

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
SHELTON STUDIO RANCH NO. 2**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SHELTON STUDIO RANCH NO. 2 (this "Declaration") is made and executed as of July 26th, 2019, by Nathan T. Herman and Amy Beth Herman (collectively, the "Declarant").

I. INTRODUCTION, PURPOSE AND DECLARATION

1.1 Declarant is the owner of Lots 1 through 13, and Tracts A and B, Shelton Studio Ranch Filing No. 2, in the City of Golden, County of Jefferson, State of Colorado (collectively, the "Property").

1.2 The purpose of this Declaration is to provide for an Association to own, operate and maintain a detention pond and drainage improvements and facilities for the benefit of all of the Owners and residents of the Property, and to perform the functions specified in Section 4.2 of this Declaration.

1.3 To further the purposes herein expressed, Declarant, for itself, its successors and assigns, hereby declares that the Property shall, at all times, be owned, held, used, occupied, sold and conveyed subject to the provisions of this Declaration and to the covenants, conditions and restrictions, easements, reservations, assessments and charges herein contained, which shall run with the Property and bind all parties having any right, title or interest in the Property, or any portion thereof, and their respective successors, assigns, heirs, devisees and personal representatives.

II. DEFINITIONS

2.1 "Act" means the Colorado Common Interest Ownership Act, C.R.S. §§38-33.3-101, et seq.

2.2 "Annual Assessment" means the Assessment levied and assessed each year against each Lot pursuant to Section 7.5 below.

2.3 "Articles" means the Articles of Incorporation of the Association, as the same may be amended from time to time.

2.4 "Assessment" means an Annual Assessment or a Default Assessment levied pursuant to Article VII below.

2.5 "Assessment Lien" means the lien of the Association on a Lot described in Section 7.7 below.

2.6 "Association" means Shelton Studio Ranch Homeowners Association, a Colorado nonprofit corporation.

2.7 “Association Documents” means the Declaration, the Articles, the Bylaws and the Rules and Regulations, as the same may be amended from time to time.

2.8 “Builder” means any Person (as defined below) who acquires from Declarant one or more Lots for the purpose of constructing thereon a residential dwelling, or is hired by the owner of any Lot to construct a residence on such Lot.

2.9 “Bylaws” means the Bylaws of the Association, as the same may be amended from time to time.

2.10 “Common Elements” means Tracts A and B, the detention pond and any other drainage improvements and facilities now or hereafter located thereon that are owned by the Association, and any other real or personal property that is owned or leased by the Association or that the Association otherwise has the right or obligation to operate, manage, maintain or repair, including, without limitation, the Drainage/Water Quality Easement Areas.

2.11 “Common Expenses” means (a) all costs, expenses and liabilities incurred by or on behalf of the Association, including, but not limited to, costs and expenses of (i) managing, operating, maintaining, repairing, altering and improving the Common Elements; (ii) administering and enforcing the Association Documents; (iii) levying, collecting and enforcing the assessments, charges and liens due the Association pursuant to this Declaration, and (iv) operating the Association; and (b) allocations to reserves.

2.12 “Declarant” means Nathan T. Herman and Amy Beth Herman, and any Person that is designated by a written instrument signed by Declarant as a successor or assignee of Declarant under this Declaration. Such instrument may specify the extent and portion of the rights or interest as a declarant that are being assigned, in which case the assignor retains all other rights as a declarant.

2.13 “Declarant Control Period” means the period of time commencing on the date the Association is formed, and ending on the date on which Declarant no longer owns more than one Lot.

2.14 “Declaration” means this instrument and all amendments and supplements hereto hereafter recorded in the real property records of Jefferson County, Colorado.

2.15 “Default Assessment” has the meaning given to it in Section 7.6 below.

2.16 “Drainage/Water Quality Easement Areas” means the areas depicted on Exhibit A attached hereto.

2.17 “Lot” means any portion of the Property that is designated by number as a lot on any Plat, unless such area is further subdivided, in which case, “Lot” means each lot or other legally transferable unit of the area following such subdivision.

2.18 “Membership” means a membership in the Association and the rights granted to Owners pursuant to this Declaration to participate in the Association.

2.19 “Mortgage” means any mortgage, deed of trust or other document creating a security interest in any Lot or interest therein as security for payment of a debt or obligation.

2.20 “Mortgagee” means any Person named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such Person under such Mortgage.

2.21 “Owner” means the Person(s) who own of record, according to the real property records of Jefferson County, Colorado, fee simple title to a Lot or an undivided portion thereof. If there is more than one record holder of legal title to a Lot, each shall be an Owner. The term “Owner” shall include Declarant to the extent Declarant is the holder of fee simple title to a Lot.

2.22 “Person” means any natural person, corporation, partnership, limited liability company, association, trustee or any other entity.

2.23 “Plat” or “Plats” means any subdivision plat(s) on file with the Clerk and Recorder of Jefferson County, Colorado, as such plat(s) may be amended or supplemented from time to time.

2.24 “Property” shall have the meaning given to it in Section 1.1 above.

