

230.00

RECEPTION NO. 91020591
3/13/91 14:20 230.00
RECORDED IN
COUNTY OF JEFFERSON
STATE OF COLORADO

1-46

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF
THE VILLAGE AT MCCOY-JENSEN

9/1/91

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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

OF

THE VILLAGE AT MCCOY-JENSEN

PREAMBLE

THIS DECLARATION, made on the date hereinafter set forth, by Storck Development Corporation, a Colorado Corporation, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of the following described property located in Jefferson County, State of Colorado, more particularly described as follows:

Lot 1, and 16-29 of Block 1 and Lots 1-6 of Block 2 of The Village at McCoy-Jensen Subdivision in the City of Lakewood, County of Jefferson, State of Colorado.

WHEREAS, this Declaration is executed pursuant to and in furtherance of a common and general plan (a) to protect and enhance the quality, value, desirability and attractiveness of all property which may be subject to this Declaration; (b) to provide for an association as a vehicle to perform certain functions for the benefit of owners of property which may become subject to this Declaration; (c) to define duties, powers and rights of the association; and (d) to define certain duties, powers and rights of owners of property which may become subject to this Declaration with respect to the association and with respect to the functions undertaken by the association; and

WHEREAS, Declarant, for itself, its successors and assigns, hereby declares that all property herein or hereafter made subject to this Declaration, in the manner hereinafter provided, and each part thereof shall, from the date the same becomes subject to this Declaration, be owned, held, transferred, conveyed, sold, leased, rented, hypothecated, encumbered, used, occupied, maintained, altered and improved subject to the covenants, conditions, restrictions, limitations, reservations, exceptions, equitable servitudes and other provisions set forth in this Declaration for the duration thereof, all of which shall run with the title to such property and be binding upon all parties having any right, title or interest in said property or any part thereof and upon their heirs, personal representatives, successors and assigns and shall inure to the benefit of each party having any such right, title or interest in said property or any part thereof.

NOW, THEREFORE, the Declarant with this Declaration states that the real property described in the Preamble is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges, and liens hereinafter set forth.

ARTICLE I

DEFINITIONS

Section 1. "Architectural Review Committee" shall mean the committee that is formed by Article IX of these covenants.

Section 2. "Articles of Incorporation" shall mean the Articles of Incorporation of the Association, as the same may from time to time be amended.

Section 3. "Association" shall mean and refer to The Village at McCoy-Jensen Association, a Colorado corporation, not-for-profit, its successors and assigns. 7

Section 4. "Association Fences" shall mean the fences located or to be located on the Common Area. The precise locations of the Association Fences shall be as determined by Declarant.

Section 5. "Association Maintenance Areas" shall mean any portion of a Residential Site in the Village at McCoy-Jensen Association Area which is located outside of the Living Unit constructed on such Residential Lot excluding, however, any driveways, walks, or patios/decks located on the Residential Lot and any portion of the Residential Lot enclosed by fencing. The locations of the Association Maintenance Areas for each type of Privately Owned Lot within the Village at McCoy-Jensen Association are illustrated in "Exhibit B" attached hereto. The boundaries of the Association Maintenance Area on a Residential Lot may be altered as specified in a written agreement approved and executed by the Owner of the Residential Lot and the Association, as more particularly hereinafter provided in Article IV, Section 6 herein.

Section 6. "Assessment" shall mean and refer to any assessment levied, charged, or assessed against an Owner in accordance with the provisions of this Declaration.

Section 7. "Assessable Unit" shall mean and refer to any real property within the properties which is subject to assessments.

Section 8. "Board" shall mean the Board of Directors of the Association.

Section 9. "Bylaws" shall mean and refer to the duly adopted Bylaws of the Association, as the same may from time to time be amended.

Section 10. "Common Area" shall mean and refer to all real property and Improvements owned or leased by the Association which shall include, by way of example but without limitation, all exterior fencing, exterior lighting, benches, security areas, and walks owned by the Association. Said areas are intended to be devoted to the common use and enjoyment of Owners (subject to the provisions hereof) and are not dedicated for use by the general public except as indicated on the Subdivision Plat in the Real Estate Records of the Clerk and Recorder of Jefferson County, Colorado. The definition of Common Area shall expressly exclude any public streets or alleys as shown on the Subdivision Plat identified above. The common area shall be owned by the Association at the time of the conveyance of the first Lot as described in the Preamble alluded hereto and incorporated herein by this reference.

Section 11. "Declaration" shall mean the covenants, conditions, and restrictions, and all other provisions herein set forth in this entire document, as the same may from time to time be amended.

Section 12. "Developer" or Declarant shall mean and refer to the Storck Development Corporation, a Colorado Corporation, its successors and assigns; provided, however, that no successor or assignee of the Developer shall have any rights or obligations of the Developer hereunder unless such rights and obligations are specifically set forth in the instrument of succession or assignment or which pass by operation of law.

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Section 13. "Entry Gates" shall mean the one or more brick walls, gates and/or gate houses located or to be located at entries to the Village at McCoy-Jensen. The location of the Entry Gates shall be as determined by Declarant but no part of the Entry Gates will be all or partly on or within any privately owned lot.

Section 14. "Federal Mortgage Agencies" shall mean and refer to those Federal Agencies who have an interest in the properties, such as the Federal Housing Administration, the Veteran's Administration, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation, or successors to their interest. 8

Section 15. "First Mortgage" shall mean and refer to any unpaid mortgage, deed of trust or other security instrument recorded in the records of the office of the Clerk and Recorder of Jefferson County, Colorado, having priority of record over all other recorded liens except those governmental liens made superior by statute (such as general ad valorem tax liens and special assessments). "First Mortgage" shall also mean and refer to any executory land sales contract wherein the Administrator of Veterans Affairs, an Officer of the United States of America is the original seller, whether such contract is recorded or not, and whether such contract is owned by the said Administrator or has been assigned by said Administrator and is owned by the Administrator's assignee, or a remote assignee, and the land records in the Office of the Clerk and Recorder of Jefferson County, Colorado show the said Administrator as having the record title to the Lot.

Section 16. "First Mortgagee" shall mean and refer to an institutional lender who holds either a first deed of trust or a first mortgage on a Lot or Living Unit.

Section 17. "Gazebo(s)" shall mean the one or more open freestanding roofed structures located or to be located on common areas of the Village at McCoy-Jensen. The location of the Gazebo(s) shall be as determined by Declarant, but no part of the Gazebo will be all or partly on or within any privately owned Lot.

Section 18. "Improvements" shall mean and refer to all improvements now or hereafter constructed including, without limitation, all Association exterior boundary fencing, exterior lighting, benches, walks, and security areas within the project owned by the Association.

Section 19. "Institutional Mortgagee" or "Institutional Lender" shall mean and refer to a First Mortgagee which is a federally or state chartered bank, a federal or state savings bank, or savings and loan institution, a real estate investment trust, or any corporation whose primary business is the making, purchasing, or placing of mortgage loans, who shall perfect a first priority security position as to any Lot or Living Unit constructed within the Project.

Section 20. "Living Unit" or "Dwelling Unit" shall mean and refer to any structure situated upon the properties designed and intended for use and occupancy as a residence by a single family.

Section 21. "Lot" shall mean and refer to any numbered Plot of land shown as such upon any recorded final filing plat, with the exception of Common Area as heretofore defined.

Section 22. "Member" shall mean and refer to the Person designated as such pursuant to Article III.

Section 23. "Mortgage" shall mean and refer to a mortgage, deed of trust, or other similar security instrument held or owned by a Mortgagee which encumbers any Lot and/or Living Unit.

Section 24. "Mortgagee" shall mean and refer only to a Mortgagee under a Mortgage or a beneficiary under a deed of trust or similar security instrument. For the purpose of this Declaration and the Bylaws, no Person shall be deemed a Mortgagee until written notice of such interest has been given to the Association together with the name and address of the Mortgagee.

Section 25. "Notice" shall mean and refer to (i) written notice delivered personally or mailed to the last known address of the intended recipient, or (ii) notice through a Association publication which is delivered to the Living Units. "Notice to Mortgagee" shall mean and refer to only written notice delivered personally or mailed to the last known address of the intended recipient and not notice through a Association publication.

Section 26. "Owner" means any person, corporation, partnership, association, contract sellers or other legal entity or any combination thereof, including Declarant, who owns the record fee simple interest in one or more Lots and shall include the purchaser under any executory land sales contract wherein the Administrator of Veteran's Affairs is seller, whether recorded or not, and whether owned by said Administrator or his assigns. The term "Owner" shall include any grantee, transferee, heir, successor, personal representative, executor, administrator, devisee, and assign of any Owner but shall not refer to any Mortgagee as herein defined, or other person or entity having an ownership interest in any Lot merely as security for the performance of an obligation, unless such Mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

Section 27. "Person" shall mean an individual, corporation, partnership, association, trust, or other legal entity, or any combination thereof.

Section 28. "Project or Properties" shall mean and refer to all real property which became subject to the Declaration, together with such other real property as may from time to time be annexed thereto under the provisions of Article II thereof.

Section 29. "Quorum of Owners" shall mean the representation by presence or proxy of Members who hold fifty percent (50%) of the outstanding votes entitled to be cast on any issue.

Section 30. "Registered Notice" shall mean and refer to any notice which has been signed for by a recipient or has been certified by the U.S. Postal Service or other entity as having been delivered to the address of the intended recipient. Failure by refusal of an intended recipient to acknowledge such Notice shall nevertheless constitute receipt when such refusal is witnessed by one other person.

Section 31. "Related User" shall mean any member of the Family of an Owner who resides with such Owner; guests and invitees of an Owner; employees and agents of an Owner; and occupants, tenants and contract purchasers residing in a Living Unit of an Owner who claim by, or through an Owner.

Section 32. "Single Family" shall mean and refer to a living unit which includes an individual living alone; or any number of persons living together as a single household who are interrelated by blood, marriage, or adoption. The term shall also include not more than two (2) adults who are legally unrelated and who own the property together.

Section 33. "Common Water Line" shall mean a Water Line which services Association Maintenance Areas.

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ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION
ADDITIONS THERETO

Section 1 - Existing Property. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the City of Lakewood, Jefferson County, State of Colorado and is more particularly described in the Preamble and represents the first stage of The Village at McCoy-Jensen. 10

Section 2 - Right to Expand. Declarant reserves the right but not the obligation to expand this Project, without the approval of the Owners or First Mortgagees, to include additional land and one or more additional living units located upon all or any part of the Expansion Property as described in "Exhibit A", attached hereto and incorporated herein by this reference; provided, however, that the total number of Living Units in the project, as expanded, shall not exceed forty-one (41). The right of expansion of the Declarant shall be premised upon Declarant demonstrating reasonable progress in the development or sale of Lots within the existing project and, if a general plan for development is required by the FHA or VA, only after the FHA or the VA has determined that the annexation is in accord with the general plan for development theretofore approved by FHA or VA. Delays in development or sale of the Lots resulting from causes beyond the reasonable control of Declarant, shall not affect the right of Declarant to annex further property to the project. In any event, it shall be conclusively presumed that Declarant is reasonably progressing in the development of Lots within the existing project if the first annexation proposed by Declarant is effected prior to the fifth (5th) anniversary of the Recordation of this Declaration, and if any subsequent annexation proposed by Declarant hereunder is effected prior to the fifth (5th) anniversary of the Recordation of the most recently Recorded Supplemental Declaration annexing property to the project. By accepting a deed to a Lot, each Owner hereby grants to Declarant the right to expand the project and to modify the Owner's rights, title and interest in the Common Area accordingly, as set forth in this Article. Any such expansion shall be subject only to this Article II and shall not make or constitute any amendment or modification in this Declaration except as provided in this Article II.

Section 3 - Manner of Annexation. Additions to the project may be made by Declarant by the Recordation of one or more Supplemental Declaration or other written instruments signed by Declarant. Such Supplemental Declaration or other instruments shall contain legal descriptions of the additional real property which shall become part of the project and shall declare that such property shall be subject to this Declaration.

Section 4 - Effect of Supplemental Declaration. Upon the Recording of a Supplemental Declaration, the property described therein shall be subject to the Restrictions contained in this Declaration. The property described in a Supplemental Declaration may be made subject to additional and different Restrictions which are set forth in the Supplemental Declaration provided such Restrictions are no less restrictive than those contained in this Declaration and, if required, are approved in writing by the Federal Housing Administration and the Veterans Administration.

Section 5 - Merger. In accordance with its Articles of Incorporation, the properties, rights and obligations of the Association may, by operation of law, be transferred to another surviving or consolidated association similar in corporate nature and purposes or, alternatively, the properties, rights and obligations of an association similar in corporate nature and purposes may by operation of law be added to the properties, rights and obligations of the Association as a surviving corporation

pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established upon any other basis as one scheme. No such merger or consolidation, however, shall effect any revocation, change, or addition to the covenants established by this Declaration within the Existing Property except as hereinafter provided. Such merger or consolidation shall have the assent of two-thirds (2/3) of the Owners of Lots within the Project at the time of the proposed merger and the consent of at least 67% of first mortgagees within the project at the time of the proposed merger. //

ARTICLE III

ASSOCIATION STRUCTURE AND FORMAT

Section 1 - Organization. The Association is a nonprofit, nonstock corporation organized and existing under the laws of Colorado, charged with the duties and vested with the powers prescribed by law and set forth in the Articles of Incorporation and Bylaws, as such may be amended from time to time, provided that the Articles of Incorporation and Bylaws shall not for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

Section 2 - Membership.

