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**DECLARATION  
OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
OF  
LAGO VISTAS SUBDIVISION**

THIS DECLARATION OF Lago Vistas Subdivision (the "Declaration") is made as of June 14, 2006, by Rancho San Westcliffe, LLC, a Colorado Limited Liability Company (the "Declarant").

**RECITALS**

- A. Declarant is owner of that certain real property located in the County of Pueblo, Colorado, more particularly described on the attached Exhibit A (the "Property").
- B. Declarant desires to create a planned community common interest community pursuant to the Colorado Common Interest Ownership Act as set forth in Colorado Revised Statute Section 38-33.3-101 et. Seq. (the "Act") on the Property, the name of which is Lago Vistas Subdivision.

**ARTICLE 1  
DECLARATION AND SUBMISSION**

Section 1.1 Declaration. Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following covenants, restrictions and easements which shall run with the land and be binding on all parties and heirs, successors and assigns of parties having any right, title or interest in all or any part of the Property. Additionally, Declarant hereby submits the Property to the provisions of the Act.

**ARTICLE 2  
DEFINITIONS**

The following words when used in this Declaration or any Supplemental Declaration shall have the following meanings:

Section 2.1 "Allocated Interests" means the undivided interest in the Assessments and votes in the Association allocated to each Parcel as set forth in Exhibit B attached hereto. The formulas for the Allocated Interests are as follows:

2.1(1) Percentage Share of Common Elements and Common Expenses: One share to each Parcel compared with the total shares allocated to all the Parcels in the Common Interest Community.

2.1(2) "Voting": One vote per Parcel on all matters.

Section 2.2 "Articles" mean the Articles of Incorporation for Lago Vistas Property Owners Association, a Colorado non-profit corporation, currently on file with the Colorado Secretary of State, and any amendments that may be made to those Articles from time to time.

Section 2.3 "Annual Assessment" means the Assessment levied pursuant to an annual budget.

Section 2.4 "Assessments" means the Annual, Special and Default Assessments levied pursuant to Article 10 below. Assessments are also referred to as a Common Expense Liability as defined under the Act.



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\*\*ReRecorded to Correct Legal Description\*\*

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This document is being re-recorded to add additional description and include the legal description.



Section 2.5 "Association" means Lago Vistas Property Owners Association, a Colorado nonprofit corporation, and its successors and assigns,

Section 2.6 "Association Documents" means this Declaration, the Articles of Incorporation, the Bylaws, the Map and any procedures, rules, regulations or policies adopted under such documents by the Association.

Section 2.7 "Bylaws" means the Bylaws adopted by the Association, as amended from time to time.

Section 2.8 "Clerk and Recorder" means the office of the Clerk and Recorder in the County of Pueblo, Colorado.

Section 2.9 "Common Area" means the roadway easements identified as Lago Vistas Boulevard; Bondurant Court; Chaps Lane; Stirrup Lane; and the areas designated "GREENBELT" on the Lago Vistas Subdivision Plat recorded at Reception Number 1681904, records of Pueblo County, Colorado. Addition: The Property Owner's Association will be responsible for the maintenance of the ingress and egress easement into Lago Vistas Subdivision.

Section 2.10 "Common Expenses" means (i) all expenses expressly declared to be common expenses by this Declaration or the Bylaws of the Association; (ii) all other expenses of administering, servicing, conserving, managing, maintaining, repairing or replacing the Common Areas; (iii) insurance premiums for the insurance carried under Article 9; and (iv) all expenses lawfully determined to be common expenses by the Executive Board.

Section 2.11 "County" means the County of Pueblo, Colorado.

Section 2.12 "Declaration" means this Declaration and the Plat, and amendments and supplements to the foregoing.

Section 2.13 "Executive Board" means the governing body of the Association.

Section 2.14 "Manager" means a person or entity engaged by the Association to perform certain duties, powers or functions of the Association, as the Executive Board may authorize from time to time.

Section 2.15 "Map" means the Plat of the Project recorded with the Clerk and Recorder.

Section 2.16 "Member" means every person or entity that holds membership in the Association.

Section 2.17 "Mortgage" means any mortgage, deed of trust or other document pledging any Parcel or interest therein as security for payment of a debt or obligation.

Section 2.18 "Mortgagee" means any person named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person under such Mortgage.

Section 2.19 "Owner" means the owner of record, whether one or more persons or entities, of fee simple title to any Parcel, and "Owner" also includes the purchaser under a contract for deed covering a Parcel with a current right of possession and interest in the Parcel.

Section 2.20 "Project" means the common interest community created by this Declaration and as shown on the Map, consisting of the Property, the Parcels and the Common Areas.

Section 2.21 "Parcel" or "Unit" shall mean and refer to each numbered parcel of the project as shown on the plat and Association map and any parcels that may hereafter be added to the project excepting, however, any portion of the Common Areas.

Each capitalized term not otherwise defined in this Declaration or in the Map shall have the same meanings specified or used in the Act.



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### ARTICLE 3 NAME, DIVISION INTO PARCELS, COMMON AREAS, ALLOCATION OF INTERESTS

Section 3.1 Name. The name of the Project is Lago Vistas Subdivision. The Project is a planned community pursuant to the Act.

Section 3.2 Association. The name of the Association is Lago Vistas Property Owners Association. Declarant has caused the Association to be incorporated as a non-profit corporation under the laws of the State of Colorado.

