

SUPPLEMENTAL DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
FOR  
SUNSET RIDGE  
ON THE KEN-CARYL RANCH

This is a retyped document. The original copy  
Exhibiting the notarized signatures is on file  
with Jefferson County.

SUPPLEMENTAL

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS SUPPLEMENTAL DECLARATION made this 1<sup>st</sup> day of FEBRUARY, 1979 by THE WRITER CORPORATION, a Colorado corporation (hereinafter "Major Developer"), and KEN-CARYL RANCH CORPORATION, a Delaware corporation (hereinafter "Grantor"):

RECITALS

A. Major Developer is the owner of that real property described on Exhibit A attached hereto and made a part hereof (hereinafter "the Properties").

B. The Properties are subject to the Amended and Restated Master Declaration of Covenants and Restrictions of Ken-Caryl Ranch (hereinafter "Master Declaration"), which were recorded by Grantor on June 30, 1978, at Reception No. 78059201 in the Clerk and Recorder's Office Jefferson County, Colorado.

C. Major Developer desires to create upon the Properties a residential townhouse community with permanent open spaces and common facilities for the benefit of the residents living within the Properties.

D. Major Developer desires to provide for the preservation of the values and amenities in the Properties and for the maintenance of said open spaces and other common facilities; and to this end, desires to subject the Properties to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of the Properties and each Owner living thereon.

E. Major Developer has deemed it desirable; for the efficient preservation of the values and amenities in the Properties, to create an agency to which should be delegated and assigned the powers of maintaining and administering the Common Properties and facilities and administering and enforcing the Covenants and Restrictions.

F. Major Developer has incorporated under the laws of the State of Colorado, as a non-profit corporation, KEN-CARYL RANCH TOWNHOUSE ASSOCIATION, Subassociation, for the purpose of exercising the functions aforesaid.

G. Grantor, pursuant to the Master Declaration, hereby joins with Major Developer, in this Supplemental Declaration of Covenants and Restrictions.

#### DECLARATION

NOW, THEREFORE, the Major Developer and Grantor declare that the real property described on Exhibit A 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. The following words when used in this Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

A. "Subassociation" shall mean and refer to THE KEN-CARYL RANCH TOWNHOUSE ASSOCIATION, its successors and assigns.

B. "The Properties" shall mean and refer to the real property described on Exhibit A, which is subject to this Supplemental Declaration.

C. "Common Properties" shall mean all real property owned by the Subassociation for the common use and enjoyment of the Owners. The Common Properties to be owned by the Subassociation at the time of the conveyance of the first Lot is described as follows:

Tracts C, D, E, F, G; Ken-Caryl Ranch "Plains"  
Phase IX, County of Jefferson, State of Colorado.

D. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of Common Properties as heretofore defined.

E. "Master Declaration" shall mean the Amended and Restated Master Declaration of Covenants and Restrictions of Ken-Caryl Ranch recorded by Grantor on June 30, 1978, at Reception No. 78059201.

F. "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 a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

G. "Member" shall mean and refer to every person or entity who holds membership in the Subassociation.

H. "Architectural Committee" shall mean the Committee appointed pursuant to Article VIII of the Master Declaration.

## ARTICLE II

### PROPERTY SUBJECT TO THIS DECLARATION

Section 1: The real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Supplemental Declaration is more particularly described on Exhibit A which is attached hereto and made a part hereof, all of which real property shall hereinafter be referred to as “the Properties”.

## ARTICLE III

### MEMBERSHIP AND VOTING RIGHTS IN THE SUBASSOCIATION

Section 1. Membership. 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 Subassociation. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot, which is subject to assessment, by the Subassociation. Ownership of such Lot shall be the sole qualification for membership.

