

PROTECTIVE COVENANTS

The following are Protective Covenants for LAKEHURST WEST, FILING #5, a subdivision situated in the County of Jefferson, State of Colorado.

Part A - Preamble

WHEREAS, SHEFFIELD HOMES, INC. a Colorado Corporation is the sole owner in fee simple of the following real property, to-wit:

Lots 1 Thru 84 Inclusive
LAKEHURST WEST FILING #5
County of Jefferson,
State of Colorado.

AND WHEREAS, the above described owner is about to sell, convey and dispose of the property above described, and desires to subject said property to certain protective restrictions, conditions, covenants and charges, all of which are hereinafter set forth, to the end that harmonious and attractive development of the property may be accomplished, and that the health, comfort, safety, convenience and general welfare of subsequent owners of the property may be promoted and safeguarded.

THE FOLLOWING WORDS, when used in this Declaration (unless the context shall prohibit) shall have the following meaning:

(A) "ARCHITECTURAL CONTROL COMMITTEE" shall mean the committee appointed by the Board of Directors of LAKEHURST WEST, FILING #5 ASSOCIATION.

(B) "ASSOCIATION" shall mean and refer to LAKEHURST WEST, FILING #5 ASSOCIATION, its successors and assigns.

(C) "LOT" shall mean and refer to the numbered plots of land shown upon any recorded subdivision map of LAKEHURST WEST, FILING #5, which definition does not include open space tracts dedicated to the County of Jefferson.

(D) "MEMBER" shall mean and refer to every person or entity who holds membership in the Association.

(E) "OWNER" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is part of LAKEHURST WEST, FILING #5. Including contract sellers, but excluding those having such interest merely as security of the performance of an obligation.

(F) "MEMBERSHIP" is every person or entity who is a record owner of a fee or undivided fee interest in any Lot shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not separated from ownership of any Lot. Ownership of a Lot shall be the sole qualification of membership.

(G) "VOTING RIGHTS" the Association shall have two classes of voting membership:

CLASS A. Class A Members shall be all those owners as defined in Membership with the exception of the Developer. Class A Members shall be entitled to one vote for each Lot in which they hold the interests required for Membership. When more than one person hold such interest or interests in any Lot all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

CLASS B. The Class B Member shall be the Developer. The Class B Member shall be entitled to three votes for each Lot in which it holds the interest required for Membership. The Class B Membership shall cease and become converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

(A) When the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership.

(B) September 1, 1993.

NOW THEREFORE, the following Protective Covenants are adopted to regulate and control the use of the aforesaid land:

PART B - RESIDENTIAL AREA COVENANTS

B-1. Land Use and Building Types. No site shall be used except for residential purposes. Only single-family dwellings, private garages for not more than three cars and other outbuildings directly incidental to residential use shall be erected, altered, placed or permitted to remain on any site.

B-2. ARCHITECTURAL CONTROL. No building shall be erected, placed or altered on any site until the construction plans and specifications, and a plan showing the location of the structure, have been approved by the Architectural Control Committee as to quality of workmanship and materials, harmony of external design with existing structures, and as to location with respect to topography and finish grade elevation. No fence or wall shall be erected, placed or altered on any lot nearer to any street than the minimum building setback line unless similarly approved. Approval shall be as provided in Part C of these Protective Covenants. 2

B-3. Dwelling and Size. Any residence erected wholly or partially on any of the lots or part or parts thereof herein described, shall have the living area on the main floor, exclusive of garages, porches, and terraces of at least 1400 square feet in the case of one story residence and at least 900 square feet in the case of residences of one and one-half story or two story with a minimum of 1600 square feet total area for residences of one and one-half stories and 1700 square feet total area for two story residences. Each residence shall have at least a two car garage and shall be a size of at least large enough to completely cover two standard size passenger automobiles.

B-3-2. Move and Set. All Construction within the subdivision shall be new construction and no previously erected building, structure or improvement shall be moved and set upon any lot from any other location.

B-4. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow, obstruct, or retard the flow of water in and through drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the Owner of the lot, except for those improvements for which public authority or one or more utility company is responsible.

B-5. Nuisance. No noxious or offensive activity shall be carried on within LAKEHURST WEST, FILING #5 nor shall anything be done or placed within LAKEHURST WEST, FILING #5 which is or may become a nuisance or cause disturbance or annoyance to others.