(a) Basis. Membership shall be appurtenant to the Lot giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except as provided in the Declaration, Articles of Incorporation or Bylaws.

(b) Member's Rights and Duties. Each Member shall have the rights, duties and obligations set forth in this Declaration, the Articles of Incorporation or Bylaws.

(c) Voting Rights. The Association shall have two (2) classes of voting membership:

Until a date which is seven (7) years following conveyance of the first Lot by the Declarant, or until the total number of Class A votes shall equal the total number of Class B votes, there shall be two classes of members, to-wit:

Class A: Class A members shall be all Owners of Lots as defined in Article I, except the Declarant. Class A Members shall be entitled to one (1) vote for each Lot owned.

Class B: Class B members shall be the Declarant who shall have two votes for every Lot owned by the Declarant.

The class B membership and the Class B voting rights shall cease upon the earlier of the following events: when the total number of Class A votes equals the total number of Class B votes or on a date which is seven (7) years following conveyance of the first Lot by the declarant. Upon termination of the Class B membership the Declarant shall be a member of the Class A membership with voting rights for each Lot owned by the Declarant.

(d) Exercise of Vote. Class A Membership shall be appurtenant to and may not be separated from record ownership of a Lot, and such membership shall automatically transfer to the new Owner upon any sale, transfer, or other disposition of a Lot subject to the provisions of this Declaration and any Supplements thereto. There shall not be more than one (1) Class A Member for any Lot within the Project. Upon transfer, sale, or other disposition of all or some of the fee interest

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in a Lot, the then Owner shall automatically become the Class A Member with respect to such Lot. The vote for any Membership, which is held by more than one (1) person may only be exercised by one (1) person, or if the Owner is a corporation, by an officer of such corporation. A written notice subscribed to by all of such persons or by such corporation, as the case may be, designating one (1) of such persons or an officer of such corporation as the person entitled to cast the vote with respect to such Lot shall be delivered to the Secretary of the Association prior to the start of any annual or special meeting of the Association. Without this written notice, the vote for the Membership shall not be counted.

If less than twenty-five percent (25%) of the outstanding Class A votes are cast in an election for any elective office, the Board of Directors may declare the results of such election invalid and elect a Member to fill such office.

Section 3 - Board of Directors.

(a) Composition. The number of Directors shall be as provided in the Articles of Incorporation and Bylaws. The Declarant, until the Class B Membership ceases or a date which is seven (7) years following conveyance of the first lot by the declarant, whichever event occurs first, shall have the right to appoint three (3) Directors, the remainder shall be selected as provided in the Bylaws; all elected Directors shall be Class A Members; appointed Directors need not be Members of the Association.

(b) Extent of Power.

(1) The Board of Directors shall have all powers for the conduct of the affairs of the Association which are enabled by law the Declaration of Covenants or the Articles of Incorporation and its Bylaws which are not specifically reserved to Members, the Declarant or the Architectural Review Board by said Documents.

(2) The Board of Directors shall exercise its powers in accordance with this Declaration of Covenants, Articles of Incorporation and its Bylaws.

ARTICLE IV

DUTIES AND POWERS OF THE VILLAGE
AT McCOY-JENSEN ASSOCIATION

Section 1 - General Duties and Powers of Association. The Village at McCoy-Jensen Association has been formed to further the common interests of the Members of the Association. The Association, acting through its Board of Directors or Persons to whom the Board has delegated such powers, shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to further the common interests of the Members of the Association, to maintain, improve and enhance the Common Area and to improve and enhance the attractiveness and desirability of the Project.

Section 2 - Duty to Accept Property and Facilities Transferred by Declarant. The Association shall accept the title to any Common Area, including any Improvements thereon, the Village at McCoy-Jensen Association Fences and personal property or equipment transferred to the Association by Declarant, together with the responsibility to perform any and all of the functions set forth in this Declaration in connection therewith, provided that such property and functions are not inconsistent with the terms of this Declaration. Real property interests transferred by Declarant to

the Association shall consist of fee simple title to the Common Area, the Village at McCoy-Jensen Association Fences and the easements therefor as contained herein. Except as otherwise specifically approved by resolution of the Board of Directors of the Association, no Properties transferred to the Association by Declarant and no personal property transferred to the Association by Declarant shall impose upon the Association any obligation to make monetary payments to Declarant nor any affiliate of Declarant, including, but not limited to, any purchase price, rent, charge or fee. The interest in property transferred to the Association by Declarant shall not impose any unreasonable or special burden on the Association other than the duties set forth hereinafter.

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Section 3 - Duty to Manage and Care for Entry Gates and Gazebos. Upon commencement of Common Assessments and following the installation of Village at McCoy-Jensen Entry Gates and Gazebos and any special landscaping in connection therewith, the Association shall manage, operate, care for, maintain, repair and replace all such Entry Gates, Gazebos, and all such special landscaping installed in connection therewith and shall keep the Entry Gates, Gazebos, and landscaping in connection therewith in a neat, attractive and desirable condition.

Section 4 - Duty to Manage and Care for the Association Fences. Upon commencement of the Common Assessments and following the installation of the Association Fences, the Association shall manage, operate, care for, maintain, repair and replace the Association Fences and keep the Association Fences in a neat, attractive and desirable condition.

Section 5 - Duty to Remove Snow from Driveways and Front Walks. Upon commencement of Common Assessments, the Association shall remove snow as reasonably necessary from public sidewalks, the driveway and from the walk leading from the front door of the Living Unit to the adjacent street and/or to such driveway located on each developed Lot within the project. This duty shall not extend to any patio/deck area adjacent to a dwelling unit.

Section 6 - Duty to Manage and Care for Association Maintenance Areas. Upon commencement of Common Assessments and following the installation of landscaping, common area fencing or other Improvements by Declarant in Association Maintenance Areas, the Association shall manage, operate, care for, maintain and repair all landscaping or other Improvements (other than any private, walks, driveways, private fences, and patios/decks) installed in the Association Maintenance Areas by Declarant, including all irrigation systems therein and common water meters for irrigation water therefor on the Maintenance Areas. The Association shall keep the Association Maintenance Areas (other than walks, driveways, private fences, and patios/decks located in the Association Maintenance Areas) in a safe, attractive and desirable condition for the use and enjoyment of the Owner of the Lot on which the Association Maintenance Area is located. As provided hereinafter, the Owner of the Lot shall provide for maintenance, repair and replacement of any driveway, private fences, walk or patio/deck in the Association Maintenance Areas of the Lot. If the Owner of a Privately Owned Lot desires to change the boundaries of the Association Maintenance Area located on his Privately Owned Lot, such Owner shall give written notice to the Association. Any such change shall be effective only upon the execution of a written agreement by and between such Owner and the Association setting forth the new boundaries of the Association Maintenance Area located on such Privately Owned Lot and containing such other terms and conditions as shall be deemed advisable by the Association in its sole discretion, which written agreement shall be Recorded by the Association. The terms and conditions of any such written agreement between the Association and the Owner of a Privately Owned Lot shall run with Title to such Privately Owned Lot and shall also be binding upon each subsequent Owner of such Privately Owned Lot. If a change or alteration to an Association

Maintenance Area is approved in accordance with the foregoing and if such change or alteration results in either an expansion or contraction of that Association Maintenance Area, the Association's duty to manage and care for the Association Maintenance Area, as provided herein, and the corresponding obligation of the Owner of the Privately Owned Lot to maintain the remainder of his Privately Owned Lot, as hereinafter provided, shall either be increased or decreased, as is appropriate; provided, however, that no such change to an Association Maintenance Area shall alter the amount of the assessment payable by the owner thereof. Any such change or alteration to the Association Maintenance Areas shall only be made or done by the Association or its authorized agents, or contractors approved by the Association. 14

Section 7. Duty to Manage and Care for Exterior Surfaces.

"Exterior Surfaces" shall mean the exterior surfaces of Living Units on any Lot within the project including the exterior surfaces of walls, gutters, downspouts and fences but excluding any portions thereof which are glass, any walks and driveways, any screens on windows and doors, the roof surface of the dwelling unit, and the surface of any patio/deck or courtyard located on a Lot whether constructed of wood, concrete or other material. The Association shall maintain, repair and care for as defined in this Section 7 all "Exterior Surfaces". The Owner of a Lot shall, at such Owner's cost and expense, be responsible for maintenance, repair and care of all glass on the Living Unit, all exterior doors on such Living Unit, the roof surface of the Living Unit, all screens on doors and windows of such Living Unit, and the surface of all patios/decks, courtyards, walks and driveways located on the Residential Site, whether constructed of wood, concrete or other material. The Association shall see that all such Exterior Surfaces are adequately painted, finished and maintained so as to present, at all times, a pleasing and attractive appearance. The nature and type of any painting or refinishing, including the color thereof, shall be within the sole discretion of the Association. Such maintenance, repair and care of Exterior Surfaces shall be done at the expense of the Association except that, if the Association is required to incur costs and expenses of maintenance, repair or care due to the willful or negligent act or failure to act of an Owner or a related user of an Owner, the amounts incurred shall be payable by such Owner to the Association secured by a lien as provided above in this Declaration. Maintenance, repair and replacement of glass surfaces, doors, screens on doors and windows on the Living Unit, the roof surface of the dwelling unit and the surface of all patios/decks, courtyards, walks and driveways located on the Lot whether constructed of wood, concrete or other material, shall be the responsibility of the Owner of the Lot who shall bear the expense thereof.

Section 8 - Duty to Manage and Care for Common Water Lines.

Upon commencement of Common Assessments and following the installation of the Common Water Lines, the Association shall manage, care for, maintain, repair and replace all Common Water Lines within the project so that the use and enjoyment by the Owners of the Association Maintenance Areas shall not be unreasonably interfered with or unreasonably interrupted. The Association shall also maintain, repair and replace any landscaping, pavement, curbing, gutter or other Improvement which is damaged or destroyed by the management, care, maintenance, repair or replacement, or the lack thereof, of the Common Water Lines; provided, however, that the Association shall not be liable, and each Owner hereby waives any and all right to claim against or recover from the Association, for any damage or destruction to any Improvements resulting from or related to the failure of the Association to comply with its obligations under this Section.

Section 9 - Duty to Pay Taxes and Assessments.

The Association shall be obligated to pay all taxes and assessments levied on any property or facilities transferred to or acquired and owned by the Association except taxes and assessments applicable to

the period prior to transfer of such property or facilities by Declarant which shall be prorated as of the time of such transfer and paid by Declarant. The Association may contest the validity or applicability of any such taxes, assessments or impositions so long as such contest does not jeopardize the title of the Association to any such property or facilities.

Section 10 - Duty to Prepare Budgets. The Association shall prepare budgets as elsewhere provided in this Declaration.

Section 11 - Duty to Levy and Collect Assessments. The Association shall levy and collect Assessments as elsewhere provided in this Declaration.

Section 12 - Duty to Provide Audit. The Association may provide for an annual audit of the accounts of the Association. If required by a Government Mortgage Agency such audit may be an independent audit. Copies of the report of the audit will be made available to any Member who requests a copy of the same upon payment of such Member of the reasonable cost of copying the same.

Section 13 - Power to Adopt Rules and Regulations. The Association may adopt, amend, repeal and enforce rules and regulations as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration, the operation of the Association, and the use of any property within the project. Any such rules and regulations shall be reasonable and uniformly applied. Such rules and regulations shall be effective only upon adoption by resolution of the Board of Directors of the Association. Notice of the adoption, amendment or repeal of any rule or regulation shall be given in writing to each Member of the Association at the address for notices to Members as elsewhere provided in this Declaration or the Bylaws of the Association, and copies of the currently effective rules and regulations will be made available to each Member upon request and payment of the reasonable expense of copying the same. Each Member shall comply with such rules and regulations and shall see that Related Users comply with such rules and regulations. Such rules and regulations shall have the same force and effect as if they were set forth in and were part of this Declaration. In the event of conflict between the rules and regulations and the provisions of this Declaration, the provisions of this Declaration shall prevail.