Section 2. Voting Rights. The Subassociation shall have two classes of voting membership:

Class A. Class A Members shall be all those Owners as defined in Section 1 with the exception of the Major Developer. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Section 1. When more than one person holds 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 Major Developer. The Class B Member shall be entitled to three votes for each Lot in which it holds the interest required for membership by Section 1, Article III, provided that, 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, or

B. January 1, 1984.

#### ARTICLE IV

##### ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. Annexation of additional property shall require the assent of two-thirds (2/3) of the Class A Members and two-thirds (2/3) of the Class B Members, if any, at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The presence of Members or of proxies entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forth-coming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following

the preceding meeting. In the event that two-thirds (2/3) of the Class A membership or two-thirds (2/3) of the Class B membership are not present in person or by proxy, Members not present may give their written assent to the action taken thereat. Annexation under this Section requires that consent of two-thirds (2/3) of each class of Members.

## ARTICLE V

### PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Members' Easement of Enjoyment. Subject to the provisions of Section 3, every Member shall have a right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Title to Common Properties. The Major Developer agrees to convey title to the Common Properties to the Subassociation free and clear of all liens and encumbrances prior to the conveyance of any Lot described on Attached Exhibit A.

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

A. The right of the Subassociation, as provided in its Certificate of Incorporation and By-Laws, to suspend the voting rights and right to use of recreational facilities by a Member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations; and

B. The right of the Subassociation to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such

dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of the votes of each class of membership has been recorded, agreeing to such dedication, transfer, purpose or condition, and unless written notice of the proposed agreement and action thereunder is sent to every Member at least ninety (90) days in advance of any action taken.

C. The right of the Subassociation, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Properties and facilities and in aid thereof to mortgage said Common Properties and the rights of such mortgagee in said Common Properties should be subordinate to the rights of the Members hereunder.

Section 4. Any Member may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Properties to his tenants, or contract purchasers who reside on the Property.

## ARTICLE VI

### COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessments and Special Assessments. Major Developer for each Lot owned within the Properties shall be deemed to covenant and agree, and each Owner of any Lot, except those exempt under Section 10 of this article, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to pay to the Subassociation monthly 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 land 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.

Section 2. Purpose of Assessments. The assessments levied by the Subassociation shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents of the Properties and in particular for the improvement and maintenance of properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties and of the homes situated upon the Properties.

Section 3. Basis and Maximum of Annual Assessments. The Board of Directors shall fix the monthly assessment within the maximum amount and may raise or lower said monthly assessment amount within said maximum, as they may deem necessary in their discretion. The initial monthly assessment is established at \$30.00 for each Lot.

Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum monthly assessment shall be \$75.00 per Lot.

From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum monthly assessment shall be adjusted in conformance with the Consumer Price Index (CPI) published by the U. S. Department of Labor, specifically the Consumer Price Index for Urban Wage Earners and Clerical

Workers, U. S. City Average, All Items unadjusted for seasonal variation. The maximum monthly assessment for any year shall be the amount determined by:

- A. Taking the maximum monthly assessment dollar amount specified above;
- B. Multiplying that amount by the published CPI number for the fourth month prior to the beginning of the subject year; and
- C. Dividing that resultant by the published CPI number for the fourth month prior to the month in which this Supplemental Declaration was signed by the Major Developer.

Section 4. Change in Basis and Maximum of Annual Assessments. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum monthly assessment amount specified above in Section 3, Article VI, and used in the above CPI adjustment formula may be changed by a vote of the Members, provided that any such change shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Subassociation is authorized to participate under its Articles of Incorporation.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Subassociation may levy in any calendar 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, unexpected repair or

replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, provided, that, any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting.

Section 6. Uniform Rate of Assessment. Both monthly and special assessments must be fixed at a uniform rate for all Lots, provided, that, the rate set for the Lots owned by Major Developer shall be fixed at one-third (1/3) the assessment rate for the other Lots.