B-6. Temporary Structures. No temporary house, trailer, garage or out-building shall be placed or erected upon any part of LAKEHURST WEST, FILING #5, and no improvement placed or erected upon any Lot shall be occupied in any manner at any time prior to its being fully completed in accordance with approved plans except that the Developer or its assigns may use undeveloped Lots, Lots and Improvements erected thereon for show homes and sales offices, temporary signs, field construction offices, storage facilities and general business offices.

B-7. No Hazardous Activities. No activities shall be conducted within and no improvements constructed within LAKEHURST WEST, FILING #5 which are or might be unsafe or hazardous to any person or property. With limiting the generality of the foregoing, no firearms shall be discharged upon any property; and no open fires shall be lighted or permitted on any property except in a contained barbeque unit while attended and in use for cooking purposes or within a safe and well-designed interior fireplace.

B-8. Fences. No chain-link wire fence shall be erected on any lot. All other fences to be constructed on property within the subdivision, other than six foot wooden fences must have the prior approval of the Architectural Control Committee as hereinafter constituted. All fencing shall be maintained by the homeowners on their respective lots.

PART C- ARCHITECTURAL CONTROL COMMITTEE

C-1. Membership. The Architectural Control Committee shall be composed of three or more representatives appointed by the Board of Directors of the Association. In the event of death or resignation of any member of the Committee, the remaining members shall have full authority to designate a successor. Neither the members of the Committee, nor such

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representatives as it may designate, shall be entitled to any compensation for services performed pursuant to this covenant. At any time, the then record owners of a majority of the area of LAKEHURST WEST, FILING #5 shall have power, through a duly recorded instrument, to change the membership of the Committee or to withdraw from the Committee or restore to it any of its powers and duties. Control Committee Address: 6777 Wadsworth Blvd., Suite 202, Arvada, Colorado 80003.

C-2. Procedure. The Committee's approval or disapproval as required in these covenants shall be in writing. In the event the Committee or its designated representative fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required and the related covenants shall be deemed to have been fully complied with.

C-3. Nonliability. Neither the Architectural Control Committee nor its members shall be liable in damage to any person submitting requests for approval or to any Owner within LAKEHURST WEST, FILING #5 by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove with regard to such requests, or for any failure of the plans to comply with applicable zoning, or for any design or construction defects, or for encroachments.

C-4. Criteria of Consideration. In addition to all the other criteria herein set forth, the Committee shall generally determine whether the proposed improvements will protect the then value and future value of the properties then located in the subdivision, and to be erected therein. The Committee shall in the exercise of its judgement and determination, use reason and good faith. Among the other considerations applied, the Committee will determine and base its approval or rejection upon the fact of whether said proposed improvements are reasonably compatible with other improvements erected and planned in said subdivision.

PART D - MISCELLANEOUS

D-1. Signs. No sign of any kind shall be displayed to the public view on any site except one home occupation sign of not more than one square foot; or sign of not more than five square feet advertising the property for sale or rent, or signs used and erected by a builder to advertise the property during the period when construction and sales of new dwellings occur. All signs conform with the Jefferson County sign code.

D-2. Oil and Mining Operations. No oil drillings, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any site, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any site. No derrick or other structure designated for use in boring for oil or natural gas shall be erected, maintained or permitted upon any site.

D-3. Animals. No horses, cattle, sheep, goats, pigs, rabbits, poultry, or other animals of any description shall be kept or maintained on any property subject hereto except that residents may keep not more than a total of two (2) dogs, cats, or other animals which are bona fide household pets belonging to the household so long as such pets are not kept for commercial purposes and do not make objectionable noises or otherwise constitute a nuisance or inconvenience to any of the residents of adjacent property.

D-4. Garbage and Refuse Disposal. No garbage, refuse, rubbish or cuttings shall be deposited on any street, and not on any Lot unless placed in a suitable container suitably located solely for the purpose of garbage pickup. All equipment for the storage or disposal of such material shall be kept in clean and sanitary condition.

D-5. Sight Distance at Intersection. No fence, wall, hedge or shrub planting shall be placed or permitted to remain on any corner site except in conformity with applicable resolutions, regulations and restrictions of the County of Jefferson, State of Colorado, nor shall any tree be permitted to remain within such areas unless foliage is maintained at sufficient height to prevent obstruction of sight lines.

D-6. Radio and TV Antennas. Radio and TV aerials and antennas shall not exceed three feet higher than the ridge of any structure, and shall be attached to said structure.

