

AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
OF THE TRAILS
JEFFERSON COUNTY, COLORADO

THIS AMENDED AND RESTATED Declaration of Covenants, Conditions and Restrictions is made as of this _____ day of _____, 1988, by the members of The Trails Homeowners' Association, and by the Architectural Control Committee of the Board of Directors of the Trails Homeowners' Association, which committee is here in after referred to as "the Committee."

WITNESSETH:

WHEREAS, The Trails Homeowners' Association, a nonprofit corporation, ("the Association"), was duly incorporated in the State of Colorado on November 3, 1978, and:

WHEREAS, the Association was formed to provide for maintenance, preservation, and architectural control of any lots, common areas, roadways and improvements within that certain tract of property described as:

The trails Subdivision, a duly platted subdivision of the County of Jefferson, State of Colorado, located in the Southwest quarter of Section 11, Township 3 South, Range 70 West of the 6th Principal Meridian, containing approximately 64.01 acres, more or less, and;

WHEREAS, the Association was duly empowered to exercise all of the powers and privileges and perform all of the duties and obligations as set forth in any applicable declaration of covenants, conditions and restrictions as supplemented or amended, and;

WHEREAS, the original Declaration of covenants, Conditions and Restrictions of The Trails, Jefferson County, Colorado dated the 11th day of June, 1979 ("Master Declaration") was recorded at Reception No. 79051398 of the records of the office of the County Clerk and Recorder of Jefferson County, Colorado, as supplemented by that certain Supplementary Declaration of Covenants, Conditions and Restrictions of The Trails, Jefferson

County, Colorado, dated the 11th day of June, 1979 ("Supplementary Declaration"), recorded at Reception No. 79051399 of the records of the office of the County Clerk and Recorder of Jefferson County, Colorado, and;

WHEREAS, there has been filed with the office of the County Clerk and Recorder of Jefferson County, Colorado, at Reception No. 81038438 a certain Amended Declaration of Covenants, Conditions and Restrictions, dated the first day of June, 1981 (Amended Declaration"), and;

WHEREAS, the Amended Declaration governs and controls that portion of The Trails Subdivision described as follows:

PHASE I

Lots 1 through 22, inclusive, of Block 1, lots 1 through 16, inclusive, of Block 2, Tracts 2 and 3, together with adjacent public roadways as shown on the plat of "The Trails" recorded in Book 55 at Page 8 of the records of Jefferson County, and;

WHEREAS, the Master Declaration and the Supplementary Declaration govern and control the remaining portion of The Trails Subdivision, and;

WHEREAS, pursuant to the Master Declaration and Supplementary Declaration, the Committee is vested with the authority at this time to amend, alter, revoke, or modify various provisions of the Master Declaration and the Supplementary Declaration, and;

WHEREAS, it is the desire of the Committee to amend, alter, revoke, and modify certain provisions of the Master Declaration and Supplementary Declaration, and;

WHEREAS, it is the desire of the undersigned members of The Trails Homeowners' Association [constituting at least ninety percent (90%) of the membership] to amend, alter, revoke, and modify certain provisions of the Amended Declaration, and;

WHEREAS, it is the desire of the Committee and the undersigned members of The Trails Homeowners' Association to have this Amended and Restated Declaration of Covenants, Conditions, and Restrictions serve as the uniform document governing all of The Trails

Subdivision, replacing the Master Declaration, Supplementary Declaration and Amended Declaration.

NOW, THEREFORE, in consideration of the premises, the Committee does hereby amend, alter, revoke and modify the Master Declaration and Supplementary Declaration and the undersigned members do hereby amend, alter, revoke and modify the Amended Declaration by adoption of this Amended and Restated Declaration of Covenants, Conditions and Restrictions of The Trails, Jefferson County, Colorado ("Restated Declaration"). The recording of this Restated Declaration, fully executed as set forth below, shall act as a complete revocation of the Master Declaration, Supplementary Declaration and Amended Declaration, and shall govern and control The Trails Subdivision ("the Property"). The Property is and shall be held, transferred, sold, conveyed, leased and occupied subject to the covenants, conditions, restrictions, easements, charges, liens and rights established by this Restated Declaration, all of which shall run with the land and be binding on all parties having any right, title, or interest in the Property, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

Definitions

The following words, when used in this Restated Declaration or any future amendment or supplement hereto (unless the context shall prohibit or there shall be a specific statement to the contrary), shall have the following meanings:

SECTION 1. "Architectural Control Committee", at times herein referred to as the Committee, shall mean and refer to the Committee as composed and governed by the terms of these Restated Covenants.