2.25 “Rules and Regulations” means any rules or regulations adopted by the Association for the regulation and management of the Common Elements, as such rules and regulations may be amended from time to time; provided, however, that all Rules and Regulations shall be nondiscriminatory and shall be applied in a uniform manner with respect to all Owners.

III. APPLICABILITY OF THE ACT

As set forth in Section 7.9 below, the annual average Common Expense liability of each Lot, exclusive of optional user fees and any insurance premiums paid by the Association, shall not exceed the amount specified from time to time in Section 38-33.3-116 of the Act as the maximum annual average common expense liability of each unit restricted to residential purposes. Accordingly, pursuant to Section 38-33.3-116 of the Act, the planned community created hereby is subject only to Sections 38-33.3-105 through 38-33.3-107 of the Act.

IV. THE ASSOCIATION

4.1 Formation of the Association. On or before the date on which Declarant conveys to any Person other than Declarant fee simple title to the first Lot within the Property, Declarant shall form the Association.

4.2 Purposes and Powers. (a) The Association’s purposes are to: (i) manage, operate, construct, improve, maintain and repair the Common Elements; (iii) administer and enforce the Association Documents; and (iv) levy, collect and enforce the assessments, liens and charges imposed pursuant to this Declaration. The Association shall not engage in any activity not directly related to any of the foregoing purposes.

(b) Unless expressly prohibited by law or any of the Association Documents, the Association may take any and all actions that it deems necessary or advisable to fulfill the purposes set forth in subsection 4.2(a) above. Without limiting the foregoing, the Association may, in furtherance of such purposes:

- (i) adopt and amend the Articles (as provided therein), the Bylaws and the Rules and Regulations;
- (ii) adopt and amend budgets for revenues, expenditures and reserves, and collect Assessments;
- (iii) hire and fire managing agents and other employees, agents and contractors;
- (iv) institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters relating to the Common Elements.
- (v) make contracts and incur liabilities;
- (vi) regulate the use, maintenance, repair, replacement and modification of the Common Elements;
- (vii) cause additional improvements to be made part of the Common Elements;
- (viii) acquire, hold, encumber and convey in its own name any right, title or interest in real or personal property;
- (ix) impose charges for late payments of Assessments, recover reasonable attorneys' fees and disbursements and other costs of collection for Assessments and other actions to enforce the rights of the Association, regardless of whether suit was initiated, and, after notice and an opportunity to be heard, levy reasonable fines and impose reasonable penalties for violations of Association Documents or any of them;
- (x) provide for the indemnification of the Association's officers and directors and maintain directors' and officers' liability insurance;
- (xi) maintain such other insurance as the Association deems necessary or desirable;
- (xii) assign its right to future income, including its right to receive Assessments;

- (xiii) provide or procure any services necessary for the safety or security of the Property, Owners, guests or visitors;
- (xiv) approve, install, maintain, repair and replace signage;
- (xv) exercise any other powers expressly or implicitly conferred on it by the Association Documents or any of them;
- (xvi) exercise any other powers necessary or proper for the governance and operation of the Association; and
- (xvii) exercise all other powers that may be exercised in Colorado by nonprofit corporations consistent with the Association Documents.

4.3 Association Documents. Each Owner shall comply with and benefit from each term, provision, covenant, condition, restriction, reservation and easement contained in the Association Documents. The obligations, burdens and benefits of Membership in the Association touch and concern the Property and are, and shall be, covenants running with each Lot for the benefit of all other Lots and the Common Elements.

4.4 Books and Records. Upon request, the Association shall allow Owners and Mortgagees to inspect current copies of the Association Documents and the books, records, budgets and financial statements of the Association at the offices of the Association during normal business hours and under other reasonable circumstances. The Association may charge a reasonable fee for copying such materials as well as for the time of Association staff members associated with such inspection.

4.5 Personal Liability and Indemnification. (a) No officer, director, employee, agent or committee member of the Association shall be personally liable to the Association or any Owner for any injury, damage, loss, cost or expense suffered or incurred by reason of any act or omission of such officer, director, employee, agent or committee member unless a court of competent jurisdiction finds that the act or omission of such officer, director, employee, agent or committee member was wanton and willful.

(b) The Association shall indemnify and hold harmless each present or former officer, director, employee, agent or committee member of the Association against any and all claims, suits, proceedings, injuries, damages, losses, costs and expenses, including, but not limited to, attorneys' fees and disbursements, asserted against or incurred by any such present or former officer, director, employee, agent or committee member to the fullest extent permitted by the Association Documents; provided, however, that in no event shall the Association indemnify or hold harmless any such officer, director, employee, agent or committee member to the extent that he or she is personally liable for an act or omission under paragraph 4.5(a) above.

V. MEMBERSHIP IN THE ASSOCIATION

5.1 Membership. (a) There shall be one Membership appurtenant to each Lot. A Membership may not be separated from the ownership of the Lot to which it is appurtenant.

(b) Any Membership appurtenant to a Lot having more than one Owner shall be shared by such Owners, and each such Owner shall be a member of the Association. The voting rights of any such members shall be shared between or among the Owners as provided in paragraph 5.3 below.