Section 14 - Power to Enforce Declaration and Rules and Regulations. The Association shall have the power to enforce the provisions of this Association Declaration and of its rules and regulations and shall take such action as the Board of Directors of the Association deems necessary or desirable to cause such compliance by each Member of the Association and each Related User. Without limiting the generality of the foregoing, the Association shall have the power to enforce the provisions of this Declaration and of rules and regulations of the Association by any one or more of the following means: (a) by entry upon any property within the Association Area (unless a bona fide emergency exists), without liability to the Owner thereof, for the purpose of enforcement or causing compliance with this Declaration or rules and regulations of the Association; (b) by commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this Declaration or the rules and regulations of the Association, by mandatory injunction or otherwise; (c) by commencing and maintaining actions and suits to recover damages for breach of any of the provisions of this Declaration or the rules and regulations of the Association; (d) by suspension, after notice and hearing of the voting rights of a Member of the Association during and for up to sixty (60) days following any breach by such Member or a Related User of such member of this Declaration or such rules and regulations, unless the breach is a continuing breach, in which case such suspension shall continue for so long as such breach continues; (e) by levying and collecting, after notice and hearing a Reimbursement Assessment against any member of the

Association for breach of this Declaration or such rules and regulations by such Member or a Related User of such member; and (f) by levying and collecting, after notice and hearing as defined in this Declaration, reasonable and uniformly applied fines and penalties, established in advance in the rules and regulations of the Association, from any Member of the Association for breach of or failure to comply with this Declaration or such rules and regulations by such Member or a Related User of such member. 16

Section 15 - Power to Provide Special Services for Members.

The Association shall have the power to provide services to a Member or group of members. Any service or services to a Member or group of Members shall be provided pursuant to an agreement in writing, or through one or more special service contract(s), which shall provide for payment to the Association by such Member or group of Members of the reasonably estimated costs and expenses of the Association of providing such services, including a fair share of the overhead expenses of the Association, and shall contain reasonable provisions assuring that the obligation to pay for such services shall be binding upon any heirs, personal representatives, successors and assigns of the Member or group of Members and that the payment for such services shall be secured by a lien on the property of the Member or group of Members.

Section 16 - Power to Employ Managers.

The Association shall have the power to retain and pay for the services of a Manager or Managers to undertake any of the management or functions for which the Association has responsibility under this Declaration to the extent deemed advisable by the Association, and may delegate any of its duties, powers or functions to any such Manager. Any contract or agreement with any such Manager shall be terminable by the Association for cause on no more than thirty (30) days' prior written notice, and shall be terminable by the Association without cause and without payment of a termination fee on no more than ninety (90) days' prior written notice. Any such contract or agreement shall be for a term of no more than one (1) year but may be subject to renewal for succeeding terms of no more than one (1) year each. Notwithstanding any delegation to a Manager of any duties, powers or functions of the Association, the Association and its Board of Directors shall remain ultimately responsible for the performance and exercise of such duties, powers and functions. Any agreement or contract with a Manager may contain any other provisions which are required to be contained therein by any Government Mortgage Agency.

Section 17 - Power to Engage Employees, Agents and Consultants.

The Association shall have the power to hire and discharge employees and agents and to retain and pay for legal and accounting services as may be necessary or desirable in connection with the performance of any duties or the exercise of any powers of the Association under this Declaration.

Section 18 - General Corporate Powers.

The Association shall have all of the ordinary powers and rights of a Colorado corporation formed under the Colorado Nonprofit Corporation Act, including, without limitation, entering into partnership and other agreements, subject only to such limitations upon such powers as may be set forth in this Declaration or in the Articles of Incorporation or Bylaws of the Association. The Association shall also have the power to do any and all lawful things which may be authorized, required or permitted to be done under this Declaration or the Articles of Incorporation and Bylaws of the Association and to do and perform any and all acts which may be necessary or desirable for, or incidental to, the exercise of any of the express powers or rights of the Association under this Declaration and the Articles of Incorporation and Bylaws of the Association.

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ARTICLE V

COVENANT FOR ASSESSMENTS

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Section 1 - General. The Association shall have the power to levy Assessments against the Lots and the Owners thereof, and each Owner, and, if more than one (1) Person, all such Persons, jointly and severally, by acceptance of the deed to a Lot, whether or not it shall be expressed in any such deed, shall be deemed to covenant and agree expressly in any such deed to pay all such Assessments in the manner and for the purposes provided herein. Subject to the provisions hereof, the Board shall have the power and authority to determine all matters in connection with Assessments, including the power and authority to determine where, when, and how Assessments shall be paid to the Association, and each Owner shall comply with such determination.

Section 2 - Method of Assessment. All Assessments shall be levied by the Association against Lots and collected and disbursed by the Association. The Board of Directors shall fix the amount of the Assessments as provided hereinafter and set the date or dates such Assessments shall become due.

Section 3 - Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any First Mortgage, including any executory land sales contract wherein the Administrator of Veterans Affairs (Veterans Administration) is the seller, whether such contract is owned by the Veterans Administration or its assigns, and whether such contract is recorded or not. The lien of such assessments shall be superior to any homestead exemption or other exemption as is now or may hereafter be provided by Colorado or Federal law. The acceptance of a deed to land subject to this Declaration shall constitute a waiver of the homestead and any other exemption as against said assessment lien. Sale or transfer of any Lot shall not affect the liens for said charges except that sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, including a deed in lieu of foreclosure or cancellation or forfeiture of an executory land sales contract shall extinguish the lien of such charges as to payments which became due prior to such sale, transfer, cancellation or forfeiture of executory land sales contract. No sale, transfer, cancellation or forfeiture of executory land sales contract shall relieve such Lot from liability for any such charges thereafter becoming due or from the lien thereof; provided, however, that in the event of foreclosure of a First Mortgage or the taking of a deed in lieu thereof, such First Mortgagee shall not be liable for unpaid assessments or other charges which accrue prior to the acquisition of title to the Lot in question by such First Mortgagee.

Section 4 - General Assessments.

(a) Purpose. The General Assessment shall be used exclusively to promote the welfare of the Members and in particular to improve, maintain, and operate the Common Areas and facilities, including funding of an adequate reserve fund for maintenance, repair, replacement of those elements of the Common Areas that must be replaced on a periodic basis, and to pay annual insurance costs necessary to the Association, all tax liabilities assessed by any federal, state or local tax authority relating to the common areas, as well as any professional fees incurred by the Association.

(b) Basis for Assessment. For General Assessment purposes all Lots with Dwelling Units which are or have been occupied shall be assessed at one hundred percent (100%) of the General Assessment rate.

(c) Increase in Maximum Lot Assessment. Until January 1 of the year immediately following the conveyance of the first

Lot by Declarant, the maximum assessment shall be One Hundred Fifty Dollars (\$150.00) per Lot, per month.

(1) From and after January 1 of the year immediately following the conveyance of the first Lot by Declarant, the maximum assessment may be increased effective January 1 each year in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the preceding twelve month period.

(2) From and after January 1 of the year immediately following the conveyance of the first Lot by Declarant, the maximum assessment may be increased that established by the Consumer Price Index form a vote of the Members for the next succeeding one year and at the end of each such one (1) year period such succeeding period of one (1) year, provided that such increase shall have obtained the prior written consent of at least sixty seven percent (67%) of the classes of Members and 67% of the First Mortgage Lots within the Association. The Board of Directors of the Association may, after consideration of the current maintenance costs and the financial requirements of the Association, fix the actual monthly assessment at an amount less than the maximum.

(d) Procedure for Monthly Assessments Below Maximum Assessment. It is anticipated that the initial monthly assessment shall be estimated to be between Ninety and no/100 Dollars (\$90.00) and One Hundred and Twenty and no/100 Dollars (\$120.00) per month based upon budget projections of the Declarant. It should be understood that the general monthly assessment may be raised by the Association Board of Directors during the period of declarant control or during the operation of the Association after the period of declarant control without prior approval of assessable unit owners until it reaches the maximum level described in subparagraph c of this Section 4.

(e) Method of Assessment. By vote of a majority of the Board of Directors, the Board shall fix the General Assessment at an amount not in excess of the current maximum assessment, provided, however, that the General Assessment shall be sufficient to meet the obligations imposed by the Declaration. In the event the Board fails to fix an Assessment for any fiscal year, then each Assessment established for the prior year shall automatically be continued until such time as the Board acts.

(f) Date of Commencement of General Assessments. The first General Assessment provided for herein shall commence on the first day of the month following the conveyance of a Lot to a third party purchaser other than the Developer/Declarant.

Section 5 - Budget Process. To determine the amount required to be raised by General 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 costs and expenses which will be payable, and the estimated income and the funds which will be available in that fiscal year, and the estimated total amount of money required to be raised by the General Assessment to cover such costs and expenses and to provide a reasonable reserve. The Board of Directors shall furnish a copy of such Budget to any Owner upon request, and upon request to any Mortgagee. Based on such Budget, the Board of Directors shall determine the amount of the General Assessment for such fiscal period as is provided in this Article V. The total amount of money required to be raised by the General Assessment for such 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 the coming fiscal year, including the payment of debts from prior fiscal years, providing reasonable reserves, and providing a reasonable carry-over reserve for the following fiscal year.

Section 6 - Supplementary Assessments. In the event that the Board shall determine, at any time or from time to time, that the amount of the General Assessment 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 provided in Article V, Section 5, or prepare a new budget, a copy of which shall be furnished to any Owner, or on request, to any Mortgagee. Based on such revised or new Budget, the Board may make a Supplementary Assessment for such fiscal year against each Lot, the amount of which shall be determined by the Board as provided in Section 4 of this Article. 19

Section 7 - Special Assessments. Special Assessments may be made for the purposes of raising funds for capital improvements and for any other Association purpose for which General Assessments may not or have not been made. Whether to make a Special Assessment and the amount thereof per Lot shall be determined by the Board; provided that no Special Assessment shall be valid unless approved by a majority vote of the Members present and voting in person or by proxy at any Annual Meeting of the Members of the Association or at any Special Meeting thereof called for the purpose of considering such Special Assessment.

Section 8 - Reimbursement Assessments. The Board of Directors of the Association may, subject to the provisions hereof, levy an Assessment against any Member if (a) the willful or negligent failure of the Member or Related User of the Member to comply with this Declaration, the Articles of Incorporation, the Bylaws of the Association, rules and regulations adopted by the Association, or guidelines or rules adopted by the Association Architectural Review Committee have resulted in the expenditure of funds to cause such compliance, or (b) if a Member or a Related User of the Member shall fail to pay any fines or penalties established in the rules and regulations of the Association for breach of or failure to comply with this Declaration or such rules and regulations. Such Assessments shall be known as Reimbursement Assessments. The amount of the Reimbursement Assessments shall be due and payable to the Association seven (7) days after notice to the Member of the decision of the Board of Directors of the Association that the Assessment is owing.

Section 9 - Declarant/Developer Assessment. The Declarant/Developer or its assigns shall have no obligation to pay any general monthly assessment on each improved Lot which has been platted within the project which Declarant/ Developer owns, but has not conveyed to third party purchasers. Should the Declarant/Developer or its assigns build a dwelling on any lot the Declarant/ Developer or its assigns shall have no obligation to pay any general monthly assessment to the Association until such time as that dwelling and Lot are conveyed to a third party purchaser.

However, Declarant/Developer or its assigns agrees to advance to the Association in the form of an operating loan that amount of cash necessary to meet the monthly cost of operating the Association which is not raised by the collection of general assessments from all owners subject to assessment. The Declarant/Developer operating loan may be made to the Association upon request by the Board of Directors of the Association. The Declarant/Developer responsibility to provide operating loans will begin upon conveyance of the first lot to an owner other than the Declarant/Developer and will continue until the class B membership

terminates as defined in Article III, Section 2 of this Declaration.

The Association shall repay all operating loan advances by the Declarant/Developer within eighteen months of the date those funds were provided to the Association. The source of repayment of operating loans may include funds from an increase in the general assessment, a special assessment, additional general assessments from new lot owners or other funds but shall not include any funds from the working capital account of the Association created in Article V, Section 12 of this Declaration. 20

Section 10 - Time for Payments. The General Assessment for each Lot shall be payable, subject to Section 12 of this Article V, in twelve equal monthly installments due on the first day of each month. Special and Supplementary Assessments shall be payable as provided in the resolutions authorizing the same. All installments of General, Supplementary, and Special Assessments shall be due and payable without notice or demand, and all Assessments shall be paid without any setoff or diminution of any kind. Any Assessment or installment thereof or other amount payable pursuant to this Section or under the Articles of Incorporation or its Bylaws which is not paid when due shall bear interest from the date due until paid at the maximum rate permitted by law for interest on damages for personal injury or such lesser rate as the Board shall determine and/or may be subject to a late charge as may be set and uniformly applied by the Board. All payments on account shall be first applied to interest and late charges and then to the Assessment payment due.

Section 11 - Lien for Assessments and Other Amounts. The Association shall have a lien against each Lot to secure payment of any Assessment and other amounts due and owing to the Association with respect to that Lot plus interest and/or any late charges as provided in Section 10 of this Article V, plus all costs and expenses of collecting the unpaid amount, including reasonable attorney's fees. The lien may be foreclosed in any manner for foreclosure of mortgages in the State of Colorado. The obligations being part of the purchase price of each Lot, such lien shall be superior and paramount to any homestead or other exemption provided by law, and each Owner hereby specifically waives his homestead exemption, but only with respect to such lien for Association assessments.

Section 12 - Working Capital. The Association or Declarant may require the Owner of any Lot who purchases that Lot from Declarant to make a contribution to capital equal to two monthly general assessments currently being collected by the Association from its members with the Association, which sum shall be held, by the Association as and for working capital. Such deposit shall not relieve an Owner from making the regular payment of assessments as the same become due. Any amount collected, shall not be refunded to the owner upon the sale or transfer of a Lot. No owner shall be entitled to interest on any amount provided as working capital to the Association. The provisions of this Section 12 shall not apply to the Declarant or any successor in interest to the Declarant or require any working capital contribution other than those amounts required in Section 9 of this Article V.