SECTION 2. "Association" shall mean and refer to The Trails Homeowners' Association, a not-for-profit corporation and its successors and assigns.

SECTION 3. "Common Areas" shall mean and refer to all land, improvements and other properties, contained within the Property, except individual lots, which heretofore or hereafter are owned, operated, and maintained by the Association and intended to be devoted to the common use and enjoyment of the owners as shown on the plat of The Trails Subdivision.

SECTION 4. "Declarant" shall mean and refer to Carnation Homes, Inc., its successors and assigns.

SECTION 5. "Improvement" shall mean and refer to all structures and appurtenances thereto of every type and kind, including, but not limited to, buildings, outbuildings, garages, carports, driveways, fences, stairs, decks and landscaping construction upon a given lot.

SECTION 6. "Lot" shall mean and refer to any platted lot zoned for single-family residential use shown upon the recorded plat of The Trails, and contained within the Property.

SECTION 7. "Member" shall refer to every person or entity who is a member of the Association.

SECTION 8. "Owner" shall mean and refer to the record owners, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property but, notwithstanding any applicable theory relating to mortgages, deeds of trust or other liens or encumbrances upon such property, "Owner" shall not include or refer to a mortgagee, beneficiary of a deed of trust, lien holder, or any other entity holding an interest in a Lot merely as security for the performance of an obligation unless and until such party has acquired title pursuant to foreclosure or any applicable procedure in lieu of foreclosure.

SECTION 9. "The Property" shall mean and refer to that property which is and shall be held, transferred, conveyed, leased and occupied, subject to this Restated Declaration, as is described more particularly above.

ARTICLE II

Property Rights in the Common Areas

SECTION 1. Members' Easements and Rights of Enjoyment. Subject to the provisions hereinafter set forth in Section 3 of this Article, every Member of the Association shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot.

SECTION 2. Title to Common Areas. Declarant may retain the legal title to any portion or all of the Common Areas to be conveyed to the Association until such time as it has completed improvements thereon and until such time as, in the opinion of Declarant, the Association is able to maintain the same, but, notwithstanding the foregoing, Declarant hereby covenants that it shall convey the title to said Common Areas unencumbered, except for any easements granted for public utilities or for other public purposes consistent with the intended use of such Common Areas, to the Association not later than the 1st day of January, 1995.

SECTION 3. Extents of Members' Rights and Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

- (a) The By-Laws, rules and regulation of the Association;
- (b) The right of the Association to charge reasonable admission and other fees for the use and maintenance of any recreational facility situated upon the common area;
- (c) The right of the Association, as provided in its Articles of Incorporation and By-Laws, to suspend the voting rights and the rights to the use and enjoyment of any recreational facility upon the Common Areas by an Owner for any period during which any assessment against his Lot remains unpaid and/or for any infraction of the Association's published rules and regulations, provided such period does not exceed 60 days if based upon an infraction of the published rules and regulations.

(d) The right of the Association to dedicate, sell, transfer, convey or encumber all or any part of the Common Areas to any person or person, entity or entities, for such purposes and subject to such conditions as may be deemed appropriate by the Association, provided that no such section shall be effective unless at least seventy-five percent (75%) of the Owners of the Lots have given their prior written approval agreeing to such action,

(e) The right of the Association to grant such easements and rights-of-way to such utility companies or public agencies or authorities as it shall deem necessary for the proper service and maintenance of the Property and the said Association shall be obligated to make such grant upon request of the Declarant from time to time. The Declarant hereby reserve for itself and the Association, their successors and assigns a right-of-way and easement for exterior maintenance and repair of all improvements, and the installation and continued operation, maintenance, repair, alteration, inspection and replacement of utility lines, including but not limited to, water lines, sewer lines, gas lines, telephone lines, television cable, antenna lines and such other utility lines and incidental equipment thereon, over, under and across the Common Areas and that portion of any Lot situated between any improvement and the street adjacent hereto. Declarant or Association shall, except in cases of emergency, furnish to all affected Owners twenty-four (24) hours notice before exercising the rights granted by this Article. Perpetual reciprocal easements for the aforementioned purposes shall exist both for the benefit and burden of all of the Owners. No reference to the easements provided for in this Section need be made in any deed, instrument of conveyance, or any other instrument.