5.2 Transfer of Membership. An Owner shall not sell, assign, transfer, convey, pledge or encumber the Owner's Membership in any way, except upon the sale or encumbrance of the Lot to which the Membership is appurtenant, and then only to the purchaser(s) of fee simple title to the Lot or the Mortgagee of the Lot. A transfer of ownership of a Lot may be made by deed, intestate succession, testamentary disposition, foreclosure of a Mortgage of record or such other legal process as is now effective or may hereafter become effective in that regard under the laws of the State of Colorado. Any attempt to transfer a Membership in a manner other than those permitted by this Section 5.2 shall be null and void.

5.3 Voting. (a) The Owner(s) of each Lot to which a Membership is appurtenant shall be entitled to one vote, except that the Association shall have no voting rights.

(b) If a Lot to which a Membership is appurtenant is owned by more than one Person, such Owners shall be entitled to cast one collective vote; fractional voting shall not be allowed. If such Owners cannot agree as to how to cast their vote when they are required to cast their vote on a particular matter, they shall lose their right to vote on such matter. If any Owner casts a vote representing a certain Membership, it will thereafter be conclusively presumed for all purposes that the Owner was acting with the authority and consent of all other Owners with whom such Owner shares the Membership, unless objection to such vote is made to the chairperson of the meeting at the time the vote is cast. If more than one vote is cast for any particular Membership, none of such votes shall be counted and all of such votes shall be deemed null and void.

(c) Notwithstanding anything to the contrary contained herein, Declarant shall have the exclusive right to appoint and remove all members of the Board of Directors of the Association during the Declarant Control Period. Declarant may relinquish the exclusive rights afforded it pursuant to the two preceding sentences in the manner provided in Section 6.2 below. Any director(s) not appointed by Declarant pursuant to the exclusive rights afforded it by this paragraph and Section 6.2 below shall be elected by the affirmative vote of a majority of the Owners present in person or by proxy at a meeting at which a quorum is present called for the purpose of electing directors. In any election of members of the Board of Directors of the Association, each Membership shall have a number of votes equal to the number of members to be elected to the Board of Directors of the Association. Cumulative voting shall not be allowed in the election of members of the Board of Directors or for any other purpose.

(d) All meetings at which the Owners shall be presented with matters to vote on shall be called by the Board of Directors of the Association on not less than fifteen days' written notice to all Owners, which notice shall be delivered to each such Owner at the address of such Owner's property within the Property, unless such Owner designates another address for such purpose by written notice to the Secretary of the Association.

5.4 Membership Rights and Obligations. Each Owner shall have the rights, duties and obligations set forth in the Association Documents. Without limiting the foregoing, each Owner shall have the right to use the Common Elements, subject to the provisions of the Association Documents.

VI. BOARD OF DIRECTORS OF THE ASSOCIATION

6.1 Powers of the Board of Directors. (a) Except as provided in this Declaration, the Articles and the Bylaws, or by law, the Board of Directors may act on behalf of the Association in all instances.

(b) The Board of Directors may not act on behalf of the Association to: (i) amend or terminate this Declaration; (ii) elect members of the Board of Directors, other than to fill a vacancy for the unexpired portion of the term of a member of the Board of Directors as provided in the Articles and Bylaws; or (iii) determine the qualifications, powers and duties, or terms of office, of members of the Board of Directors.

(c) The Board of Directors shall consist of at least two members, one of whom shall be designated as chairperson. The term of each director shall be as set forth in the Articles and Bylaws. A member of the Board of Directors may resign at any time by giving written notice to the Association, and such a resignation shall take effect upon receipt by the Association or such other date as is specified in such notice.

6.2 Declarant Control Period. (a) Declarant shall have the exclusive right to appoint and remove all of the members of the Board of Directors of the Association during the Declarant Control Period.

(b) Declarant may voluntarily surrender its right to appoint and remove all members of the Board of Directors, or any of them, prior to the expiration of the Declarant Control Period, by giving written notice to the Association that Declarant relinquishes its right to appoint all members or any member of the Board of Directors. In the event Declarant so relinquishes its right with respect to any or all members of the Board of Directors, Declarant may require, for the remainder of the Declarant Control Period, that specific actions of the Association or the Board of Directors, as described in a recorded instrument executed by Declarant, be approved by the Declarant before they become effective.

(c) Not later than thirty days after the expiration of the Declarant Control Period, the Owners shall elect a Board of Directors of at least two members pursuant to Section 6.1 above and the Articles and Bylaws.

6.3 Removal of Members of the Board of Directors. Notwithstanding any provision of this Declaration or any other Association Document to the contrary, the Owners, by a vote of at least 60 percent of the votes allocated to all Memberships represented in person or by proxy at any meeting at which a quorum is present, may remove any member of the Board of Directors, with or without cause, other than a member of the Board of Directors appointed by Declarant.

VII. ASSESSMENTS, COMMON EXPENSES, BUDGETS AND LIENS

7.1 Obligations for Assessments and Other Charges. (a) Each Owner, by accepting a deed to a Lot (whether or not it shall be expressly stated in such deed), shall be deemed to have covenanted and agreed, to become a member in the Association and to pay to the Association all (i) Annual Assessments; (ii) Default Assessments; and (iii) other charges that the Association is required or permitted to levy or impose on such Owner or such Owner's Lot pursuant to this Declaration or any other Association Document.