Section 13 - Estoppel Certificate. Upon payment of a reasonable fee and upon written request of any Owner, or First Mortgagee, or any person with any right, title or interest in a Lot or intending to acquire any right, title, or interest in a Lot, the Association shall furnish a written statement stating forth the amount of any Assessments, if any, due or accrued and then unpaid with respect to such Lot and the amount of the Assessments for the current fiscal period of the Association payable with respect to the Lot, which statement shall, with respect to the party to whom it is issued, be conclusive against the Association, for all

purposes, that no greater or other amounts were then due or accrued and unpaid.

Section 14 - No Abatement. No diminution or abatement of Assessments shall be allowed or claimed for any reason including, without limitation, from the making of repairs or improvements to the Common Area or from any action taken to comply with any law, ordinance, or order of a governmental authority.

Section 15 - Rights of First Mortgagees. Any First Mortgagee of a Lot within the Project may jointly or severally pay any tax or other charge which is in default and which may have become a charge or a lien against any common area of the Association, and any First Mortgagee may jointly or severally pay any overdue premium on hazard insurance policies or secure new hazard insurance coverage on the lapse of any such policy, upon common area of the Association, and any First Mortgagee(s) making such payments shall be entitled to immediate reimbursement therefor from The Village at McCoy-Jensen Association. 21

Section 16 - Effect of Nonpayment of Assessments: Remedies of Association. Any assessment installment not paid within thirty (30) days after the due date shall be delinquent. Thereupon, the Association shall provide Notice of such delinquency and may (a) declare the entire balance of such General, Special or Supplementary Assessment due and payable in full; (b) charge interest from the due date at a percentage rate not greater than the statutory maximum, such rate to be set by the Board for each Assessment; (c) give notice, to the Owner that in the event payment with accrued interest is not paid within ten (10) days from the date of such notice, then the express contractual lien provided for herein shall be foreclosed; or (d) upon giving notice to the Owner, suspend the right of such Owner to vote or to use the common Area until the Assessment and accrued interest is paid in full. The Association shall have the same remedies described herein in the event that any Reimbursement Assessment is not paid within thirty (30) days after service upon the owner of the Assessment.

Section 17 - Exempt Property. The following property subject to this Declaration shall be exempted from the Assessments, a charge and lien created herein: (a) All properties to the extent of any easement or other interest therein dedicated and accepted by a public authority and devoted to public use; (b) all Common Areas; and (c) all properties exempted from taxation by the State or County Government on the terms and to the extent of such legal exemption.

ARTICLE VI

USE AND OTHER RESTRICTIONS

Section 1 - Nuisances. No nuisance shall be permitted to exist or operate upon any property so as to jeopardize property values or to be detrimental to the well being of any other Member of the Association.

Section 2 - Restriction on Further Subdivision. No Lot upon which a Living Unit has been constructed shall be further subdivided or separated into smaller lots by any Owner, and no portion less than all of any such Lot, nor any easement or other interest herein shall be conveyed or transferred by an Owner, provided that this shall not prohibit deeds of correction, deeds to resolve boundary line disputes, and similar corrective instruments.

Section 3 - Single-Family Residence. No Living Unit shall be used for any other purpose other than as a single-family residence, and no business or commercial activity shall be carried on or within the Project other than those home occupations defined as such in the City of Lakewood Zoning Code.

Section 4 - Common Area Restriction. All use and occupancy of the Common Area shall be subject to and governed by the Rules and Regulations adopted by the Association. No damage or waste shall be committed to the Common Area or Improvements located thereon.

Section 5 - No Imperiling of Insurance. Nothing shall be done or kept in or on any portion of the Project which might result in an increase in the premiums with respect to insurance obtained for all or any portion of the Project or which might cause cancellation of such insurance except with the prior written consent of the Association. 22

Section 6 - No Violation of Law. Nothing shall be done or kept in or on any portion of the Project which would be in violation of any Statute, Rule, Ordinance, Regulations, Permit, or validly imposed requirement of any governmental body.

Section 7 - Appearance. All parts of the Project shall be kept in a clean, safe, and attractive condition, and no rubbish or refuse, or garbage shall be allowed to accumulate.

Section 8 - Restrictions on Signs. No signs or advertising devices of any nature shall be erected or maintained on any part of the Project (including, without limitation, any Lot) without the prior written approval of the Architectural Review Board of the Association.

Section 9 - Conditions for Architectural Control. No improvements, alterations, repairs, change of paint colors, excavations, changes in grade or other work which in any way alters the exterior of any Lot, Living Unit, Common Area or the improvements located thereon from its natural or improved state existing on the date such property was first subject to this Declaration shall be made or done without compliance with the procedures set forth in Article IX of this Declaration regarding Architectural control.

Section 10 - Rules and Regulations. Every Owner or guests or members of the family, or related user, and employees shall strictly adhere to the Rules and Regulations adopted from time to time by the Association. The Board may adopt general rules, including but not limited to, rules to regulate potential problems relating to the use of the property and the well-being of the members, such as keeping of animals, storage items, and the use of all vehicles, storage and use of machinery, use of outdoor drying lines, antennas, signs, trash, trash containers, maintenance, and removal of vegetation on the properties.

Section 11 - Mineral Exploration. No portion of the Project including, without limitation, any area within a Lot shall be used to explore for or to remove any water, soil, hydrocarbons, or other minerals of any kind.

Section 12 - Restrictions on Parking and Storage. Except as expressly heretofore provided, no Lot, including the private drives, or parking areas, unless specifically designated by the Association therefor, shall be used as a parking, storage, display, or accommodation area for any type of house trailer, camping trailer, boat trailer, hauling trailer, running gear, boat, or accessories thereto, motor-driven cycle, truck, self-contained motorized vehicle, or any type of van except as a temporary expedience for loading, delivery, or emergency. The same shall be stored, parked, or maintained wholly within the garage area of a Living Unit, or in an area designated by the Association for such parking, storage, display or accommodation, the making of such designation to be in the sole discretion of the Association. This restriction, however, shall not restrict trucks or other commercial vehicles within the Properties which are necessary for the construction of residential dwellings or the maintenance of the Common Area or Lots.

Section 13 - Animals Within Project. No animals shall be kept or harbored within the Project except that any Owner may keep a reasonable number of household pets, subject to the Rules and Regulations of the Association. Any such household pet shall be kept in the interior of any Living Unit. Such pet must be kept at all times on a leash if the pet is taken from the interior of any Living Unit. It shall be the obligation of each Owner owning a pet to control it in accordance with the Rules and Regulations of the Association. It shall be the responsibility of each owner to maintain any Lot or Common Area used in any manner by any pet to avoid any noise or odor or nuisance to any other owner within the Association.

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Section 14 - Control of Antennas and Receiving Equipment. Exterior television receiving or transmitting devices of any type including receiving or transmission equipment for microwave transmissions and any radio receiving or transmitting devices of any type are expressly prohibited unless approved in writing by the Architectural Review Board of the Association or the Board of Directors of the Association.

Section 15 - Underground Electric Lines. All electric, television, radio, telephone line installations and connections from any property line of a Lot to a residence or other structures shall be placed underground, except that during the construction of a residence the contractor or builder may install a temporary overhead utility line which shall be promptly removed upon completion of construction.

Section 16 - No Hazardous Activities. No activities shall be conducted on the project and on improvements constructed on the project which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any of the project and no open fires shall be lighted or permitted on the project except in a contained barbecue unit while attended and in use for cooking purposes or within a safe and well-designed interior fireplace.

Section 17 - No Annoying Light, Sound, or Odors. No light shall be emitted from any Lot which is unreasonably bright or causes unreasonable glare; no sound shall be emitted on any Lot which is unreasonably loud or annoying; and no odor shall be emitted on any Lot which is noxious or offensive to others.

Section 18 - Dog Runs, Clotheslines, and Storage Areas. Any clothesline, dog run, drying yards, storage area or wood pile shall be screened and located within the confines of enclosures such as a privacy fence or wall located within a lot line so as to conceal them from the view of neighboring units or any public street and shall be subject to the provisions of this Declaration regarding Architectural Control.

Section 19 - Garbage and Refuse Disposal. No garbage, refuse, rubbish, or cuttings shall be deposited on any street, and not on any Lots unless placed in a container suitably located, solely for the purpose of garbage pickup. All equipment for the storage or disposal of such materials shall be kept in clean and sanitary condition.

Section 20 - Repair. No activity such as, but not limited to, maintenance, repair, rebuilding, dismantling, repainting, or servicing of any kind of vehicles, trailers, or boats, may be performed on any Lot unless it is done within completely enclosed structures located in the Dwelling Unit which screen the sight and sound of the activity from the street and from adjoining property nor shall any such activity be performed on the Common Area. The foregoing restriction shall not be deemed to prevent washing and polishing of any motor vehicle, boat, trailer, or motor-driven cycle together with those activities normally incident and necessary to such washing and polishing.

Section 21 - Storage. No tanks for the storage of gas, fuel, oil, or other materials shall be erected, placed, or permitted above or below the surface of the Lot.

Section 22 - Trash Burning. Trash, leaves, and other similar materials shall not be burned within the Project.

Section 23 - Owner's Obligation Upon Resale of Lot. The deed or instrument transferring title to any Lot shall contain a provision incorporating by reference the covenants and restrictions set forth in this Declaration, as well as any applicable Supplementary Declarations.

Section 24 - Leases. Any lease agreements between an Owner and a tenant shall provide that the tenant shall comply in all respects to the provisions of this Declaration, the Articles of Incorporation, By-Laws and rules and regulations of the Association, and that any failure by the tenant to comply with the terms and provisions of such documents shall be a default under the lease. All tenants shall meet the requirements of Section 25 of this Article. The Board may require information forms to be completed and security deposits to be made by tenants. Further, all leases shall be in writing, and a copy thereof shall be provided upon request to the Board of Directors, which may require the use of its approved lease form or the insertion of particular provisions. After notice and an opportunity for hearing, the Board may require an Owner to evict any tenant who has violated any provision of this Declaration, the Articles of Incorporation or the By-Laws. No short-term leases (i.e., for terms less than month-to-month) shall be permitted and no time-sharing or such other forms of interval ownership shall be permitted.

Section 25 - Residential Age Requirements. Declarant is developing the Village at McCoy-Jensen as an adult-oriented community for the benefit of all Owners to enhance the quality, value, desirability and attractiveness of owning and occupying all Dwelling Units within The Village at McCoy-Jensen. To further such purposes, and notwithstanding any other provision of this Declaration to the contrary, no Person shall be a "Resident," as hereinafter defined, of any Dwelling Unit within the Village at McCoy-Jensen unless (a) such Person is at least eighteen (18) years old, and (b) in those cases where such Person is younger than fifty-five (55) years old (but in no case may such person be younger than eighteen (18) years old), there is at least one other "Qualified Person," as hereinafter defined, residing in such Dwelling Unit. For purposes of this Section 25, a "Qualified Person" shall mean (i) any Person who is at least fifty-five (55) years old, or (ii) who is a widow or widower whose spouse resided in such Dwelling Unit and was at least fifty-five (55) years old at the time of his or her death, or (iii) any person who is at least thirty (30) years of age if such person or such person's spouse purchased the Dwelling Unit from Declarant and, at the time of such purchase from Declarant, at least 80% of all Dwelling Units in the Village at McCoy-Jensen that were occupied by new occupants after September 13, 1988, were occupied by at least one person 55 years of age or older per unit. The purpose of this provision is to permit Declarant to sell Dwelling Units to persons under 55 if at least one Resident will be at least 30 years old so long as no resident will be under 18 years old and yet to comply with the definition of "housing for older persons" in Section 807(b)(2) of the Fair Housing Act as amended by the Fair Housing Act Amendments Act of 1988. The provision for occupation of the unit by one person at least 55 years of age or older and requiring that 80% of the units meet this provision shall be applicable only to the first sale of each Dwelling Unit by Declarant, shall not apply to second, subsequent or resales of Dwelling Units by Declarant, nor to sales by Owners other than Declarant. Notwithstanding the foregoing, the provisions of this paragraph which would permit the Declarant to sell to persons under age 55, and only such provisions, shall be void and unenforceable if the Secretary of the U.S. Department of

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THIS SECTION IS REPEALED
SEE FIRST AMENDMENT
1988 NOV. 12, 1988

Housing and Urban Development or other authorized governmental official, agency, or court with jurisdiction, determines that such provisions violate the Fair Housing Amendments Act of 1988, as amended, or other applicable law.

"It is the intention of the Declarant that the foregoing provisions of this Section shall evidence that the Dwelling Units are 'intended and operated for occupancy by at least one person 55 years of age or older per unit,' as provided in the 'Fair Housing Amendments Act of 1988', Public Law 100-430 (102 Stat. 1619), as amended."

For purposes of this Section 25, "Resident" shall mean any Person who lives in or occupies all or any portion of a Living Unit within the Village at McCoy-Jensen with an intent to remain for a continuous period in excess of two (2) weeks.