(f) The right of the Association, in accordance with its Articles of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Areas and facilities and in aid thereof to mortgage said Common Areas and facilities,

provided that no such mortgage shall be effective unless at least seventy-five percent (75%) of the Owners of the Lots have given their prior written approval. The rights of any such mortgage in said Common Areas and facilities shall be subordinate to the rights of the Owners hereunder.

SECTION 4. Delegation of Use. Any Member may delegate, in accordance with the Articles of Incorporation and By-Laws, his right of enjoyment to the Common Areas and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

Membership and Voting Rights in the Association

SECTION 1. Membership. Every person entity who is the record owner of a fee or undivided interest in any Lot shall be and is automatically a Member of the Association. Membership shall be appurtenant to and shall not be transferred, pledged or alienated in any way except upon the transfer of title to said Lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to said Lot shall operate automatically to transfer said membership to the new Owner thereof. One vote for each Lot in which they hold the interest required for membership by Section 1. When more than one person holds an interest in any Lot, all such persons shall be members. 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 Lot.

ARTICLE IV

Covenant for Maintenance Assessments

SECTION 1. Creation of the Lien and Personal Obligation for Assessment. Each Owner of any Lot within the Property, by acceptance of a deed therefore, whether or not it shall be so expressed therein, or by acceptance of any other conveyance thereof (except the conveyance in connection with the establishment of a mortgage), shall be deemed to covenant and agree to pay the Association the following:

- (a) General annual assessments or charges;
- (b) Special assessments for capital improvements made necessary by an act of God or unforeseen emergency;
- (c) Special assessments for capital improvements or maintenance thereof;
- (d) Special assessments in connection with an Owner's failure to perform the required exterior maintenance or improvement of his Lot, all as hereinafter described with more particularity.

The general annual assessments or charges may, at the discretion of the Board of Directors of the Association, include a reserve for future capital improvements to the Common Areas and facilities; for replacement of any repairs to the improvements located on the Common Areas; and for exterior maintenance as hereinafter provided. The general annual assessment shall be levied and be payable on an annual basis. The Association shall endeavor to arrange for the payment of such assessments, to any mortgage holder who shall receive mortgage payments from the Owner of any Lot, so long as any mortgage exists on said Lot, to facilitate ease of collection and payment of such assessment. Special assessments shall be levied from time to time when and as determined by the Board of Directors of the Association in accordance with its By-Laws. Any assessment, together with interest, cost of collection and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made, subject to foreclosure in accor-

dance with applicable law, but any such lien shall be subordinated to any valid prior mortgages or deeds of trust affecting such property. Each such assessment, together with interest, costs of collection and reasonable attorney's fees, shall also be the personal obligation of the person or persons who are the owners of such Lot at the time when the assessment falls due, and in the event that there is more than one Owner thereof, such obligation shall be joint and several.

SECTION 2. Purpose and Use of General Annual Assessments or Charges. The general annual assessments or charges, levied under this Article, shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Property, and in particular, for the acquisition, improvement and maintenance of the Common Areas and facilities devoted to this purpose, including, but not limited to, the payment of taxes and insurance thereon; the repair, replacement and addition thereto; the costs of labor, equipment, materials, management and supervision thereof; the operation and maintenance of any recreational facilities; regarding the promotion of recreation, and maintenance of the Common Areas, the Association anticipates the use of the general Van Bibber open space corridor crossing The Trails Subdivision in cooperation with the Jefferson County Open Space, and funds from general assessments may be used for the development or maintenance of such open space facility. In addition, such assessments may be used for the providing of services to the Owners of Lots, including, but not limited to, garbage and trash collection; and for such other needs as the Association and Owners may deem from time to time to be appropriate, including a reasonable provision for contingencies and replacements.