(b) No Owner shall be exempt from liability under this Article VII by resigning from the Association or by waiving the use or enjoyment of any Common Element or by abandoning the Lot against which such Assessments are made.

(c) Except as provided in Sections 7.8(a) and 11.3 below, (i) the obligation to pay to the Association any Assessment or other charges levied against any Lot shall be a joint and several obligation of the Owner of such Lot and such Owner's successors, assigns, heirs, devisees and personal representatives, and (ii) a Person acquiring fee simple title to a Lot shall be jointly and severally liable with the former Owner of the Lot for all Assessments and other charges that had accrued and were payable when such Person acquired fee simple title to the Lot, for so long as such Person holds fee simple title to the Lot.

(d) Each Assessment or other charge, together with interest and penalties thereon and all costs and expenses incurred by the Association to collect such Assessment or other charge, including reasonable attorneys' fees and disbursements, may be recovered by a suit for a money judgment by the Association without foreclosing or waiving any Assessment Lien securing the same.

7.2 Purpose and Use of Assessments and Other Charges. The Assessments and other charges levied or imposed and collected by the Association under the Association Documents shall be used exclusively to pay Common Expenses, including allocations to reserves.

7.3 Allocation of Common Expenses. Except as otherwise set forth in this Declaration, all Common Expenses shall be allocated equally among all Lots. Accordingly, the Owner of each Lot shall be liable for a portion of the Common Expenses equal to a fraction, the numerator of which is 1 and the denominator of which is the number of Lots.

7.4 Budgets. (a) Prior to the first levy of an Annual Assessment, and, thereafter, on or before December 1 of each calendar year the Board of Directors of the Association shall adopt an annual budget for the Association for the following calendar year.

(b) If the Board of Directors of the Association deems it necessary or advisable to amend an annual budget that it has adopted under paragraph 7.4(a) above, the Board of Directors may adopt an amendment to the annual budget.

7.5 Annual Assessments. (a) After the Board of Directors adopts an annual budget pursuant to paragraph 7.4(a) above, the Association shall levy an Annual Assessment on each Lot based on the budget and the allocation set forth in Section 7.3 above. Except as otherwise provided herein, the Owners shall pay the Annual Assessments levied against their respective Lots

in such periodic installments, or in a single annual installment, as may be required by the Board of Directors.

(b) If the Board of Directors amends the annual budget pursuant to paragraph 7.4(b) above, the amount of the Annual Assessment levied against each Lot shall be adjusted accordingly, as shall the amount of each Owner's periodic installments.

(c) If the Board of Directors fails to adopt an annual budget for any calendar year prior to January 1 of that calendar year, the Owners shall continue to pay periodic installments of the Annual Assessment to the Association at the rate payable during the prior calendar year until such time as the Board of Directors adopts a new annual budget for the then-current calendar year. Once the Board of Directors adopts a new annual budget, the Association shall levy on each Lot the Annual Assessment for the then-current calendar year and each Owner's periodic installments shall be adjusted as necessary to pay the new Annual Assessment in equal periodic installments over the remainder of such calendar year, giving the Owners credit for any installments that the Owners have previously paid to the Association during such calendar year. The failure of the Association to levy an Annual Assessment for any calendar year shall not be deemed a waiver, modification or release of the Owners' liability for Common Expenses.

7.6 Default Assessments. (a) Notwithstanding anything to the contrary contained herein, if any Common Expense is caused by (i) the negligence or misconduct of an Owner or an Owner's family member, employee, agent or guest, or (ii) a violation of any covenant, condition or restriction of an Association Document by an Owner or an Owner's family member, employee, agent or guest, the Association shall, if it deems necessary or advisable, levy an Assessment against such Owner's Lot for the amount of such Common Expense. In addition, the Association shall, if it deems necessary or advisable, impose a fine, penalty, fee or other charge upon an Owner for the violation of any covenant or condition of any Association Document by an Owner or an Owner's family member, employee, agent or guest. Any such Assessment levied by the Association, and each fine, penalty, fee or other charge imposed hereunder, are each referred to herein as a "Default Assessment."

(b) Default Assessments need not be shown on an annual budget, or on an amendment to an annual budget, adopted by the Board of Directors of the Association; provided, however, that with respect to any Default Assessment, or portion thereof, levied other than as a late charge, the Owner of the Lot against which the Association seeks to levy the Default Assessment shall be provided notice and an opportunity to be heard. Owners of Lots against which Default Assessments have been levied shall pay such Default Assessments when required by the Association.

7.7 Assessment Lien. (a) The Association shall have a lien on each Lot for any Assessment levied against that Lot or the Owner thereof and any interest, reasonable attorneys' fees and disbursements and costs of collection incurred by the Association in connection therewith. The Assessment Lien shall secure all of such obligations of an Owner from the time such obligations become due. If an Assessment is payable in installments, the Assessment Lien secures each installment from the time it becomes due, including the due date set by any acceleration of installment obligations by the Association.

a Lot except:

(b) An Assessment Lien is prior to all other liens and encumbrances on

- (i) liens and encumbrances recorded prior to the recordation of this Declaration;
- (ii) a Mortgage which is not subordinate to any other lien or encumbrance except liens for taxes or other liens which are given priority by statute, and which was recorded before the date on which the Assessment sought to be enforced became delinquent; and
- (iii) liens for real estate taxes and other governmental assessments or charges against the Lot.