Section 26 - Covenants Run with Land. It is expressly understood and agreed that all covenants, conditions, and restrictions contained herein are intended to and shall run with the land, and Declarant hereby agrees, for itself and its successors and assigns, that such covenants, individually and collectively, touch and concern the land and shall be binding, fully and in all respects, upon Declarant's successors in title to the land, regardless of how succession of title may be accomplished.

THIS SECTION REVISED 5

ARTICLE VII

INSURANCE

Section 1 - Insurance. All insurance, other than title insurance, carried in connection with the Common Area, Lots, Dwelling Units, Improvements, and Project shall be governed by the provisions of this Article VII.

Section 2 - Insurance Requirements Generally. The Association shall obtain and maintain in full force and effect at all times certain casualty, liability, and other insurance as hereinafter provided. All such insurance shall be obtained, to the extent possible, from responsible companies duly authorized and licensed to do insurance business in the State of Colorado.

To the extent possible, the casualty, property, and liability insurance shall: (i) provide for a waiver of subrogation by the insurer as to claims against the Association, its directors, officers, employees, agents, and members; (ii) provide that the insurance cannot be canceled, invalidated, or suspended on account of the conduct of the Association, its officers, directors, employees, and agents; (iii) provide that the policy of insurance shall not be terminated, canceled, or substantially modified without at least thirty (30) days' prior written notice to the Association; and (iv) provide for a standard Mortgagee's Clause in favor of all First Mortgagees who have an interest within The Village at McCoy-Jensen.

Any insurance policy may contain such deductible provisions as the Association deems consistent with good business practice and which shall be consistent with the requirements of any First Mortgagees. Any loss falling within the deductible portion of a policy shall be borne by the Association. The cost and expense of all insurance obtained by the Association shall be paid out of Association funds collected by Assessments and otherwise as elsewhere provided in this Declaration.

Section 3 - Insurance for Common Area and Fidelity Insurance. The Association shall maintain insurance covering all insurable improvements located or constructed upon the Common Area. The Association shall maintain the following types of insurance, to the

extent that such insurance is reasonably available from a carrier with a Best's Insurance Rating of Class X-B or better:

(a) A policy of property insurance covering all insurable improvements located on the Common Area, with coverage sufficient to obtain a replacement cost endorsement providing that any claim will be settled on a full replacement cost basis without deduction for depreciation, and including an "Inflation Guard Endorsement" and an "Agreed Amount Endorsement." The Association may also purchase a "Demolition Endorsement," an "Increased Cost of Construction Endorsement," a "Contingent Liability from Operation of Building Laws Endorsement" or the equivalent, and/or coverage on personal property owned by the Association. Such insurance as maintained by the Association pursuant to this subsection shall afford protection against at least the following:

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(1) loss or damage by fire and other hazards covered by the standard all risk form; and

(2) such other risks as shall customarily be covered with respect to projects similar in construction, location and use.

(b) A comprehensive policy of public liability insurance covering all of the Common Area, insuring the Association in an amount not less than \$1,000,000 covering bodily injury, personal injury and property damage liability arising out of a single occurrence, such coverage to include protection against liability for non-owned and hired automobile and, if applicable, garagekeeper's liability, water damage liability, contractual liability, workmen's compensation insurance for employees of the Association, and such other risks as shall customarily be covered with respect to projects similar in construction, location, and use.

(c) A policy providing adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the part of officers, directors, trustees and employees of the Association and all others who handle or are responsible for handling funds of the Association. Such fidelity coverage or bonds shall meet the following requirements:

(1) all such fidelity coverage or bonds shall name the Association as an obligee;

(2) such fidelity coverage or bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

All policies of insurance in this section 2 shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Member of the Association and shall provide that the policies may not be canceled or substantially modified without at least thirty (30) days' prior written notice to the insured, as well as to the First Mortgagees of Dwellings who have requested notice of cancellation or modification from the Association. Duplicate originals of all policies and renewals thereof, together with proof of payment of premiums, shall be delivered to any First Mortgagee of any Dwelling upon written request. The insurance shall be carried in blanket form naming the Association, as the insured, as trustee and attorney in fact for all Owners, and their respective First Mortgagees and each Owner shall be an insured person under such policies with respect to liability arising out of any such Owner's membership in the Association, and the amount of coverage to be provided shall be one and one half times the Association's estimated annual operating expenses and reserves.

Section 4 - Insurance on Dwellings. Each owner shall be responsible for obtaining general liability and property insurance for any dwelling owned without participation of the Association. Insurance coverage on the furnishings and other items of personal property belonging to an owner shall be the owner's responsibility as well. Any insurance policy obtained by an Owner shall, to the extent possible at reasonable cost, contain a waiver of the right of subrogation by the insurer as to any claims against The Village at McCoy-Jensen Association, its officers, directors, agents, and employees.

Section 5 - Association Insurance as Primary Coverage. If at the time of any loss under any policy which is in the name of the Association, there is other insurance in the name of any Owner and such Owner's policy covers the same property or loss, or any portion thereof, which is covered by such Association policy, such Association policy shall be primary insurance not contributing with any other insurance.

Section 6 - Workmen's Compensation and Employer's Liability Insurance. The Association may obtain and maintain workman's compensation and employer's liability insurance as may be necessary to comply with applicable laws.

Section 7 - Notice of Loss to First Mortgagees. Provided that a First Mortgagee has, in writing, requested the following information and has furnished the Association with the address to which said First Mortgagee wants the information sent, then in the event there shall be any damage to or destruction of the Common Area which shall be in excess of Ten Thousand Dollars (\$10,000.00), timely written notice of any such damage or destruction shall be given by the Association to such First Mortgagee.

Section 8 - Annual Review of Insurance Policies. All insurance policies carried by the Association shall be reviewed at least annually by the Board of Directors of the Association to ascertain that the coverage provided by such policies adequately covers those risks insured by the Association.

Section 9 - Distribution of Insurance Proceeds by the Association. In the event that the Association is required to distribute any insurance proceeds directly to an Owner for losses to property, any such distribution shall be made jointly payable to the Owner and any First Mortgagee of record, as defined in Section 16, Article 1 of this Declaration.

Section 10 - Other Insurance. The Association may obtain insurance coverage against such additional risks as it shall determine to be appropriate.

ARTICLE VIII

VARIOUS RIGHTS AND EASEMENTS

Section 1 - Association Easements. Declarant hereby expressly creates and reserves for the benefit of the Village at McCoy-Jensen Association, its designees, successors and assigns, the following easements:

(a) Easements Over Lots for Maintenance of Exterior Surfaces of Dwelling Units. Easements over and across each Lot and the Dwelling Unit thereon as may be necessary for the maintenance, repair and upkeep of the Exterior Surface, as defined herein, of such Dwelling Unit, and for access, ingress and egress necessary for such maintenance, repair and upkeep.

(b) Easements for Entry Gates and Gazebos. Easements over and across those Lots, Common Areas and Public Streets located at the one or more points of vehicular entry to the

Village at McCoy-Jensen as may be reasonable and necessary for the installation, construction, operation, maintenance, repair and replacement of the Village Entry Gates and Gazebos and for special landscaping in connection therewith, and for access, ingress and egress necessary for such installation, construction, operation, maintenance, repair and replacement.

(c) Easements Over Lots for Maintenance of Common Area. Easements over and across Lots as may be necessary or appropriate for the Village at McCoy-Jensen Association to perform duties and functions which it is obligated or permitted to perform under this Declaration, including the use, enjoyment, maintenance, repair, and replacement of any portion of Common Area, or Improvements thereon, and for access, ingress, and egress necessary for such use, enjoyment, maintenance, repair and replacement. 28

(d) Easements for Association Fences. Easements over and across those Lots, Common Area and Public Streets upon which Declarant installs or constructs the Association Fences, as may be reasonable and necessary for the installation, construction, operation, maintenance, repair and replacement of the Association Fences, and for access, ingress and egress necessary for such installation, construction, operation, maintenance, repair and replacement.

(e) Easements Over Lots for Maintenance of Association Maintenance Areas. Easements over and across the Lots, including the Association Maintenance Areas, as may be necessary or appropriate for the Association to maintain, repair, and replace any portion of the Association Maintenance Areas, and for access, ingress and egress necessary for such maintenance, repair and replacement.

(f) Easements Over Lots for Snow Removal. Easements over and across the Lots as may be necessary or appropriate for the Association to remove snow from walks and driveways located on Residential Sites, and for access, ingress and egress necessary for such snow removal.

Section 2 - Owner Easements. Declarant hereby expressly creates and reserves for the benefit of each Lot, and for the benefit of the Owner of such Lot, the following easements:

(a) Easements for Encroachments. A valid, currently existing easement for any encroachment, and for the maintenance of the same, which results from any portion of any Dwelling Unit on a Lot encroaching upon an adjoining Lot or adjoining Common Area, whether as a result of errors in construction of any Improvements by Declarant, or reconstruction, repair, shifting, settlement, or movement of such Improvements, which easement shall exist for so long as such Dwelling Unit exists.

(b) Easements Over Common Area for Use and Maintenance of Dwelling Units. Easements over Common Area as may be necessary or appropriate for the use, enjoyment, maintenance, repair and replacement of the Dwelling Unit constructed on such Lot, and for access, ingress and egress necessary for such use, enjoyment, maintenance, repair and replacement.

(c) Easements Over Common Area for Utilities. An easement over, across, under and through Common Area, in the location where such utilities and related facilities are originally installed by Declarant or in such other location as may be designated from time to time by the Association, for the purpose of installation, operation, maintenance, repair and replacement of underground utilities and related surface facilities necessary for the use, enjoyment and operation of the Dwelling Unit constructed on such Lot, including, but not

limited to, water lines, sewer lines, gas lines, telephone lines, television cable lines, and all equipment and facilities incidental thereto, and for access, ingress and egress necessary for such installation, operation, maintenance, repair and replacement.

(d) Owners' Rights in Association Maintenance Areas. Subject to the provisions of this Declaration, each Owner of a Lot in the Association shall have an exclusive right to use and enjoy such Lot including any Association Maintenance Areas located thereon. 29

(e) Limitation on Owners' Rights in Common Area. Except as is otherwise specifically provided in this Declaration and except as may be authorized by the Association acting through its Board of Directors, Owners and Related Users of Owners shall have no right to use or occupy Common Area.

Section 3 - Easements Deemed Appurtenant. The easements and rights hereinabove created shall be binding upon and inure to the benefit of the Village at McCoy-Jensen Association or each Lot in the project and the Owner of each such Lot, as the case may be, and all conveyances of and other instruments affecting title to any such Lot or Common Area shall be deemed to grant and reserve the easements and rights as are provided for herein, even though no specific reference to such easements appears in any such conveyance.

Section 4 - Emergency Access Easement. An easement and right-of-way for ingress, egress and access for service and emergency vehicles is hereby granted to all police, fire protection, ambulance and all other similar emergency agencies or persons over, across, on and through any and all private roads and ways now or hereafter established in the Project.

Section 5 - Title to Common Area. Title to the Common Area shall be conveyed to the Association by the Developer, free and clear of financial encumbrances, prior to conveyance of the first Lot to an Owner who is not the Developer.

ARTICLE IX

ARCHITECTURAL REVIEW

Section 1 - Activation of the Village Architectural Review Committee. The initial Village Architectural Review Committee and the provisions of this Article shall not be activated or effective until the earlier of (a) the date the Board of Directors of the Village at McCoy-Jensen Association elects to activate the Village Architectural Review Committee; or (b) the date 51% of the Members vote to direct the Board of Directors to activate the Village Architectural Review Committee. Thereafter the Board of Directors shall send notice to all Members advising the Members of the activation of the Village Architectural Review Committee and the effectiveness of the provisions of this Article ("Notice of Activation") and shall Record the Notice of Activation. On the date of Recordation of the Notice of Activation all of the provisions of this Article shall become effective and the Village Architectural Review Committee shall have the powers and duties set forth in this Declaration.

Section 2 - Deactivation and Reactivation of the Village Architectural Review Committee. The Board of Directors of the Village at McCoy-Jensen Association may elect, from time to time, to deactivate a previously activated Village Architectural Review Committee. Thereafter, the Board of Directors shall send notice to all Members advising the Members of the deactivation of the Village Architectural Review Committee ("Notice of Deactivation") and shall Record the Notice of Deactivation. Thirty (30) days after the date

of the Notice of Deactivation the provisions of this Article shall be suspended and the Village Architectural Review Committee shall no longer have the powers and duties set forth in this Article or as may be provided elsewhere in this Declaration. The Village Architectural Review Committee may be reactivated and deactivated, from time to time, in accordance with the provisions set forth in Section 1 above and this Section.

Section 3 - Membership of Committee. Members of the Village Architectural Review Committee may, but shall not necessarily be, Members of the Village at McCoy-Jensen Association. Members of the Village Architectural Review Committee shall be appointed within ninety (90) days after the date of the Notice of Activation. Members of the Village Architectural Review Committee may be removed at any time by the Board of Directors of the Village at McCoy-Jensen Association and shall serve for such term as may be designated by the Board of Directors of the Village at McCoy-Jensen Association or until resignation or removal by the Board of the Village at McCoy-Jensen Association. The number of members of the committee shall be designated in the Bylaws of the Association.