SECTION 3. Special Assessments for Capital Improvements in Emergencies. In addition to the annual assessment described in Section 2 of this Article, the Association may levy, in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction or unexpected repair or replacement of a described capital improvement upon the Common Areas,

including the necessary fixtures and personal property related thereto, or for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction or unexpected repair or replacement, including land rehabilitation and restoration, due to any acts of God or emergency.

SECTION 4. Assessments for Capital Improvements, Repairs and Replacements, or Maintenance Thereof. In addition to the general annual or special assessments described above, the Association may levy in any assessment year, or as part of the general annual assessment, or as a special assessment, an assessment to be set aside as a reserve for future capital expenditures, including major repairs to or replacements of improvements located on the Common Areas. Any funds so collected shall be designated by the Board of Directors of the Association as capital contributions to the Association by the Members thereof and shall be segregated and placed in a separate bank account of the Association to be utilized solely for the purposes aforesaid.

SECTION 5. Special Assessments for Exterior Maintenance. In addition to maintenance upon the Common Areas, the Association, in the event that the Owner of any Lot shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Architectural Control Committee, shall have the right, upon thirty (30) days prior written notice to such Owner, through its agents and employees, to enter upon said Lot and to repair, maintain and restore the same and the exterior of the buildings and any other improvements erected thereon. Such exterior maintenance may include, but is not limited to, the following: paint, repair, or replace and care for roofs, gutters, downspouts, exterior building surfaces, lighting, walks, drainage facilities and other exterior improvements, and to trim, install and otherwise care for trees, shrubs, grass and other landscaping improvements. The cost of such exterior maintenance shall thereupon be added to and become part of the general annual assessments to which such parcel is subject as aforesaid.

SECTION 6. Maximum General Assessments. Until January 1st of the year immediately following conveyance of the first Lot to an Owner, the maximum annual assessment shall not exceed \$100.00 per Lot.

(a) From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than ten percent (10%) above the maximum assessment for the previous year without a vote of a membership.

(b) From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above ten percent (10%) by a vote of seventy-five percent (75%) of the Members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the maximum, provided, however, only fifty percent (50%) of the annual assessment fixed by the Association shall be charged to Lot Owners so long as the Lot owned by them is undeveloped.

SECTION 7. Notice and Quorum for any Action Authorized. Written notice of any meeting called for the purpose of taking any action authorized under Section 6 shall be sent to all members not less than thirty (30) nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of sixty percent (60%) of the membership, entitled to cast votes in person or by proxy, shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

SECTION 8. Due Date of Commencement and Determination of General Annual Assessments and Assessment Deposit. The general annual assessment provided herein shall commence as to all Lots within the Property on the first day of the month following the conveyance of the first Lot within such Property, unless the board of directors of the Association shall deem it appropriate to defer such commencement date. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. Assessments shall be on a full calendar year basis, payable annually. At least thirty (30) days in advance of each calendar year, the board of directors shall fix the amount of the annual assessment against each Lot, by estimating the net charges and expenses to be incurred by the Association for the purposes set forth in this Restated Declaration. Separate due dates may be established by the board of directors for special assessments as defined hereunder as long as made thirty (30) days in advance of such special assessments and shall be paid in a manner determined by said board of directors. Written notice of the annual and any special assessments shall be sent to every Owner subject thereto as soon as the amounts are determined. The association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an office of the Association setting forth whether the assessments on a specified Lot have been paid.

SECTION 9. Effect on Non-Payment of Assessments: Remedies of the Association. If an assessment is not paid on the date when due (being the date specified in accordance with Section 8 hereof), then such assessment shall become delinquent and shall, together with such interest, costs of collection and reasonable attorney's fees, as hereinafter provided, become a continuing lien on the Lot and improvements thereon which shall bind such Lot in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns. In addition to the lien rights, it shall be the personal obligation of the then Owner to pay such assessment and such personal obligation shall continue even though the Owner's interest in the property shall be transferred.

If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the due date at the rate of eighteen percent (18%) per annum, and the Association may bring legal action against the Owner personally obligated to pay the same or foreclose the lien against the property, or both, and there shall be added to the amount of such assessment all costs incurred by the Association in foreclosing the lien or in collection the amount owing, including any reasonable attorney's fees. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Lot.