(c) The recording of this Declaration constitutes record notice and perfection of an Assessment Lien on each Lot. No further recordation of any claim of any Assessment Lien is required.

(d) This Section 7.7 does not prohibit: (i) actions or suits to recover sums secured by an Assessment Lien, or (ii) the Association's taking of a deed in lieu of foreclosure.

(e) An Assessment Lien may be foreclosed in like manner as a mortgage on real estate.

7.8 Estoppel Certificates; Notices to Mortgagees. (a) The Association shall furnish to an Owner or such Owner's designee or to a Mortgagee or its designee, upon written request to the Association, a statement setting forth the amount of unpaid Assessments currently levied against such Owner's Lot. The statement shall be furnished within 21 calendar days after the Association's receipt of the request and shall be binding on the Association and every Owner. If no statement is furnished by the Association to the Owner, the Mortgagee or their designee within such 21-day period, then the Association shall have no right to assert an Assessment Lien upon the Lot for unpaid Assessments which were due as of the date of such request.

(b) The Association shall report to any Mortgagee any unpaid Assessments remaining unpaid for more than sixty days after the same shall have become due, if such Mortgagee first shall have delivered to the Association a written request for notice of unpaid Assessments. Any Mortgagee holding a lien on a Lot may pay any unpaid Assessment with respect to such Lot, together with any and all costs and expenses incurred with respect to the Assessment Lien securing such unpaid Assessment, and upon such payment, such Mortgagee shall have a lien on the Lot for the amounts paid with the same priority as a lien of the Mortgage held by such Mortgagee.

7.9 Limitation of Liability for Common Expense. Notwithstanding anything to the contrary contained herein or in any other Association Document, the annual average Common Expense liability of each Lot, exclusive of optional user fees and any insurance premiums paid by the Association, shall not exceed the amount specified from time to time in Section 38-33.3-116

of the Act as the maximum annual average common expense liability of each unit restricted to residential purposes.

VIII. DUTIES OF THE ASSOCIATION

8.1 Common Elements. The Association shall take any and all actions consistent with the Association Documents that the Association reasonably deems necessary or advisable to (i) protect and maintain the Common Elements; and (ii) fulfill the purposes of the Association set forth in Section 4.2 above. Without limiting the foregoing, the Association shall at all times maintain the detention pond and any other drainage improvements or facilities owned by the Association on Tract A and Tract B, and any drainage or water quality improvements in the Drainage/Water Quality Easement Areas, in accordance with all applicable laws, ordinances and regulations including, without limitation, all regulations and requirements of the Urban Drainage and Flood Control District.

IX. RESTRICTIONS

All of the Lots shall be held and shall be sold, conveyed, used, improved, occupied, and owned, subject to the following provisions, conditions, limitations, restrictions, agreements and covenants, as well as those contained elsewhere in this Declaration.

9.1 Residential Use. Lots may be used for residential use only, including uses which are customarily incident thereto, and may not be used at any time for business, commercial or professional purposes; provided, however, that an Owner may use his Lot for professional or home occupation(s) so long as the applicable zoning permits such use, there is no external evidence thereof, and no unreasonable inconvenience to other resident of the Lots is created thereby.

9.2 Declarant's Use. Notwithstanding anything to the contrary contained in this Declaration, it is permissible and proper for Declarant and Builders, and their employees, agents and contractors, to perform such reasonable activities, and to maintain upon portions of the Lots and Common Elements such facilities as they deem reasonably necessary or incidental to the development, construction and sale of Lots, and development and construction of improvements, specifically including, without limiting the generality of the foregoing, maintaining management offices, signs, model units, construction offices, trailers and sales offices, in such numbers, of such sizes, and at such locations as they determine in their reasonable discretion from time to time. Nothing in this Declaration limits the rights of the Declarant to conduct all construction, sales and marketing activities as the Declarant deems necessary or desirable in its sole discretion and to use the easements provided in this Declaration or otherwise of record for those and other purposes. Further, nothing in this Declaration limits the right of the Declarant or requires the Declarant (or Builders who have obtained the Declarant's approval) to obtain approvals: (a) to excavate, cut, fill or grade any property owned by the Declarant (or a Builder) or to construct, alter, demolish or replace any improvements; (b) to use any structure on the Common Elements or on any property owned by Declarant (or a Builder) as a construction, management, model home or sales or leasing office in connection with the development, construction or sale of any property; and/or (c) to require Declarant (or a Builder) to seek or obtain the approval of the Association for any activity or Improvement.

9.3 Temporary Structures and Unsightly Conditions. No structure of a temporary character, including, but not limited to, a house trailer, tent, shack, storage shed, or outbuilding shall be placed or erected upon any Lot; provided, however, that during the actual construction, alteration, repair or remodeling of a structure or other improvements, necessary temporary structures for storage of materials may be erected and maintained by a Person doing such work. Further, no unsightly conditions, structures, facilities, equipment or objects shall be so located on any Lot as to be visible from a street or from any other Lot.