Section 4 - Improvement to Property Defined. "Improvement to Property," requiring approval of the Village Architectural Review Committee, shall mean and include, without limitation: (a) the construction, installation, erection or expansion of any building, structure or other Improvements, including utility facilities; (b) the demolition or destruction, by voluntary action, of any building, structure or other Improvements; (c) the grading, excavation, filling or similar disturbance to the surface of the land including, without limitation, change of grade, change of ground level, change of drainage pattern or change of stream bed; (d) landscaping, planting, clearing or removing of trees, shrubs, grass or plants; and (e) any change or alteration of any previously approved Improvement to Property including any change of exterior appearance, color or texture.

Section 5 - Approval of Improvements Required. After the activation of the Village Architectural Review Committee, the approval of the Village Architectural Review Committee shall be required for any Improvement to Property on any Privately Owned Site within the Village at McCoy-Jensen Association Area, except for any Improvement to Property made by Declarant and except as prior approval may be waived or certain Improvements to Property may be exempted in writing or under written guidelines or rules promulgated by the Village Architectural Review Committee because approval in such case or cases is not reasonably required to carry out the purposes of this Declaration.

Section 6 - Committee Guidelines or Rules. The Village Architectural Review Committee may issue guidelines or rules relating to the procedures, materials to be submitted and additional factors which will be taken into consideration in connection with the approval of any proposed Improvement to Property. Such guidelines or rules may specify circumstances under which the strict application of limitations or restrictions under this Declaration will be waived or deemed waived in whole or in part because strict application of such limitations or restrictions would be unreasonable or unduly harsh under the circumstances. Such guidelines or rules may waive the requirement for approval of certain Improvements to property or exempt certain Improvements to Property from the requirement for approval, if such approval is not reasonably required to carry out the purposes of this Declaration. Such guidelines or rules may elaborate or expand upon the provisions herein relating to procedures and criteria for approval. Such guidelines or rules may specify rules and restrictions pertaining to the construction of Improvements to property, including, for example, the storage of construction materials and hours of construction operations. Such guidelines or rules shall have the same force and effect as if they were set forth in and were a part of this Declaration.

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Section 7 - Submission of Plans. Prior to commencement of work to accomplish any proposed Improvement to property, the Owner or its duly authorized representative proposing to make such Improvement to property ("Applicant") shall submit to the Village Architectural Review Committee at its offices such descriptions, surveys, plot plans, drainage plans, elevation drawings, construction plans, specifications and samples of materials and colors as the Village Architectural Review Committee shall reasonably request showing the nature, kind, shape, height, width, color, materials, and location of the proposed Improvement to Property ("Plans"). The Village Architectural Review Committee may require submission of additional Plans or other information prior to approving or disapproving the proposed Improvement to Property. Until receipt by the Village Architectural Review Committee of all required materials in connection with the proposed Improvement to Property, the Village Architectural Review Committee may postpone review of any materials submitted for approval.

Section 8 - Criteria for Approval. The Village Architectural Review Committee shall approve any proposed Improvement to Property only if it deems in its reasonable discretion that the Improvement to Property in the location indicated will not be detrimental to the appearance of the Village at McCoy-Jensen Association Area in the vicinity of the proposed Improvement to Property; that the appearance of the proposed Improvement to Property will be in harmony with the surrounding areas of the Village at McCoy-Jensen Association Area; that the Improvement to Property will not detract from the beauty, wholesomeness and attractiveness of the Village at McCoy-Jensen Association Area or the enjoyment thereof by Owners; and that the upkeep and maintenance of the proposed Improvement to Property will not become a burden on the Village at McCoy-Jensen Association. The Village Architectural Review Committee may condition its approval of any proposed Improvement to Property upon the making of such changes therein as the Village Architectural Review Committee may deem appropriate.

Section 9 - Architectural Review Fee. The Village Architectural Review Committee may, in its guidelines or rules, provide for the payment of a fee to accompany each request for approval of any proposed Improvement to Property. The Village Architectural Review Committee may provide that the amount of such fee shall be uniform for similar types of any proposed Improvement to Property or that the fee shall be determined in any other reasonable manner, such as based upon the estimated cost of the proposed Improvement to Property.

Section 10 - Decision of Committee. The decision of the Village Architectural Review Committee shall be made within thirty (30) days after receipt by the Village Architectural Review Committee of all materials required by the Village Architectural Review Committee unless such time period is extended by mutual agreement. The decision shall be in writing and, if the decision is not to approve a proposed Improvement to Property, the reasons therefor shall be stated. The decision of the Village Architectural Review Committee shall be promptly transmitted to the Applicant at the address furnished by the Applicant to the Village Architectural Review Committee.

Section 11 - Appeal to Association Board. If the Village Architectural Review Committee denies, imposes conditions on, or refuses approval of a proposed Improvement to Property, the Applicant may appeal to the Board of Directors of the Village at McCoy-Jensen Association by giving written notice of such appeal to the Village Architectural Review Committee within twenty (20) days after such denial or refusal. The Board of Directors or a Tribunal appointed pursuant to the Bylaws of the Village at McCoy-Jensen Association shall hear the appeal in accordance with the provisions of the Bylaws of the Village at McCoy-Jensen Association for Notice and Hearing, and the Board of Directors for the Village at McCoy-Jensen Association shall decide whether or not the proposed

Improvement to Property or the conditions imposed by the Village Architectural Review Committee shall be approved, disapproved or modified.

Section 12 - Failure of Committee to Act on Plans. Any request for approval of a proposed Improvement to Property shall be deemed approved, unless disapproval or a request for additional information or materials is transmitted to the Applicant by the Village Architectural Review Committee within thirty (30) days after the date of receipt by the Village Architectural Review Committee of all required materials including, in the case of Initial Improvements, final working drawings.

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Section 13 - Obtaining Governmental Approvals. Applicant shall obtain, prior to commencement of construction of any Improvements to Property, all permits, licenses, certificates, consents and any other approvals necessary or required pursuant to any law, ordinance, resolution, order, rule or regulation of any governmental authority having jurisdiction ("Governmental Approvals") in order for Applicant to construct, operate and maintain the Improvements to Property. The Governmental Approvals shall be deemed to include, but not be limited to, building approvals by the City of Lakewood, Colorado.

Section 14 - Prosecution of Work After Approval. After approval of any proposed Improvement to Property, the proposed Improvement to Property shall be accomplished as promptly and diligently as possible in complete conformity with the description of the proposed Improvement of Property, any materials submitted to the Village Architectural Review Committee in connection with the proposed Improvement to Property, any conditions imposed by the Village Architectural Review Committee and in compliance with the conditions and restrictions of this Declaration.

Section 15 - Notice of Completion. Upon completion of any Improvement of Property, the Applicant may give written Notice of Completion to the Village Architectural Review Committee. Until the date of receipt of such a Notice of Completion, the Village Architectural Review Committee shall not be deemed to have notice of completion of such Initial Improvements or Improvement to Property.

Section 16 - Inspection of Work. The Village Architectural Review Committee or its duly authorized representative shall have the right to inspect any Improvement to Property prior to or after completion, provided that the right of inspection shall terminate thirty (30) days after the Village Architectural Review Committee shall have received a Notice of Completion from the Applicant.

Section 17 - Notice of Noncompliance. If, as a result of inspections or otherwise, the Village Architectural Review Committee finds that any Improvement to property has been done without obtaining the approval of the Village Architectural Review Committee, or was not done in substantial compliance with the approved Plans or other materials furnished to, and any conditions imposed by, the Village Architectural Review Committee, or has not been accomplished as promptly and diligently as possible, then the Village Architectural Review Committee shall notify the Applicant in writing of the noncompliance; which notice shall be given, in any event, within thirty (30) days after the Village Architectural Review Committee receives a Notice of Completion from the Applicant. The notice shall specify the particulars of the noncompliance and shall require the Applicant to take such action as may be necessary to remedy the noncompliance.

Section 18 - Failure of Committee to Act After Completion. If, for any reason other than the Applicant's act or neglect, the Village Architectural Review Committee fails to notify the Applicant of any noncompliance within thirty (30) days after receipt by the Village Architectural Review Committee of written

Notice of Completion from the Applicant, the Improvement to Property shall be deemed in compliance if the Improvement to Property was, in fact, completed as of the date of the Notice of Completion.

Section 19 - Appeal to Association Board of Finding of Noncompliance. If the Village Architectural Review Committee gives any notice of noncompliance, the Applicant may appeal to the Board of Directors of the Village at McCoy-Jensen Association by giving written notice of such appeal to the Board of Directors of the Village at McCoy-Jensen Association and the Village Architectural Review Committee within thirty (30) days after receipt of the notice of noncompliance by the Applicant. If, after a notice of noncompliance, the Applicant fails to commence diligently to remedy such noncompliance, the Village Architectural Review Committee shall request a finding of noncompliance by the Board of Directors of the Village at McCoy-Jensen Association by giving written notice of such request to the Village at McCoy-Jensen Association and the Applicant within thirty (30) days after delivery to the Applicant of a notice of noncompliance from the Village Architectural Review Committee. In either event, the Board of Directors of the Village at McCoy-Jensen Association or a Tribunal appointed pursuant to the Bylaws of the Village at McCoy-Jensen Association shall hear the matter in accordance with the provisions of the Bylaws for Notice and Hearing, and the Board of Directors of the Village at McCoy-Jensen Association shall decide whether or not there has been such noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same.

Section 20 - Correction of Noncompliance. If the Board of Directors of the Village at McCoy-Jensen Association determines that a noncompliance exists, the Applicant shall remedy or remove the same within a period of not more than forty-five (45) days from the date of receipt by the Applicant of the ruling of the Board of Directors of the Village at McCoy-Jensen Association. If the Applicant does not comply with the Board of Directors of the Village at McCoy-Jensen Association ruling within such period the Board of Directors, may, at its option, record a Notice of Noncompliance against the real property on which the noncompliance exists, may remove the noncomplying Initial Improvements or other Improvement to Property or may otherwise remedy the noncompliance, and the Applicant shall reimburse the Village at McCoy-Jensen Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the Applicant, the Board of Directors of the Village at McCoy-Jensen Association may levy a Reimbursement Assessment against the Owner of the Privately Owned Site for such costs and expenses. The right of the Village at McCoy-Jensen Association to remedy or remove any noncompliance shall be in addition to all other rights and remedies which the Village at McCoy-Jensen Association may have at law, in equity, or under this Declaration.

Section 21 - No Implied Waiver or Estoppel. No action or failure to act by the Village Architectural Review Committee or the Village at McCoy-Jensen Association shall constitute a waiver or estoppel with respect to future action by the Village Architectural Review Committee with respect to any Improvement to Property. Specifically, the approval by the Village Architectural Review Committee of any Improvement to Property shall not be deemed a waiver of any right or an estoppel to withhold approval or consent for any similar Improvement to property or any similar proposals, plans, specifications or other materials submitted with respect to any other Improvement to Property.

Section 22 - Committee Power to Grant Variances. The Village Architectural Review Committee may authorize variances from compliance with any of the provisions of this Declaration for property in the Village at McCoy-Jensen Association when circumstances such as, but not limited to, topography, natural obstructions, hardship, aesthetic or environmental considerations

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may require. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Board of Directors or a majority of the members of the Village Architectural Review Committee. If any such variance is granted, no violation of the provisions of this Declaration for property in the Village at McCoy-Jensen Association shall be deemed to have occurred with respect to the matter for which the variance was granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for property in the Village at McCoy-Jensen Association for any purpose except as to the particular property and particular provisions covered by the variance, nor shall the granting of a variance affect in any way the Owner's obligation to comply with Restrictions in any deed or lease from Declarant or to comply with all governmental laws and regulations affecting the property concerned, including, but not limited to, development guides and zoning ordinances and setback lines or requirements imposed by any governmental authority having jurisdiction.

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Section 23 - Compensation of Members. Members of the Village Architectural Review Committee may receive reimbursement of out-of-pocket expenses incurred by them in the performance of their duties hereunder as compensation for the performance of such duties if approved by the Board of Directors of the Village at McCoy-Jensen Association.

Section 24 - Meetings of Committee. The Village Architectural Review Committee shall meet from time to time as necessary to perform its duties hereunder. The Village Architectural Review Committee may, from time to time, by resolution in writing adopted by a majority of the members, designate a Committee Representative (who may, but need not, be one of its members) to take any action or perform any duties for or on behalf of the Village Architectural Review Committee, except the granting of approval to any Improvement to Property and granting of variances. The action of such Committee Representative within the authority of such Committee Representative or the written consent or the vote of a majority of the members of the Village Architectural Review Committee shall constitute action of the Village Architectural Review Committee.

Section 25 - Records of Actions. The Village Architectural Review Committee shall report in writing to the Board of Directors of the Village at McCoy-Jensen Association all final action of the Village Architectural Review Committee and the Board shall keep a permanent record of such reported action.