SECTION 10. Subordination of the Lien to Mortgages. As provided aforesaid, the lien for the assessments provided for herein shall be subordinate to the lien of any first mortgage now or hereafter placed upon the Lot subject to assessment; provided, however, such subordination shall apply only to the assessments which have become due and payable prior in a sale or transfer of such Lot pursuant to a decree of foreclosure, or other proceeding in lieu of foreclosure. Such sale or transfer shall not release such property from liability for any assessment thereafter becoming due, nor from the lien of any such subsequent assessments.

ARTICLE V

Architectural Control Committee

SECTION 1. Architectural Control Committee. The Architectural Control Committee shall be composed of at least four (4) but no more than seven (7) members, selected by the Association's Board of Directors (the Board). Committee members must be members of the Association.

Such members may be removed at any time by the Board and in the event of such removal, or the death, incapacity or resignation of any one of such four (4) members, the Board shall have full authority to designate a successor who, in like manner, may be removed at any time by the Board.

The Board may designate a person to serve on the Committee during the absence of any one of its members. The members, the appointment of successor members, and designation of such temporary members of the Committee, shall be made by the Board by the execution, acknowledgment and recording of an appropriate instrument in writing for such purpose.

A quorum at any meeting of the Committee shall consist of more than half its members thereof and any decision shall be reached by the affirmative vote of the majority of such Committee members. Owners of a majority of the Lots shall have the power, through a duly recorded instrument, to change the membership of the Committee.

SECTION 2. Review by Committee. No structure, whether residence, accessory building, tennis court, swimming pool, antennae, flag poles, fences, walls, house numbers, mail boxes, exterior lighting, or other improvements, shall be constructed upon any previously undeveloped lots and Common Areas and no landscaping performed upon those same lots and Common Areas unless complete plans, specifications, and lot plans therefore, showing the exterior design, height, building material and color scheme thereof, the location of the structure plotted horizontally and vertically, the location and size of driveways, the general plan of landscaping, fencing, walls and windbreaks, and the grading plan shall have been submitted to and approved in writing by the Architectural Control Committee, and a copy of such plans, specifications, and lot plans as finally approved, deposited with the Architectural Control Committee.

These same requirements shall also apply to changes and maintenance on developed Lots or Common Areas when approval by the Committee is called for under Article VII of these Covenants.

SECTION 3. Harmony of Common Area. The Architectural Control Committee shall exercise its best judgment to see that all improvements, construction, landscaping and alterations of land within the Common Area conform to and harmonize with existing surroundings and structures.

SECTION 4. Procedures. The Architectural Control Committee shall approve or disapprove all plans and requests within thirty (30) days after submission. In the event the Architectural Control Committee fails to take any action within thirty (30) days after requests have been submitted, approval will not be required, and this Article will be deemed to have been fully complied with.

SECTION 5. Nonliability. The Architectural Control Committee shall not be liable in damages to any person submitting requests for approval or to any Owner within the Property by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove with regard to such requests.

ARTICLE VI

General Provisions

SECTION 1. Enforcement. The Association or any Owner shall have the right to enforce the conditions, covenants and restrictions contained herein by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained, unless the result of willful misconduct or prolonged negligence, shall in no event be deemed a waiver of their right to do so thereafter.

SECTION 2. Duration. This Restated Declaration, every provision hereof and every covenant, condition, restriction and reservation herein contained, shall run with the land, and be binding upon and inure to the benefit of Declarant and the Owners and lessees of every Lot on the Property and shall continue in full force and effect until December 31, 1992, and shall thereafter be automatically extended for successive periods of ten (10) years unless otherwise terminated or modified as provided in Section 3 of this Article.

SECTION 3. Amendment. The Owners may change, alter, expunge or amend this Restated Declaration, by executing an instrument indicating any such change, alteration,

expungement or amendment signed by at least seventy-five percent (75%) of such Owners. Amendment of this Restated Declaration shall not be effective until the instrument evidencing such change has been duly recorded and unless a written notice of the proposed change has been sent to every member of the Association at least thirty days in advance of any action taken. Such document of change shall be immediately affective upon the recording of the proper instrument, in writing, executed and acknowledged by such Owners, in the office of the Clerk and Recorder of Jefferson County, Colorado.