9.4 Nuisances. No nuisance shall be permitted on the Property or any portion thereof, nor any use, activity or practice which interferes with the peaceful enjoyment or possession and proper use of the Property or any portion thereof. As used herein, the term “nuisance” shall not include any activities of Declarant or a Builder which are reasonably necessary to the development and construction of, and sales activities on, the Property.

9.5 No Hazardous Activities. No activities shall be conducted on any Lot or within improvements constructed on any Lot which are unsafe or hazardous to any person or property.

9.6 Lots to be Maintained. The exterior grounds of each Lot, including the landscaping thereon, shall at all times be well kept in a clean and sightly condition. Owners and occupants shall not permit any trash, litter, junk, boxes, containers, bottles, cans, implements or machinery to remain upon their Lot except as necessary during the period of construction.

9.7 Subdivision of Lots or Lot Line Adjustments. The Declarant reserves the right to subdivide or replat any Lot(s) or other property owned by Declarant. The Declarant hereby reserves, in order to build and complete improvements on the Property, the right to move any Lot line(s) with the consent of the Owner(s) of each Lot whose Lot line is being moved. Such Lot line adjustments may be done by the Declarant, if at all, for the purpose of accommodating improvements which are constructed or are to be constructed, and shall not change the number of Lots in the Community at the time such Lot line adjustment is approved by the applicable governmental entity. No further subdivision of any lot shall be permitted without the consent of the Declarant.

9.8 Construction and Landscape. Upon issuance of a building permit by the City of Golden Building Department for a residence, construction shall be completed within twelve (12) months from the date in which construction is commenced. All landscaping shall be installed within ninety (90) days from the date of occupancy, weather permitting.

9.9 Leases. All leases or rental agreements for any Lot shall be in writing, shall be specifically subject to this Declaration, and shall be for a term of at least one month.

9.10 Design Restrictions.

(a) Building Floor Area. The primary structure built on the Lot shall have a minimum of 2,500 square feet. Garages and basements shall be excluded in the building floor area calculation; provided, however, that up to 500 square feet of finished basement may be included in the building floor area calculation. Habitable loft or attic spaces shall be included in the building floor area calculation.

(b) Design Philosophy. The design of the landscaping and building on each of the Lots shall respect and not detract from the physical and natural qualities of the Property and the surrounding area.

(c) Unacceptable Exterior Design Materials. The following materials shall be prohibited for exterior building purposes: plywood siding, metal siding, concrete block, split face block, masonite siding, adobe, and any reflective material.

(d) Acceptable Architectural Accent Materials. The following architectural accents shall be permitted: lap siding, wood timber, structural steel, logs, stone, artificial stone and stucco.

X. EASEMENTS

10.1 Association Easements. Perpetual easements to perform its maintenance and enforcement duties and as necessary to exercise its powers pursuant to this Declaration are hereby granted by Declarant to the Association, its officers, agents, employees and assigns, upon, across, over, in and under the Property together with the right to make such use of the Property as may be necessary and appropriate in carrying out such maintenance and enforcement duties, including, without limitation, the Drainage/Water Quality Easement Areas. All conveyances of Lots hereafter made, whether by Declarant or other Person, shall be construed to grant and reserve the easements contained in this Declaration, whether or not specific reference to such easements or to the Declaration appears in the instrument of such conveyance.

XI. ENFORCEMENT AND REMEDIES

11.1 Enforcement. (a) Each provision of this Declaration is enforceable by the Association by a proceeding for a prohibitive or mandatory injunction or by suit or action to recover damages, or in the discretion of the Association, for so long as any Owner fails to comply with any such provision, by exclusion of such Owner and such Owner's family members, tenants and guests from the use of any Common Elements and from participation in any Association affairs. In addition, if an Owner fails to perform or observe any covenant or condition on such Owner's part to be performed or observed under this Declaration or any other Association Document, the Association shall have the following rights and remedies:

- (i) The Association may, but is not obligated to, cure such failure to comply at the Owner's sole cost and expense. If the Association cures any such failure to comply, the Owner shall pay to the Association the amount of all costs incurred by the Association in connection therewith within thirty days after the Owner receives a written invoice therefor from the Association.
- (ii) The Association may fine the Owner in accordance with Section 7.6 for each violation. The Owner shall pay any such Default Assessment to the Association within thirty days after the Owner receives written notice thereof.

- (iii) The Association shall have all other rights and remedies available to it under this Declaration, at law or in equity.

(b) All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

11.2 Attorneys' Fees. In the event of any dispute under or with respect to this Declaration or any other Association Document, or compliance therewith, the prevailing party (as to liability, without regard to any damage award) shall be entitled to recover from the nonprevailing party all of its costs and expenses in connection therewith, including, but not limited to, reasonable attorneys' fees and disbursements.

11.3 Interest. If an Owner fails to pay to the Association any Assessment or other amount due to the Association as and when the same becomes due, the Owner shall pay interest on such unpaid amount to the Association at the rate established from time to time by the Association in its Rules and Regulations, which interest shall accrue from the due date of such unpaid amount until the date paid.