D-7. Restrictions on Parking and Storage. Except as expressly heretofore provided, no Lot shall be used as a parking, storage, display or accommodation area for any type of house trailer, camping trailer, camper, boat trailer, hauling trailer, running gear, boat or accessories

hereto, motor driven cycle, non-functioning automobile, truck or any type of van except as a temporary expedience for loading, delivery, emergency, construction or maintenance and except further that functioning motor driven cycles may be parked wholly within the garage area of the improved lot and non-functioning automobiles or motor driven cycles may be temporarily stored, parked or maintained while actively being repaired and kept wholly within the garage area of the improved Lot with the door in the closed position, or in completely enclosed secured-from-vision, areas in the side or rear yard of the residence structure situated thereon.

All garage doors shall be kept in a closed position so that the contents therein are concealed from view from any other Lots.

D-8. Property Maintenance. Each Lot and all improvements from time to time located on such Lot, including landscaping, shall be maintained in good condition and repair by each Lot Owner. Each Lot at all times shall be kept in a clean sightly and wholesome condition. No trash, litter, junk, boxes, containers, bottles, cans, implements, machinery, lumber or other building materials shall be permitted to remain exposed upon any Lot so that they are visible from any neighboring Lot or street. In the event any structure is destroyed either wholly or partially by fire or any other casualty, said structure shall be promptly rebuilt or remodeled to conform to this Declaration or all remaining portions of the structure, including the foundation, and all debris shall be promptly removed from the property. Each Lot shall at all times be kept clear of weeds and other unsightly growth.

D-9. Clothes Lines and Storage. No clothes lines, dog runs, drying yards, service yards, wood piles or storage areas shall be so located as to be visible from a street, road or Common Property.

D-10. Maintenance of Slopes. Each Owner shall maintain the slopes upon his Lot at the slope and pitch fixed by the finish grading thereof, including watering and planting of the slopes.

D-11. Maintenance of Drainage Pattern. Each Owner of a Lot at LAKEHURST WEST, FILING #5 agrees for himself and his assigns that he will not in any way interfere with the established drainage patterns over his Lot from adjoining or other Lots in LAKEHURST WEST, FILING #5. For the purposes hereof, "established" drainage is defined as the drainage which occurred at the time the Improvements on the Lot were complete.

D-12. Building Material. No building material of any kind or character shall be placed upon any Lot except in connection with construction approved as herein provided. As soon as building materials are placed on any Lot as such, construction shall be promptly commenced and diligently prosecuted.

D-13. Lighting. Ornamental post light shall be designed to be in keeping with the Lighting fixtures at the street or road corners.

D-14. Utilities. From and after the date of this Declaration all electrical, telephone, gas, water, sewer, cable television and other utility conduits, lines and pipes constructed within LAKEHURST WEST, FILING #5 shall be placed underground except those facilities such as transformer boxes, pedestals etc. which are customarily installed above ground or on the surface of the ground. No transformer, or electric, gas, water or other meter or device or any type of other apparatus shall be subject to the prior written approval of the Architectural Control Committee.

D-15. Single Family Residential Line. None of the Lots may be improved, used or occupied for other than one private single family residence; however, the Developer may use one or more Lots for show homes and/or temporary office buildings and use the same as an office during the development and sale of the Lots and the Common Properties may be used for open space, park and recreation purposes and project signage.

D-16. No Annoying Light, Sound or Odors. No light shall be emitted from any property which is unreasonably bright or causes unreasonable flare; no sound shall be emitted on any property which is unreasonably loud or annoying; and no odor shall be emitted on any property which is noxious or offensive to others.

D-17. Improvement Height. No structure that exceeds a height of thirty-five feet shall be built upon any Lots.

D-18. Creation of Lien and Personal Obligation of Assessment and Special Assessments. Developer, for each Lot owned by it within, hereby

covenants and each Owner of any Lot be acceptance of a deed or other conveyance thereof, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association annual assessments or charges and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, and said amounts shall be a charge on the property and shall be a continuing lien upon the property against which each such assessment or special assessment is made. Each such assessment and special assessment, together with such interest thereon, cost of collection and reasonable attorney's fees shall also be the personal obligation of the person who was the owner of such property at the time when the assessment or special assessment fell due. The personal obligation for delinquent assessment or special assessment shall not pass to his successors in title unless expressly assumed by them.