SECTION 3A. Variances. The Architectural Control Committee shall have the authority to grant variances (i.e., waive specific conditions in the covenants) where, in the opinion of the Committee, doing so would increase the value of the property, maintain neighborhood harmony, and uphold the spirit of the covenants.

SECTION 4. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Restated Declaration shall be deemed to have been properly sent when mailed, postage paid, 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.

SECTION 6. Severability. Invalidation 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.

ARTICLE VII

Conditions, Stipulations and Protective Covenants

The following conditions, stipulations and protective covenants are hereby imposed upon all Lots contained within the Property:

1. Zoning ordinances, rules and regulations of the County of Jefferson, are considered to be a part hereof, and to any extent that these covenants might establish minimum requirements which conflict with the minimum requirements established by said zoning ordinances, rules and regulations, the most restrictive shall apply.

2. All Lots shall be used for residential purposes only and no building shall be erected or placed on any Lot other than a private single-family dwelling, together with a private garage. No Lot shall be re-subdivided, provided, however, the Owners of any three (3) Lots lying adjacent to each other may divide the center Lot so as to make the Lots lying on each side of said center Lot larger in size, thus causing said three (3) Lots to be built upon as two Lots rather than three (3).

3. No commercial trade, business or activity as defined in the zoning ordinances of the County of Jefferson, shall be conducted, carried on or practiced on any Lot or in a residence or dwelling constructed thereon unless it would clearly not detract from the residential atmosphere of the property and its surroundings. The Owner of said Lot shall not suffer or permit any residence or dwelling erected thereon to be used or employed for any purpose that will constitute a nuisance in law or that will detract from the residential value of said Lot or other Lots of the Property.

4. No cows, pigs, chickens, poultry, rabbits, or other livestock shall be raised, grown, bred, maintained or cared for upon any residential Lot, provided, however, that nothing herein contained shall be construed to prevent any Owner of any Lot from maintaining, keeping and caring for domestic household pets not for commercial purposes. No more than two (2) dogs, and no more than two (2) cats shall be kept or maintained as pets on any Lot, unless otherwise approved by the Architectural Control Committee.

5. No building, fence, wall or other structure shall be commenced or erected until the plans and specifications showing the nature, kind and shape, height, materials, floor plans, exterior color scheme and location of such structure and the grading plan and finished grade elevations submitted to and approved by the Architectural Control Committee hereinafter described and a copy thereof as finally approved lodged permanently with said Committee. No landscaping on any previous unimproved Lot shall be done until a landscaping plan shall have been submitted to and approved by such Committee. Such Committee shall have the

right to refuse or to approve any such plans or specifications or grading or landscaping plans which are not suitable or desirable in the Committee's opinion, for aesthetic or other reasons, and in so passing upon such plans, specifications and grading and landscaping plans, the Committee shall have the right to take into consideration the suitability of the proposed building or other structure and of the materials of which it is to be built, the Lot upon which it is proposed to erect the same, the harmony thereof with the surroundings, and topography of the land and the effect of the building or other structure as planned on the outlook from the adjacent or neighboring Lots. The Homeowner shall have one (1) year from occupancy to install basic landscaping and three (3) years from occupancy to install enhanced landscaping.

6. At any time that plans and specifications, grading plans and locations have been approved, then the construction of the same shall be carried out forthwith and completion effected with twelve (12) months from the date construction is commenced, provided, however, that the time limit on completion of construction may be extended by the Architectural Control Committee if unusual circumstances or delayed beyond the control of the Owner occur.

7. The Architectural Control Committee may deny approval for a home on a previously undeveloped lot if the resulting market value is not comparable to the values of surrounding properties, if the quality of workmanship or materials is not substantially the same or better than that which already exists in the Trails, if the appearance or style of the home would lower the market value of surrounding properties, or if the home itself is not in keeping with the general look and feel of the Trails as a whole.

8. Except on corner Lots, no building shall be located less than five (5) feet from any side Lot lines, 20 feet from any building on other Lots, or less than 25 feet from the Lot lines on the street side of any Lot. On corner Lots, in addition to the aforementioned restrictions, no building shall be located less than 25 feet from any property line on the street sides of such corner Lot. No structure shall be erected in the 55-foot safety triangle on any corner Lot.