XII. MISCELLANEOUS

12.1 Amendment. Prior to the closing of the sale of the first Lot, Declarant may amend this Declaration in its sole discretion. After the closing of the sale of the first Lot, this Declaration may be amended (a) unilaterally by the Declarant in order to conform this Declaration to the requirements of the Federal Housing Administration, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Veterans Administration, any successors to any or all of the foregoing, or any similar entity, public or private, authorized, approved or sponsored by any governmental agency to insure, guarantee, make or purchase mortgage loans, or (b) by the vote or written consent of Owners of Lots having at least two-thirds of the total number of votes to which all Owners (including Declarant) are entitled; provided, however, that for so long as Declarant owns any portion of the Property no amendment to this Declaration shall be valid without the consent of Declarant. Any amendment to the Declaration shall be evidenced by the recording of a written instrument or instruments specifying the amendment and containing any applicable consents as set forth in clause (b) of the preceding sentence.

12.2 Covenants Binding. Each provision of this Declaration and a promise, covenant and undertaking to comply with each such provision (i) shall be deemed incorporated in each deed or other instrument by which any right, title or interest in any of the Property is granted, devised or conveyed; (ii) shall by virtue of acceptance of any right, title or interest in any of the Property by an Owner be deemed accepted, ratified, adopted and declared as a personal covenant of such Owner and shall be binding on such Owner or his or her respective heirs, personal representatives, successors or assigns, to, with and for the benefit of the Declarant and all Owners; (iii) shall be deemed a covenant, obligation and restriction secured by a lien binding, burdening and encumbering the title to all of such Owner's right, title and interest to any of the Property, which lien shall be deemed a lien in favor of the Declarant, as its interest may appear, and all Owners; and (iv) shall run with the Land.

12.3 Lender's Interest Not Impaired. No violation or breach of, or failure to comply with, any provision of this Declaration and no action to enforce any such provision shall affect, defeat, render invalid or impair the lien of any Mortgagee taken in good faith and for value and perfected by recording in the office of the Clerk and Recorder of Jefferson County, Colorado, prior to the time of recording in said office of an instrument describing such Property and listing the name or names of the Owner or Owners of fee simple title to the Property and giving notice of such violation, breach or failure to comply; nor shall such violation, breach, failure to comply or action to enforce affect, defeat, render invalid or impair the title or interest of the holder of any such Mortgage acquired by a bona fide purchaser upon foreclosure of any such Mortgage, or result in any liability, personal or otherwise of any such holder or purchaser. Any such purchaser on foreclosure shall, however, take subject to this Declaration. Nothing contained in this Section 12.3 is intended to alter or limit the provisions of Section 7.7 above regarding the priority of the Association's Assessment Lien.

12.4 Interpretation by Board. The Board of Directors of the Association shall have the authority to interpret the provisions of the Association Documents, and, absent manifest error, any such interpretation adopted by the Board shall be final and binding on all Persons.

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

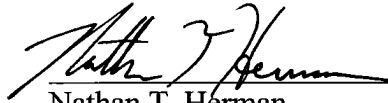
12.6 Failure to Enforce. Failure to enforce any provision of this Declaration shall not operate as a waiver of any such provision or of any other provision of this Declaration.

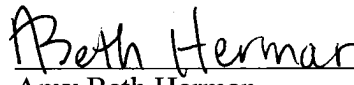
12.7 Captions and Titles. All captions and titles of headings of Articles and Sections in this Declaration are for the purpose of reference and convenience only and are not to be deemed or construed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

12.8 Conflicts. In the event that there is any conflict or inconsistency between the provisions of this Declaration and the provisions of the Articles, the Bylaws or the Rules and Regulations, the provisions of this Declaration shall control. In the event that there is any conflict or inconsistency between the provisions of the Articles and the provisions of the Bylaws or the Rules and Regulations, the provisions of the Articles shall control. In the event of any conflict or inconsistency between the provisions of the Bylaws and the provisions of the Rules and Regulations, the provisions of the Bylaws shall control.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the date first set forth above.

DECLARANT:


Nathan T. Herman


Amy Beth Herman

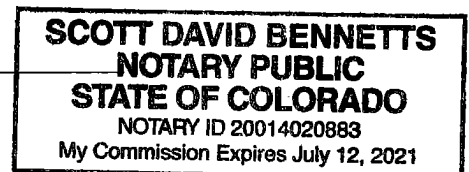
STATE OF COLORADO)
COUNTY OF ARAPAHOE) ss.

The foregoing instrument was acknowledged before me this 26th day of July, 2019, by Nathan T. Herman.

Witness my hand and official seal.


Notary Public


My commission expires: JULY 12, 2021



STATE OF COLORADO)
COUNTY OF ARAPAHOE) ss.

The foregoing instrument was acknowledged before me this 26th day of July, 2019, by Amy Beth Herman.

Witness my hand and official seal.