Section 7. Quorum for any Action Authorized Under Sections 4 and 5. The quorum required for any action authorized by Sections 4 and 5 hereof shall be as follows:

At the first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting another meeting may be called, subject to the notice requirements set forth in Sections 4 and 5 and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 8. Date of Commencement of Monthly Assessments Due Dates. The monthly assessments provided for herein shall commence as to all Lots on the first day of month following the conveyance of the Common Properties. The Board of Directors

shall fix the amount of the monthly assessment at least thirty (30) days in advance of said commencement date and any change in the monthly assessment must be fixed by the Board of Directors at least thirty (30) days in advance of the commencement of the changed assessment amount. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Subassociation shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Subassociation setting forth whether the assessments on a specified Lot have been paid. Such certificate shall be conclusive evidence of the facts stated therein.

Section 9. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner: The Lien: Remedies of the Subassociation. If the assessments are not paid on the date when due (being the dates specified in Section 8 hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquent date, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum, and the Subassociation may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and

there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the Court together with the costs of the action.

No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Properties or abandonment of his Lot.

Section 10. Exempt Property. The following property subject to the Supplemental Declaration shall be exempt from the assessments, charges and liens created herein:

A. All properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use.

B. All Common Properties as defined in Article I. Section 1, hereof.

Section 11. Special Water Charges. Certain Lots within the properties are served with domestic water, under a master meter, and as a result thereof, the use of said water is not individually metered nor billed to the Lot by the governmental entity supplying said water, but is billed, pursuant to a reading of the master meter, to the Subassociation. Owners of all of said Lots shall be individually charged by the Subassociation on a monthly pro rata portion of the total domestic water used by Owners of said Lots plus three percent (3% for collection and administration. All monies received by the Subassociation for this water charge shall be deposited in a separate Subassociation account to be held and disbursed only for payment of water billings to the appropriate governmental entity.

Section 12. Special Maintenance Charges. Lots within the Properties have ingress and egress access on streets that are privately owned by the Subassociation and are not public streets. Maintenance of these streets is the obligation of the Subassociation; however, the Owners of said Lots shall be charged by the Subassociation a quarterly charge not exceeding Thirty Dollars (\$30.00) per quarter for the maintenance of said streets. All monies received by the Subassociation for this maintenance charge shall be deposited in a separate Subassociation account to be held and disbursed only for the maintenance of said private streets.

Section 13. Creation of Lien and Personal Obligation for Charges. Each Owner of any Lot mentioned in Sections 11 and 12 above, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to pay to the Subassociation all charges set forth in Sections 11 and 12 above, together with such interest thereon and costs of collection thereof as hereinafter provided, and said amounts shall be a charge on the land and shall be a continuing lien upon the property against which each of said charges is made. Each said charge, together with 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 Lot at the time when the said charges fell due. The personal obligation delinquent charges shall not pass to his successors in title unless expressly assumed by them.

If the said charges are not paid within ten (10) days from the statement date, then such charge shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such Lot in the hands of the then Owner, his heirs, devisees,

personal representatives and assigns. The personal obligation of the then Owner to pay such charges, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the said charges are not paid within ten (10) days after the statement date, the charges shall bear interest from the statement date at the rate of eight percent (8%) per annum, and the Subassociation may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of said charges the cost of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the Court, together with the costs of the action.

No Owner may waive or otherwise escape liability for the charges provided in said Sections 11 and 12 by abandonment of his Lot.

Section 14. Subordination of the Assessment Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any purchase money loan evidenced by a first mortgage of record (including deed of trust) and to any executory land sales contract wherein the Administrator of Veterans Affairs (Veterans Administration) is 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 as is now or may hereafter be provided by Colorado law. The acceptance of a deed to land subject to this Declaration shall constitute a waiver of the homestead 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 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 become due prior to such sale, transfer or cancellation or forfeiture of executory land sales contract. No sale or transfer, or 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.

Section 15. Exempt Property. All Lots owned by the Major Developer shall be exempt from the charges set forth in Sections 11 and 12 above and the liens created by Section 13.