D-19. Purpose of Assessment. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents of LAKEHURST WEST, FILING #5 and in particular for (1) the improvement, replacement, operation and maintenance of the Improvements to include entry signage, fencing and landscape improvements along Bellview Ave., known as Tract "C" and landscape improvements located adjacent to So. Owens St., known as Tract "B" and the maintenance of the drainage structure in Tract "A" where it abuts to LAKEHURST WEST, FILING #5, for the use and enjoyment of the members, (2) for general and administrative expenses of operating the Association; to include, but not limited to management fees, insurance, office supplies, and expenses associated with enforcement of the provisions of this Declaration. It will be the duty of the Association actually to perform the Maintenance.

D-20. Basis and Maximum of Monthly Assessments. The Board of Directors shall fix the annual assessments within the maximum amount and may raise or lower said annual assessment amount within said maximum as they may deem necessary in their discretion. The initial annual assessment is established at \$50.00 for each Lot.

Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$72.00 per Lot.

PART E - CONSTRUCTION PROVISIONS

E-1. General Construction. All residences will have brick veneer fronts as well as brick on garage fronts. All residences on corner lots will have full brick side facing the street on the first level.

PART F- ZONING RESOLUTIONS

F-1. Zoning. Rules and regulation of the County of Jefferson are to be considered to be part hereof, and to any extent that these covenants might establish minimum requirements, which are less than minimum requirements of the said zoning rules and regulations, then said zoning rules and regulations shall prevail.

PART G - LAKEHURST WEST, FILING #5 ASSOCIATION

G-1. Business Office. The principal office of the Association shall be located at 6777 Wadsworth Blvd., Suite 202, Arvada, Colorado 80003. The Association may have other offices from time to time as required by the Board of Directors. The Association's books, checks and business accounts shall be maintained at the Business Office.

G-2. Board of Directors. There shall be three Directors elected by the Members for a one year term. The Board will hold a regular annual meeting in September at a time and place to be determined by the Directors. Special meetings of the "Members" may be called at any reasonable time by the Board upon written notification of members.

G-3. Purpose of the Association. Within the private open space areas, the Association will maintain all landscaping, irrigation and outside perimeter fencing along Bellview Ave. and So. Owens St. in Tracts "B" and "C" and the drainage structure in Tract "A" in perpetuity and will help enforce the Protective Covenants as herein stated to protect the property values of LAKEHURST WEST, FILING #5. Individual homeowners will be responsible for maintaining the inside face of the perimeter fencing.

G-4. Maintenance Assessments. In order to accomplish its purpose, each Member is obligated to pay to the Association regular and special assessments, including emergency assessments as established by the Board of Directors. Presently the annual assessment is \$40.00 per Lot, payable September 1 to the Business Office, except the Developer will

pay 25% of the regular Member's assessment for each developed lot held, unless the lot is occupied by a residence or if needed. Such assessments are secured by a continuing lien upon the property against which the assessment is made.

PART H - GENERAL PROVISIONS

H-1. Duration. The Covenants and Restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time said Covenants shall be automatically extended for successive periods of ten (10) years unless an instrument terminating these Covenants and Restrictions, signed by the then Owners of seventy-five percent of the Lots, has been recorded prior to the commencement of any ten-year period. 6

H-2. Amendments and Special Amendments. These Covenants and Restrictions may be amended during the first twenty years from the date of the Declaration by an instrument signed by not less than ninety percent (90%) of the Lot Owners and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be properly recorded. Notwithstanding the foregoing and in addition to any other provisions contained in this Declaration, Developer hereby reserves and is granted the right and power to record a Special Amendment to this Declaration at any time and from time to time that amends this Declaration (1) to comply with requirements of the Veterans' Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, and/or (2) to induce any such agencies or entities to make, purchase, sell, insure or guarantee first Mortgages covering Lots. A vote or consent of the Owners shall not be required for any such Special Amendment. Each Owner, by acceptance of his deed or other instrument of conveyance for a Lot, acknowledges and consents to the reservation by Declarant of the right and power to make, execute and record Special Amendments as aforesaid.

H-3. Notices. Any notice required to be sent to any Member or Owner under the provisions of the Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

H-4. 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 Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver to the right to do so thereafter.

H-5. Severability. Invalidity of any one of these Covenants or Restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

SHEFFIELD HOMES INC.,
A Colorado Corporation

James E. Sheffield
James E. Sheffield, President

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