Enforcement. The Association, or any Owner, shall have the right to enforce by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any provision, covenant, or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In any civil action to enforce any provision, covenant, or restriction, the prevailing party shall be entitled to an award of reasonable attorney's fees.

Section 10.2 Severability. Invalidation of any one or more of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

Section 10.3 Amendment. The covenants, conditions, restrictions and liens of the Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by not less than sixty seven percent of the Owners, or by Declarant or its successors as long as Declarant or any successors owns any portion of the Property, provided that the requirement for Declarant or its successors to sign an instrument amending the Declaration shall terminate at the time Declarant's right to expand the number of Lots terminates. Any amendment must be recorded. This Section 10.3 shall not apply to any easement granted herein.

Section 10.4 Expansion.

(a) The Declarant hereby reserves the right to expand the Project by the creation of up to a total of 25 Lots to be

included within the Common Interest Community created pursuant to this Declaration.

(b) The creation of additional Lots, as provided for herein, shall occur only upon that portion of the Property designated on the original Plat as Tract X, which shall continue to be owned by Declarant until expansion thereon, as contemplated hereby, has occurred, and shall be made and occur by and upon the filing for record one or more Supplemental Declarations and Supplemental Plats describing said additional Lots, which recording shall extend the terms and provisions of this Declaration to such Lots. In no event shall any such Supplemental Declaration or Supplemental Plat revise, modify, or amend the terms and provisions of this Declaration, except to add additional Lots, additional General Common Areas, and shall otherwise conform to all terms and provisions hereof.

(c) The Declarant hereby reserves the right to expand the Project by including Tract "E," Replat of Part of THE DOT SUBDIVISION, recorded on September 28, 1977, at Reception No. 168484, Summit County, Colorado, in the Project at any time in the future. In such event, said Tract "E" shall be subject to the same provisions and restrictions as are set forth in Section 8.21 hereof.

(d) No expansion or development of the Project which is not specifically described in this Declaration shall occur unless such expansion has been approved by the Town of Blue River and by sixty-seven percent (67%) of the Lot Owners.

Section 10.5 No Partition or Subdivision. The General Common Areas shall remain undivided, and no Owner, other person, or other entity shall bring any action for partition, division, or subdivision of the General Common Areas. Similarly, no action shall be brought for partition or subdivision of a Lot or Tract, or any portion thereof, except Tract X, between or among the Owners thereof. Each Owner hereby expressly waives any and all such rights of partition or subdivision he may have by virtue of his ownership of a Lot or Tract, except the Owner of Tract X.

Section 10.6 Association Common Areas. The areas designated as Common Open Areas A and B on the Plat of Timber Creek Estates Phase 1 are hereby dedicated and designated as General Common Areas.

(a) The Association shall maintain, improve, lease, and otherwise manage Common Open Areas A and B. Common Open Area A shall remain undeveloped and unimproved open space, except for those portions of the central water system serving the Subdivision, and possibly other properties, which are constructed and maintained thereon, which system may be improved, maintained, repaired and expanded, and except for those portions of the property as may be used for the construction and maintenance of one or more structures to be used for recreational facilities, meeting rooms, rest rooms,

offices, and other purposes as may be determined by the Board, in its sole and absolute discretion, however no such structure shall be for residential purposes. Common Open Area B shall serve as undeveloped open space.

(b) The owner of the central water system serving the Subdivision is hereby granted a perpetual easement over, across and upon those portions of Common Open Areas A and B as may from time to time be necessary for the location, construction, installation, repair and maintenance of various portions of the water system and other utilities, including, but not limited to, pumping, water treatment, wells, water lines and mains, and storage facilities. Such facilities may be either above or below ground, at the option of such owner.

(c) The Association shall maintain any gateway structures located adjacent to Lot 1 and Tract E, Replat of Part of the DOT Subdivision, County of Summit, State of Colorado, as recorded September 28, 1977, at Reception No. 168484, as well as any and all landscaping associated therewith, all as constructed and installed by Declarant in conjunction with the development of the Subdivision.

Section 10.7 Town Approval. These covenants in no way supersede any Town of Blue River ordinances, codes, rules or regulations, but are in addition to any Town or other governmental regulations and requirements.

IN WITNESS WHEREOF, the undersigned being the Declarants herein, have hereunto set their hands and seals this 27th day of March, 1996.

BROWN & BROWN DEVELOPERS, INC.

By: H. Gene Brown
H. Gene Brown, President

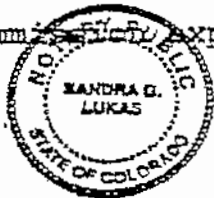
Chris Peterson by D. Wayne Dean
Chris Peterson *attorney in fact*
Barbara Quade by D. Wayne Dean
Barbara Quade *attorney in fact*

STATE OF Colorado)
COUNTY OF Summit) ss.

The foregoing instrument was acknowledged before me this 27th
day of March, 1996 by H. Gene Brown as President of
Brown & Brown Developers, Inc.

Witness my hand and official seal.

My commission expires: 9-19-98



Sandra G. Lukas
Notary Public

My Commission Expires Sept. 19, 1998
P. O. Box 1178
Fairplay, Colorado 80440

STATE OF Colorado)
COUNTY OF Summit) ss.

The foregoing instrument was acknowledged before me this 27th
day of March, 1996 by Chris Peterson and Barbara
Quade, by D. Wayne Brown as their attorney-in-fact.

Witness my hand and official seal.

My commission expires: 9-19-98



Sandra G. Lukas
Notary Public

My Commission Expires Sept. 19, 1998
P. O. Box 1178
Fairplay, Colorado 80440