Notary Public

My commission expires: JULY 12, 2021

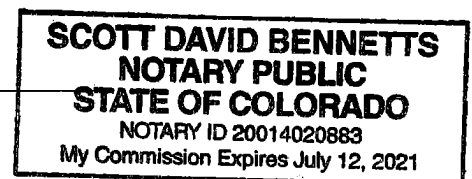
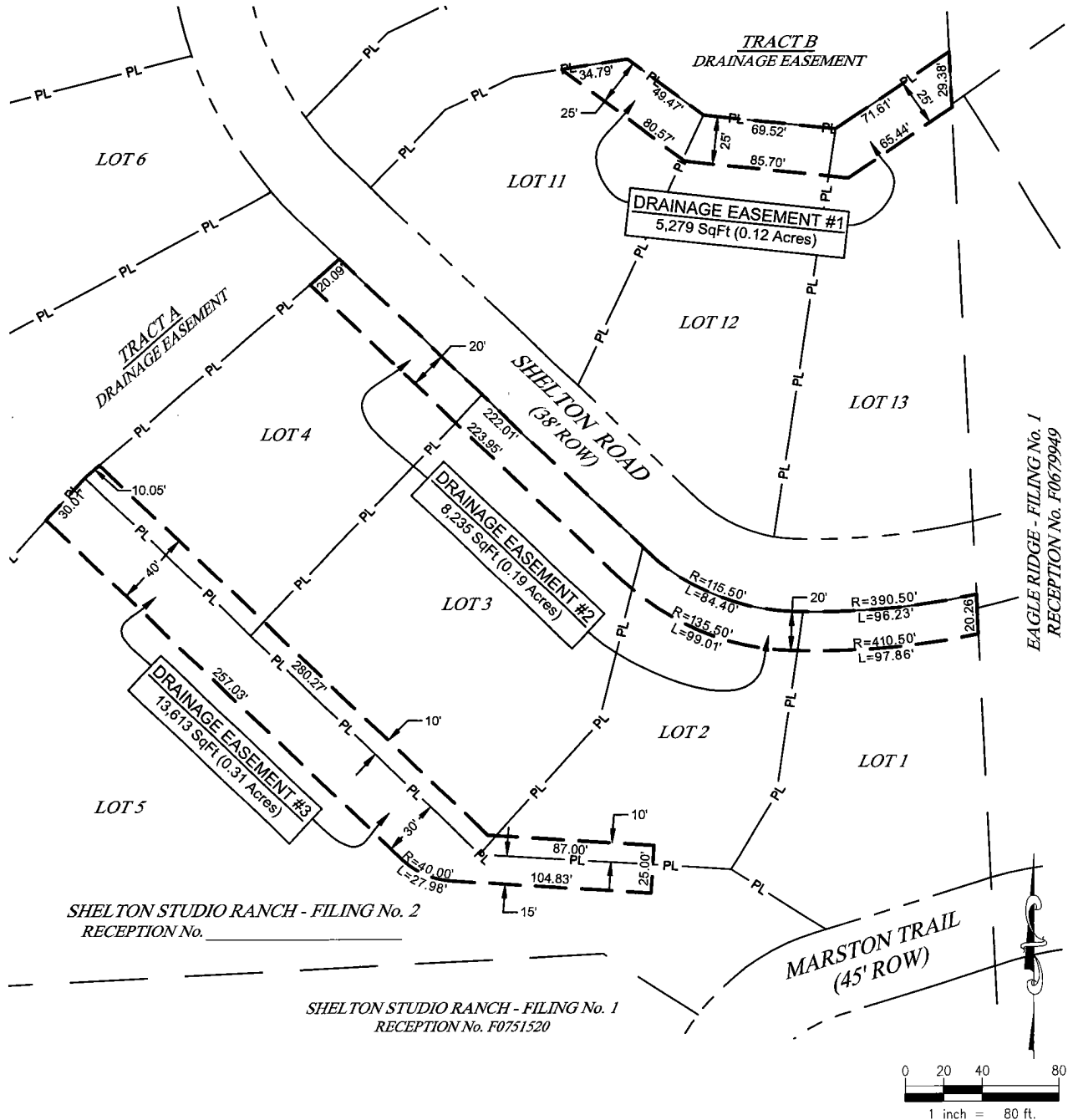


Exhibit A
Drainage/Water Quality Easement Areas

[see attached page]

ILLUSTRATION FOR EXHIBIT A

NE 1/4 of the SE 1/4 of Section 4, T4S, R70W, 6th P.M.
-JEFFERSON COUNTY-



THE ABOVE DEPICTED PARCELS CONTAIN 27,126 SqFt (0.62 Acres) MORE OR LESS.

DRAINAGE EASEMENTS LOTS 1-5 & 11-13 SHELTON STUDIO RANCH FILING No.2			A PARCEL OF LAND SITUATED IN THE NE 1/4 OF THE SE 1/4 OF SECTION 4, T4S, R70W, 6th P.M., CITY OF GOLDEN, JEFFERSON COUNTY, COLORADO - 850 SHELTON ROAD -		
DRAWN BY: GMF	SCALE: 1" = 80'	支 Eugene Lynne	DRAWING No: EL-SheltonRanchF2-Exhibits.dwg	REVISION:	SHEET No: 1 of 1
CHECKED BY: HEH	DATE: 04/20/2019				