Section 16. Special Maintenance Charge Increases. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the quarterly dollar limit of the special maintenance charge provided for in Section 12 above shall be adjusted in conformance with the Consumer Price Index (CPI) published by the U.S. Department of Labor, specifically the Consumer Price Index for Urban Wage Earners and Clerical Workers, U.S. City Average, All Items, unadjusted for seasonal variation. The maximum charge for any year shall be the amount determined by:

- A. Taking the dollar amount specified in Section 12 above;
- B. Multiplying that amount by the published CPI number for the fourth month prior to the beginning of the subject year; and
- C. Dividing that resultant by the published CPI number for the fourth month prior to the month in which this Supplemental Declaration was signed by the Major Developer.



## ARTICLE VII

### PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligent or willful acts or omission shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty any Owner who has used the wall may restore it and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omission.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article each party shall choose one arbitrator and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

## ARTICLE VIII

### ARCHITECTURAL COMMITTEE

Section 1. Review by Committee. No structure, whether residence, accessory building, tennis court, swimming pool, antennae (on a structure or on a Lot), flag poles, fences, walls, exterior lighting, or other improvements, shall be constructed or maintained upon any Lot and no alteration or repainting to the exterior of a structure shall be made and no landscaping performed 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 Committee in accordance with Article VIII of the Master Declaration.

Section 2. The Architectural Committee shall exercise its best judgment to see that all improvements, construction, landscaping and alterations on lands within the Properties conform to and harmonize with existing surroundings and structures.

## ARTICLE IX

### COMMON SCHEME RESTRICTIONS

The following restrictions are imposed as a common scheme upon Lots and Common Properties for the benefit of each other Lot and Common Properties, and may be enforced by any Owner of a Lot or of the Common Properties.

No garbage, refuse, rubbish, or cuttings shall be deposited on any street, road or Common Properties, and not on any Lot unless placed in a suitable container suitably located.

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

No clothes lines, drying yards, service yards, wood piles or storage areas shall be so located as to be visible from a street, road or Common Properties.

When furnished, only those house numbers and mailboxes, which are installed by the Major Developer, shall be used and maintained in the Properties.

Any exterior lighting installed on any Lot shall either be indirect or of such controlled focus and intensity as not to disturb the residents of the adjacent property.

Ornamental posts shall be designed to be in keeping with the lighting fixtures at the street or road corners.

No animals or poultry shall be kept on any Lot within the properties except ordinary household pets belonging to the household. Only signs advertising the sale or rental of a Lot and which are approved by the Architectural Committee shall be allowed in the Properties.

No used or previously erected or temporary house, structure, house trailer or non-permanent outbuildings shall ever be placed, erected or allowed to remain on any Lot within the Properties except during construction.

Boats, trailers, trucks, campers or commercial vehicles shall not be parked or maintained in the Properties; however this restriction shall not restrict trucks or commercial vehicles making pickups or deliveries to or in the Properties, nor shall this restriction restrict trucks or commercial vehicles within the Properties which are necessary for the construction of residential dwellings or maintenance of the Common Properties.

None of the Lots may be improved, used or occupied for other than private single-family residential purposes, other than the Common Properties; however, the Major Developer may use one or more Lots for temporary office building, and use the same as an office building during the development and sale of the Lots.

No structure shall be built upon any Lot that exceeds a height of thirty-five (35) feet.

## ARTICLE X

### GENERAL PROVISIONS

Section 1. Duration. The Covenants and Restrictions of this Supplemental Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Subassociation, or the Owner of any land subject to this Supplemental Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of thirty (30) years from the date this Supplemental 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 (75%) of the Lots has been recorded prior to the commencement of any ten (10)-year period.

Section 2. Amendments. These Covenants and Restrictions may be amended during the first twenty (20) years from the date of the Supplemental 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.

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

Section 4. Construction Easement. If any portion of an exterior wall of a residence is situated within three (3) feet of any adjoining Lot line, a valid easement shall and does exist, three (3) feet in width along the adjoining Lot and adjacent to the said Lot line which easement may be used for the purpose of construction, reconstruction and maintenance of said exterior wall of a residence that is situated within three (3) feet from the nearest point of said easement. The Owner of any Lot subject to this easement shall not erect or build any structure upon or over said easement, which will interfere with the purposes of said easement.