Section 26 - Estoppel Certificates. The Village at McCoy-Jensen Association shall, upon the reasonable request of any interested party and after confirming any necessary facts with the Village Architectural Review Committee, furnish a certificate with respect to the approval or disapproval of any Improvement to Property or with respect to whether any Improvement to Property was made in compliance herewith. Any Person, without actual notice to the contrary, shall be entitled to rely on said certificate with respect to all matters set forth therein.

Section 27 - Nonliability for Committee Action. There shall be no liability imposed on the Village Architectural Review Committee, any member of the Committee, any Committee Representative, the Village at McCoy-Jensen Association, any member of the Board of Directors of either, or Declarant for any loss, damage or injury arising out of or in any way connected with the performance of the duties of the Village Architectural Review Committee unless due to the willful misconduct or bad faith of the party to be held liable. In reviewing any matter, the Village Architectural Review Committee shall not be responsible for reviewing, nor shall its approval of an Improvement to Property be deemed approval of the Improvement to Property from the standpoint

of safety, whether structural or otherwise, or conformance with building codes or other governmental laws or regulations.

Section 28 - Construction Period Exception. During the course of actual construction of any permitted structure or Improvement to Property, and provided construction is proceeding with due diligence, the Village Architectural Review Committee shall temporarily suspend the provisions contained in this Declaration as to the property upon which the construction is taking place to the extent necessary to permit such construction; provided that, during the course of any such construction, nothing is done which will result in a violation of any of the provisions of this Declaration upon completion of construction and nothing is done which will constitute a nuisance or unreasonable interference with the use and enjoyment of other property. Until the activation of the Village Architectural Review Committee or during any period of deactivation all actions regarding architectural control shall be decided by the Board of Directors of the Association. The Board may incorporate and utilize any or all of the provisions of this Article IX to arrive at its decision.

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ARTICLE X

TERMINATION AND AMENDMENT OF DECLARATION

Section 1 - Termination. This Declaration shall continue in effect until and unless terminated as provided in this Section. This Declaration may be terminated at any time only upon the approval, in writing, of at least seventy-five percent (75%) of the Association members and seventy-five percent (75%) of the Institutional Mortgagees and any federal mortgage agency with an interest in this project.

The termination of this Declaration shall be evidenced by a Certificate of the Association executed by its President and Secretary certifying as to facts effecting the termination, which shall become effective upon being recorded in the Public Records of Jefferson County, Colorado.

This Section concerning termination may not be amended without consent of all Owners and of all Mortgagees required to approve termination of this Declaration, anything to the contrary notwithstanding.

Section 2 - Amendment. Unless terminated as provided in Section 1, each and every provision of this Declaration shall run with and bind the land for a term of twenty (20) years from the date recording of this Declaration, after which time this Declaration shall be automatically extended for successive periods of ten (10) years each except for provisions stated in Article XII, Section 2, which identify specific voting requirements for those actions to be authorized. This Declaration may be amended during the first twenty (20) year period by an instrument approved in writing by not less than 75% of the Members of all classes and by 75% of the First Mortgagees who have given the association notice of their interest in any Lot, and thereafter by any instrument approved in writing by not less than 75% of the Members of all classes and 75% of said First Mortgagees. Such amendment or revocation shall be effective when duly recorded; provided, however, that any amendment or revocation must comply with the statutes of Colorado and the resolutions and ordinances of the City of Lakewood, Colorado.

Section 3 - Special Amendment. Notwithstanding the provisions of Section 2, if Declarant shall determine that any amendments to this Declaration or any amendment to the Articles of Incorporation or Bylaws of the Association shall be necessary in order for existing or future mortgages to be acceptable to the Veterans Administration, the Federal Housing Administration of the U.S.

Department of Housing and Urban Development, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, then, Declarant shall have and does specifically reserve the right and power to make and execute any such amendments without obtaining the approval of the Owners or First Mortgagees. Each such amendment of this Declaration or of the Articles of Incorporation or Bylaws shall be made, if at all, by Declarant prior to (a) closing of the sale of the last Lot by Declarant to the first Owner (other than Declarant) thereof or (b) a date which is seven years (7) after the date this Declaration is recorded, whichever shall occur first; and any amendment must contain if necessary thereon the written approval of the Veterans Administration or the Federal Housing Administration of the U.S. Department of Housing and Urban Development. 36

Section 4 - Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment as duly adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed and shall be executed by the Institutional Mortgagees of record at the time the amendment is adopted as well as any federal Mortgage Agency with an interest in the project. The amendment shall be effective when said certificate and a copy of such amendment are recorded in the public records of Jefferson County, Colorado.

ARTICLE XI

CONDEMNATION, DAMAGE OR DESTRUCTION TO COMMON AREA

Section 1 - Damage or Destruction to Common Area. In the event of damage or destruction to all or a portion of the Common Area due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct or repair the damage, shall be applied by the Association to such reconstruction and repair. If the insurance proceeds with respect to such Common Area damage or destruction are insufficient to repair and reconstruct the damaged or destroyed Common Area, the Association shall present to the Members a notice of a special assessment for approval by the membership as provided for in Article V, Section 7 of this Declaration. If such assessment is approved, the Association shall levy such assessment and proceed to make such repairs or reconstruction. If such assessment is not approved, the insurance proceeds may be applied in accordance with the wishes of the membership as expressed by the written consent of seventy-five percent (75%) of the Owners other than Declarant, except that the proceeds shall not be distributed to the Owners, unless made jointly payable to Owners and the First Mortgagees of their respective Lots, if any. The assessment as to each Lot shall be equal to the assessment against every other Lot. Such assessment shall be due and payable as provided by resolution of the Board of Directors, but not sooner than sixty (60) days after written notice thereof. The assessment provided for herein shall be a debt of each Owner and a lien on the Lot, and may be enforced and collected in the same manner as any assessment lien provided for in this Declaration.

Section 2 - Owner-Caused Damage. If, due to the act or neglect of an Owner or a Related User of an Owner, whether by virtue of the exercise by such Owner or Related User of any easement or right granted to him herein or otherwise, loss or damage shall be caused to any property, including the Common Area, and, in the case of damage to property, if such Owner does not promptly repair and restore any such damaged property to the condition it was in prior to such damage at such owner's sole cost and expense, such Owner shall be liable and responsible for the same except to the extent that such damage or loss is covered by insurance obtained by the Village at McCoy-Jensen Association and the carrier of the insurance has waived its rights of subrogation against such Owner. The amount of such loss or damage may be

collected by the Village at McCoy-Jensen Association from such Owner as a Reimbursement Assessment against such Owner, by legal proceedings or otherwise, and such amount shall be secured by a lien on the Residential Lot of such Owner as provided elsewhere in this Declaration for assessments or other charges.

Section 3 - Condemnation Procedure. In the event proceedings are initiated by any government or agency thereof, seeking to take by eminent domain the Common Area, any part thereof or any interest therein, any improvement thereon, or any interest therein, with a value (including loss of value to the balance of the Common Area and improvements thereof), as reasonably determined by the Association in excess of \$10,000, the Association shall give prompt notice thereof, including a description of the part of or interest in the Common Area or improvement thereon sought to be so condemned, to all First Mortgagees, Members, and to the Declarant. The Association shall have full power and authority to defend in said proceedings, but the Association shall not enter into proceedings, pursuant to which the Common Area or any part thereof or any interest therein, or any improvement thereon or any part thereof or interest therein is relinquished without giving all First Mortgagees, Members, and Declarant at least fifteen (15) days prior written notice thereof.

In the event, following such proceedings, there is such a taking in condemnation or by eminent domain of a part or all of the Common Area, the award made for such taking shall be payable to the Association, subject to the rights of all First Mortgagees. If seventy-five percent (75%) or more of the Owners approve the repair and restoration of the remainder of the Common Area, the Association shall arrange for the same and shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five percent (75%) or more of the Owners do not duly and promptly approve the repair and restoration of the remainder of the Common Area, the Association shall disburse the net proceeds of such award to the Owners, the Owner of each Lot receiving One (1) equal share for each owned Lot, provided that the Association shall first pay out of the share of each Owner the amount of any unpaid liens or encumbrances on the Lot in the order of the priority of such liens or encumbrances. No provision of this Declaration or of any other document relating to the Project shall be deemed to give an Owner or any other party priority over the rights of a First Mortgagee pursuant to a First Mortgage or seller or holder of any Veterans Administration installment contract for sale of real estate on such Owner's Lot in the case of a distribution to an Owner of insurance proceeds or condemnation award for losses to or taking of Common Area, or both.

ARTICLE XIII

MORTGAGEE'S RIGHTS

Section 1 - Notice to Mortgagee. Each holder of a first deed of trust on any Lot shall, upon written request by such holder to the Board, receive any of the following:

(a) Copies of budgets, notices of assessments, insurance certificates, or any other notices or statements provided under this Declaration by the Association to the Owner of the Lot covered by the deed of trust;

(b) Any audited or unaudited financial statements of the Association within ninety (90) days following the end of any fiscal year, which are prepared for the Association and distributed to the Owners subject to the limitation that the Association shall not be required to provide an audited financial statement to any owner or mortgagee unless the

holder of the first mortgage requests either an audited or unaudited financial statement from the Association;

(c) Copies of notices of meetings of the Owners and the right to be represented at any such meetings by designated representative;

(d) Notice of the decision of the Owners or the Association to make any material amendment to this Declaration (as defined in Federal National Mortgage Association Lending Guide), the Bylaws, or the Articles of Incorporation of the Association;

(e) Notice of substantial damage to or destruction of any Building or Living Unit, or any part of the Common Area;

(f) Notice of commencement of any condemnation or eminent domain proceedings with respect to any part of the Common Area or any Lot within the Project;

(g) Notice of any default of the holder's Owner which is not cured by the Owner within thirty (30) days after the giving of notice by the Association to the Owner of the existence of the default;

(h) The right to examine the books and records of the Association at any reasonable time;

(i) Notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

Section 2 - Actions Requiring Both Member and First Mortgagee Approval. Notwithstanding anything to the contrary set forth in this Declaration, the Association shall not:

(a) unless it has obtained the prior written consent of at least sixty seven percent (67%) of all classes of Members and 67% of First Mortgagees of Lots (based upon one vote for each First Mortgage owned):

(1) by act or omission, change, waive, or abandon any scheme of architectural control, or enforcement thereof, as set forth in this Declaration, regarding the design or maintenance of the Lots, improvements thereon or the Common Area;

(2) fail to maintain full current replacement cost fire and extended insurance coverage on the Common Area, or

(3) use hazard insurance proceeds for Common Area property losses for purposes other than to repair, replace, or reconstruct such property; or

(4) by act or omission, seek to abandon, partition, subdivide, encumber, sell, or transfer any common property owned, directly or indirectly, by the Association for the benefit of the Owners (excluding the granting of easements for public utilities or other purposes consistent with the intended use of such common property); or

(5) effectuate any decision to terminate professional management and assume self-management of the Properties;

(6) any change in the voting method;

(7) change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner;

(8) change the method of determining or the amount of reserves for maintenance, repair and replacement of the common areas;

(9) change or alter in any respect the required insurance coverages or fidelity bonds;

(10) change the Association or owner responsibility for maintenance and repair of the common area, lots, lot improvements or Living Units;

(11) Seek to expand or contract the project subject however to the Declarants right of expansion and special amendment set forth within this Declaration;

(12) change the boundaries of any lot;

(13) change the interests in the general common areas;

(14) alter this Declaration with respect to leasing of Living Units or the composition of any right of first refusal or similar restructure or the right of any Lot owner to sell, transfer, or convey a lot;

(15) alter any provision within the Declaration, Articles of Incorporation, or Bylaws which is for the express benefit of a first mortgage holder or eligible insurer or guarantor of first mortgage of a Lot within the project.

(16) make a decision by the owners Association to establish self management when professional management had been required previously by an eligible mortgage holder;

(17) attempt restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents;

(18) take any action to terminate the legal status of the project after substantial destruction or condemnation occurs;

(19) attempt a termination for reasons other than substantial destruction or condemnation.

Section 3 - Rights of First Mortgagees to Pay Assessments, Etc. Any First Mortgagee of a Lot within the Project may jointly or severally pay any tax or other charge which is in default and which may have become a charge or a lien against any common property of the Association, and any First Mortgagee may jointly or severally pay any overdue premium on hazard insurance policies or secure new hazard insurance coverage on the lapse of any such policy upon any common area of the Association, and any First Mortgagee(s) making such payments shall be entitled to immediate reimbursement therefor from The Village at McCoy-Jensen.

ARTICLE XIII

RIGHTS RESERVED BY DECLARANT

Section 1. In addition to other rights reserved herein, the Declarant expressly reserves unto itself, its employees, agents, representatives, contractors, and their employees the right to use the Common Areas to facilitate and complete the development of the

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Project including, without limitation, the use of the Common Area for (i) construction, excavation, grading, landscaping, parking, and/or storage; (ii) the maintenance and operation of a sales office and model units for sales purposes; (iii) the showing to potential purchasers of any unsold Lot, Dwelling, or Improvement within the Project; (iv) the display of signs to aid in the sale of any unsold Lots and Dwelling; (v) the right of the Declarant to assign to the Association either a temporary or permanent maintenance obligation which has been imposed by the City of Lakewood for detention areas that have been annexed and conveyed to the Association; (vi) the right of Declarant, until such time as Declarant turns over control of the Board of Directors as provided herein, to negotiate the precise location of any exploration and production activity for minerals of any type, or, in the alternative, the ability to enter into contractual agreements with the State of Colorado by which mineral production will be prohibited; and (vii) to operate and maintain all or any portion of Common Area owned by Declarant, prior to conveyance to the Association as provided herein. All rights reserved to Declarant in this Article shall terminate as provided in Section 2 of this Article, or at an earlier date by an express statement of termination executed by the Declarant and recorded in the Real Estate Records of the Clerk and Recorder of Jefferson County, Colorado.