9. Any garage shall be attached to, and be a part of, a single-family dwelling erected or placed on any Lot. Garage doors shall be kept in a closed position so that the contents in the garage are concealed from view from any other Lots, and from the street.

10. The height of each building or structure shall be approved by the Architectural Control Committee, but in no event shall exceed 35 feet in height.

11. No well of any kind or for any purpose shall be commenced or drilled until the proposal of the well and specifications shall have been submitted to and approved by the Architectural Control Committee and a copy thereof as finally approved lodged permanently with said Committee.

12. No radio, short wave, television or other type of antenna, nor roof-top air conditioner or heating or cooling systems shall be installed unless approved by the Architectural Control Committee.

13. Trash containers must be concealed from view by an enclosure. Said enclosure must be approved by the Architectural Control Committee.

14. No tanks, which extend above the ground, shall be erected, placed or permitted upon any Lot.

15. All clotheslines, equipment, garbage cans, service yards, wood piles or storage piles shall be kept screened by adequate planting or fencing as to conceal them from the view of neighboring residences and streets. All rubbish, trash or garbage shall be regularly removed from the Lot, and shall not be allowed to accumulate thereon.

16. No temporary house, trailer, tent or other out-building shall be placed or erected on any Lot and no dwelling shall be occupied in any manner at any time prior to completion.

17. The construction or maintenance of billboards, "for rent" or "for sale" signs larger than six (6) square feet, poster boards or advertising structures of any kind, except those belonging to Declarant or its duly authorized agency on any Lot, is prohibited. Two signs shall be permitted.

18. All Lots shall be subject to and bound by Public Service of Colorado's tariffs which are now and may in the future be filed with the Public Utilities Commission of the State of Colorado, relating to street lighting on said Property, together with rates, rules and regulations therein provided and subject to all future amendments and changes thereto. The Owner or Owners of a Lot shall pay as billed a portion of the cost of public street lighting on said Property according to Public Service Company of Colorado rates, rules and regulations, including future amendments and changes on file with the Public Utilities Commission of the State of Colorado.

19. No campers, mobile homes, trailers or other similar recreational equipment and no tractors, horse trailers, commercial equipment or vehicles shall be kept or maintained on any Lot or on any street on the Property unless specifically approved in writing by the Architectural Control Committee. In the event such approval is granted, such approval shall be conditioned so as to forbid the parking of any such vehicles or equipment described herein in the open, and such approval shall require that the garage or extension of the garage or any fencing be designed for such vehicles or equipment in a manner to adequately conceal such vehicles or equipment from public view.

20. Declarant shall have the right to allow sales office to be maintained within the Property for purpose of selling Lots or homes.

21. No exterior fires shall be permitted except for barbecue fires contained within receptacles designated for that use. No coal or other type of fuel which gives off smoke, excepting wood and charcoal, shall be used for heating, cooking or any other purpose within a Lot unless approved by the Architectural Control Committee.

22. A Lot and all improvements thereon shall be maintained at all times by the Owner in good condition and repair. The Owner shall cause all dwelling and other improvements to be refinished, resurfaced or repaired periodically as effects of damage, deterioration or weather become apparent. Any significant changes or alterations to the appearance of a

dwelling, its improvements or its landscaping must be approved by Architectural Control Committee. All appropriate repairs and replacements shall be made as often as necessary. Unsightly conditions shall constitute a nuisance.

23. The Architectural Control Committee, or the Owner of any Lot, may lawfully prosecute any proceedings in law or equity against such person or persons who may violate any covenant contained herein, and may restrain such violation by perpetual injunction and may recover such damage as may ensue because of such violation including costs of suit and attorneys' fees.

24. Invalidation of any one or any part of any one of these conditions, stipulations and protective covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

IN WITNESS THEREOF, the above and foregoing Restated Declaration of Covenants, Conditions and Restrictions of The Trails, County of Jefferson, State of Colorado, has been executed the date and year first above written.

ARCHITECTURAL CONTROL COMMITTEE
OF THE
TRAILS HOMEOWNERS' ASSOCIATION