Section 5. Encroachment Easement. If any exterior wall of a residence shall be constructed in a manner in which it encroaches upon any other Lot or upon the Common

Properties, a valid easement shall exist for such structure for as long as such structure shall exist, and no Member or the Subassociation shall interfere with such easement.

Section 6. Maintenance Easement. If any portion of a residence encroaches upon the Common Properties or upon the easement of any adjoining Lot established under the provisions of Sections 4 and 5 above, a valid easement on the surface and for sub-surface support below such surface and for the maintenance of same so long as it stands, shall and does exist.

Section 7. Insurance. Management Contracts. Conflicts, Declaration, Articles. Bylaws.

A. No person other than the Owner of a Lot, or the mortgagee where permitted by the mortgage, shall have the right to place hazard or liability insurance for that Lot. There may not be a requirement imposed to insure through a particular company or agent or to require the policies to be approved by the Subassociation or Declarant. Proceeds of insurance claims shall not be required to be paid to anyone other than the Owner of the Lot and/or the mortgagee.

B. Each and every management contract made between the Sub-association and a manager or managing agent during the period when the Declarant or other developer controls the Subassociation shall terminate absolutely, and in any event, no later than thirty (30) days after the termination of control by the Declarant or other developer of the Subassociation. All such management contracts entered into by the Subassociation with a manager or managing agent during the period of control by the Declarant or developer shall be subject to review and approval by the Veterans Administration. The provisions

of this paragraph shall be contained, verbatim, in each and every of such management contracts.

C. In case of conflict between the Declaration and the Articles of Incorporation or the Bylaws the Declaration shall control. In case of conflict between the Articles of Incorporation and the Bylaws, the Articles of Incorporation shall control.

Section 8. Enforcement. Enforcement of these Covenants and Restrictions shall be 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; and failure by the Subassociation or any Owner to enforce any Covenant or Restriction therein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 9. 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.

Section 10. FHA/VHA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, dedication of Common Properties, and amendment of this Supplemental Declaration of Covenants and Restrictions. Approval by the Federal Housing Administration under any of the above set forth actions shall be made by the District Director of the Federal Housing Administration in Denver, Colorado.

THE WRITER CORPORATION  
A Colorado corporation

By \_\_\_\_\_  
Executive Vice President

\_\_\_\_\_  
Secretary

KEN-CARYL RANCH CORPORATION  
A Delaware Corporation

By \_\_\_\_\_  
Executive Vice President

\_\_\_\_\_  
Secretary

STATE OF COLORADO    )  
                                  )  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this 20 day of  
April, 1979, by William E. Nolls as Executive Vice President and Ronald S. Loser  
as Secretary of The Writer Corporation, a Corporation.

Witness my hand and official seal.

My Commission Expires: September 6, 1980

\_\_\_\_\_  
Notary Public



The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of April, 1979, by J. E. Osborn, as Executive Vice President and Darrell S. Windes as Assistant Secretary of Ken-Caryl Ranch Corporation, a Corporation

Witness My Hand and Official Seal.

My Commission Expires: March 25, 1980

\_\_\_\_\_  
Notary Public

Holder of First Deed of Trust

United Bank of Denver, National Association

\_\_\_\_\_  
Tom McTurk  
Assistant Vice President

\_\_\_\_\_  
William J. Funk  
Secretary

STATE OF COLORADO    )  
  )  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this 20 day of April, 1979, by Tom McTurk, Assistant Vice President, and by William J. Funk, Secretary of United Bank of Denver, National Association, holder of First Deed of Trust.

Witness my hand and official seal.

My Commission Expires: June 26, 1981

\_\_\_\_\_  
Notary Public



EXHIBIT A

Lots 1 through 210, Block 1, Tracts C through G, Ken-Caryl Ranch  
“Plains” Phase IX, Jefferson County, Colorado.