Section 2. No successor or assignee of the Declarant shall have any rights or obligations of the Declarant hereunder unless such rights and obligations are specifically set forth in an instrument or succession or assignment or which pass by operation of law. The rights and obligations set forth in this Article XIII of the Declarant shall cease when new dwelling construction contemplated within the Project is substantially completed and are to be construed as development rights which are independent of any rights that the Declarant may have by membership in The Village at McCoy-Jensen.

ARTICLE XIV

COMPULSORY ARBITRATION

All controversies, claims and matters of difference, including all questions as to whether the right to arbitrate any question exists, excepting those matters for which this Declaration specifically provides another method of settlement or enforcement, arising between or among the Owners, the Association, the Board, shall be settled by arbitration in Denver, Colorado, according to the rules and practices of the American Arbitration Association from time to time in force, except that if such rules and practices shall conflict with the Colorado Rules of Civil Procedure or any other provision of Colorado law then in force, such Colorado rules and provisions shall govern. This submission and agreement to arbitrate shall be specifically enforceable. Arbitration may proceed in the absence of either party if notice of the proceedings has been given to such party. The parties agree to abide by all awards rendered in such proceedings. Such awards shall be final and binding on all parties to the extent and in the manner provided by the Colorado Rules of Civil Procedure, and the costs of arbitration including reasonable attorney's fees shall be borne by the losing party thereto unless the arbitrators specify otherwise. All awards of the arbitrators may be filed with the Clerk of the District Court of Jefferson County, State of Colorado, as a basis of declaratory or other judgment and for the issuance of execution, and at the election of the party asking such filing, with the clerk of one or more other courts, state or federal having jurisdiction over the party against whom such an award is rendered or that person's property. No party shall be considered in default hereunder during the pendency of arbitration proceedings relating to such default.

ARTICLE XV

GENERAL PROVISIONS

Section 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 covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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Section 2 - Severability. Invalidation of any of these covenants or restrictions by judgment or court order shall in no way affect or limit any other provisions which shall remain in full force and effect.

Section 3 - Claims. No claim or cause of action shall accrue in favor of any person in the event of the invalidity of any provision of this Declaration or for failure of the Association or Declarant to enforce any provision hereof. This Section may be pleaded as a full bar to the maintenance of any suit, action, or arbitration brought in violation of this provision.

Section 4 - Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 5 - Litigation Limitations. So long as the Declarant or any successor in interest has an interest in the Project, the Association shall not use its financial resources to defray any costs of opposing the development activities of the Declarant so long as they remain consistent with the general intent of any development plan identified by the Declarant. Nothing in this Section shall be construed to limit the rights of members to act as individuals or in affiliation with other members or groups in an action against the Declarant.

Section 6 - Conflicts of Provisions. In case of any conflict between this Declaration, the Articles of Incorporation or Bylaws of the Association, this Declaration shall control. In case of any conflict between the Articles of Incorporation and Bylaws of the Association, the Articles of Incorporation shall control.

Section 7 - Owners Right to Examine. Each Lot owner shall have a right to examine the books and records of the Association at any reasonable time.

Section 8 - Registration by Owner of Mailing Address. Each Owner shall register a mailing address with the Association, and except for monthly statements and other routine notices, all other notices or demands intended to be served upon an Owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices, demands, or other notices intended to be served upon the Board of Directors of the Association shall be sent by certified mail, postage prepaid, to the office of the Association at such address as is identified by the Association in writing to each owner.

IN WITNESS WHEREOF, Declarant has executed this Declaration on the 6 day of March, 1991.

RECEPTION NO. 91020591

Declarant
Storck Development Corporation

By: [Signature]
President

STATE OF COLORADO)
) ss.
COUNTY OF Larimer)

The foregoing instrument was acknowledged before me this 6th 42
day of March, 1991, by Richard R. Storck
as President of Storck Development Corporation, a Colorado
corporation.

WITNESS my hand and official seal.

Sina D. Faliga
Notary Public
Address: 4401 McMurtry Ave
Fort Collins, CO 80525
My Commission Expires: June 30, 1994




EXHIBIT A
EXPANSION PROPERTY

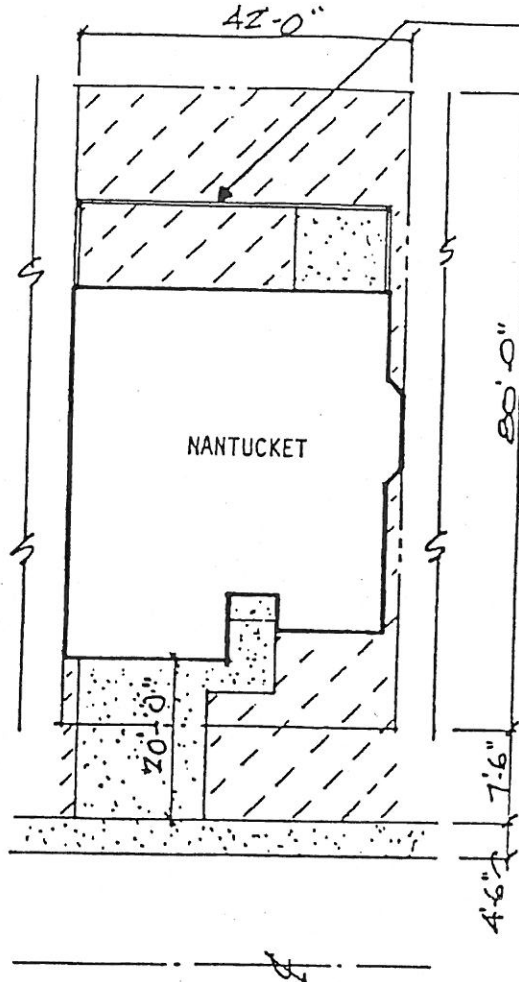
Lots 2-15 of Block 1 and Lots 7-12 of Block 2 of The
Village at McCoy-Jensen Subdivision in the City of
Lakewood, County of Jefferson, State of Colorado.

RECEPTION NO. 91020591

EXAMPLE OF TYPICAL ASSOCIATION MAINTENANCE AREAS





FOR THE VILLAGE AT MCCOY-JENSEN
NANTUCKET PLAN

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BUYER MAY INSTALL REAR
YARD FENCING TO CREATE
PRIVATE YARD, SUBJECT TO
ARCHITECTURAL APPROVAL
BY ASSOCIATION.

LEGEND

-  INDICATED TYPICAL ASSOCIATION MAINTENANCE AREA FOR NANTUCKET, SUBJECT TO CHANGES AS PROVIDED IN THE DECLARATION
-  INDICATES PLACEMENT OF HOME
-  INDICATES PLACEMENT OF SIDEWALK, PATIO AND DRIVEWAY
-  LOT LINE

Note:

This example of Typical Association Maintenance Areas for The Village at McCoy-Jensen - Nantucket Plan is illustrative only and subject to change. The final configuration of the Association Maintenance Area may differ from lot to lot.

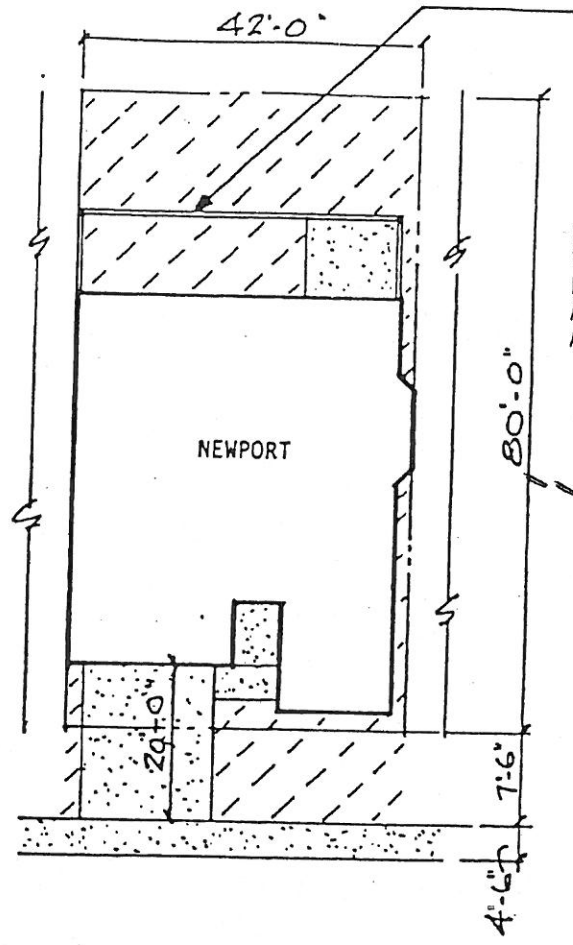
Drawing is not to scale.

RECEPTION NO. 91020591

EXAMPLE OF TYPICAL ASSOCIATION MAINTENANCE AREAS

FOR THE VILLAGE AT MCCOY-JENSEN
NEWPORT PLAN





45



BUYER MAY INSTALL REAR
YARD FENCING TO CREATE
PRIVATE YARD, SUBJECT TO
ARCHITECTURAL APPROVAL
ASSOCIATION

RECEPTION NO. 91020591

LEGEND

-  INDICATES TYPICAL ASSOCIATION MAINTENANCE AREA FOR NEWPORT, SUBJECT TO CHANGES AS PROVIDED IN THE DECLARATION
-  INDICATES PLACEMENT OF HOME
-  INDICATES PLACEMENT OF SIDEWALK, PATIO AND DRIVEWAY
-  LOT LINE

Note:

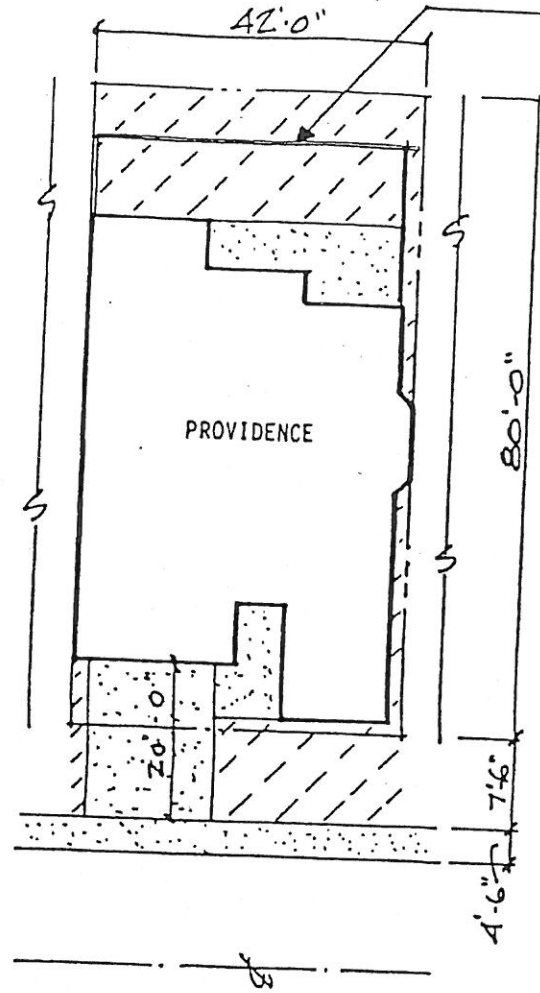
This example of Typical Association Maintenance Areas for The Village at McCoy-Jensen - Newport Plan is illustrative only and subject to change. The final configuration of the Association Maintenance Area may differ from lot to lot.

Drawing is not to scale.

EXAMPLE OF TYPICAL ASSOCIATION MAINTENANCE AREAS


FOR THE VILLAGE AT MCCOY-JENSEN
PROVIDENCE PLAN


46



BUYER MAY INSTALL REAR
YARD FENCING TO CREATE
PRIVATE YARD, SUBJECT TO
ARCHITECTURAL APPROVAL
BY ASSOCIATION.

LEGEND

 INDICATES TYPICAL ASSOCIATION MAINTENANCE AREA FOR PROVIDENCE, SUBJECT TO CHANGES AS PROVIDED IN THE DECLARATION.

 INDICATES PLACEMENT OF HOME.

 INDICATES PLACEMENT OF SIDEWALK, PATIO AND DRIVEWAY.

 LOT LINE

Note:

This example of Typical Association Maintenance Areas for The Village at McCoy-Jensen - Providence Plan is illustrative only and subject to change. The final configuration of the Association Maintenance Area may differ from lot to lot.

Drawing is not to scale.

RECEPTION NO. 91020591