Section 3.3 Number of Parcels. The maximum number of Parcels in the Project is fifty (50).

Section 3.4 Identification of Parcels. The identification number of each Parcel is shown on the Plat.

3.4(1) Any instrument affecting a Parcel may describe it by its Parcel number, Lago Vistas Subdivision, County of Pueblo, State of Colorado, according to the Plat thereof recorded at Reception Number 1681904, in the records of the Clerk and Recorder of the County of Pueblo, Colorado, as amended from time to time.

Section 3.5 Description of the Common Areas. The real property hereinabove described which is included within the Project, together with any and all real and personal property hereafter owned or controlled by the Association for the common use and benefit of the owners and the community, together with all improvements thereon, if any, and any easements, fixtures or appurtenances used therewith or attached thereto subject to rights-of-way, easements, liens, encumbrances, reservations and restrictions of record, if any. Every owner, and the successors and assigns thereof, shall be deemed to have consented to the use and control of said real property by the Association for the benefit and enjoyment of all owners in accordance with the provisions of this Declaration and the By-laws and rules and regulations of the Association.

Section 3.6 Allocation of Interests. The table showing Parcel numbers and their Allocated Interests is attached as Exhibit B. These interests have been allocated in accordance with the formulas set out in this Article. The same formulas are to be used in reallocating interests if Parcels are added to the Common Interest Community.

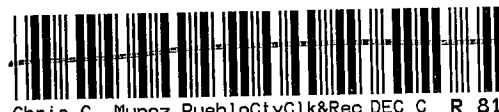
Formulas for the Allocation of Interests. The interests allocated to each Parcel have been calculated by the following formulas:

- (a) Undivided Interest in the Common Areas. The percentage of the undivided interest in the Common Areas allocated to each Parcel is based on one share to each Parcel compared with the total shares allocated to all the Parcels in the Common Interest Community.
- (b) Liability for the Common Expenses. The percentage of liability for Common Expenses allocated to each Parcel is based on one share to each Parcel compared with the total shares allocated to all the Parcels in the Common Interest Community. Nothing contained in this Subsection shall prohibit certain Common Expenses from being apportioned to particular Parcels under Article 8 or Article 10 of this Declaration.

### ARTICLE 4 PROPERTY OWNER'S ASSOCIATION

Section 4.1 The Association.

- (a) General Purposes and Powers. The Association through the executive Board or a Managing Agent shall perform functions and hold and manage property as provided in this declaration so as to further the interests of Owners of Parcels in the Project. The Association shall have all the powers necessary or desirable to effectuate such purposes.
- (b) Membership and Voting. The Owner of a Parcel shall automatically be a member of the Association. Said membership is appurtenant to the Parcel of said owner, and title to the ownership of the membership for that Parcel shall automatically pass with fee simple title



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to the Parcel. If the fee simple title to a Parcel is held by more than one person, the membership as to such Parcel shall be joint, and a single membership for such Parcel shall be issued in the names of all Owners, and they shall designate to the Association in writing the name of one natural person 18 years of age or older who shall have the power to vote said membership at any meeting of members. Membership in the Association shall be limited to Owners of Parcels in the Project, and each Parcel shall be entitled to the voting rights allocated to that parcel in the Bylaws.

- (c) **Executive Board.** The affairs of the Association shall be managed by an Executive Board which may by resolution delegate any portion of its authority to an Executive Committee or to a Managing Agent for the Association. There shall be no fewer than three Members of the Executive Board, the specific number to be set forth from time to time in the Bylaws, all of whom shall be Owners or residents of a Parcel, except Members appointed by the Declarant.
- (d) **Bylaws and Articles.** The purposes and powers of the Association and the rights and obligations with respect to Owners set forth in this Declaration may and shall be amplified by provisions of the Articles and Bylaws of the Association.

#### Section 4.2 Declarant Control of the Association.

- (a) There shall be a period of Declarant control of the Association, during which a Declarant, or Persons designated by the Declarant, may appoint and remove the officers of the Association and Members of the Executive Board. The period of Declarant control shall terminate no later than the earlier of:
  - (i) 60 days after conveyance of 75 percent of the Units that may be created in the Common Interest Community to Unit Owners other than a Declarant; or
  - (ii) two years after the last conveyance of a Parcel by the Declarant in the ordinary course of business; or
  - (iii) two years after any right to add new Parcels was last exercised.

### ARTICLE 5

#### POWERS OF THE EXECUTIVE BOARD OF THE ASSOCIATION

Except as provided in the By-laws and the Act, the Executive Board may act in all instances on behalf of the Association, to:

Section 5.1 Adopt and amend bylaws and rules and regulations;

Section 5.2 Adopt and amend budgets for revenues, expenditures and reserves and collect Assessments;

Section 5.3 Hire and terminate managing agents and other employees, agents and independent contractors;

Section 5.4 Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Parcel Owners on matters affecting the Project;

Section 5.5 Make contracts and incur liabilities;

Section 5.6 Regulate the use, maintenance, repair, replacement and modification of Common Areas;

Section 5.7 Cause additional improvements to be made as a part of the Common Areas;

Section 5.8 Acquire, hold, encumber and convey in the name of the Association any right, title or interest to real or personal property, except that Common Areas may be

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conveyed or subjected to a security interest only if Members entitled to cast at least eighty percent (80%) of the votes agree to that action;

Section 5.9 Grant easements, leases, licenses and concessions through or over the Common Areas;

Section 5.10 Impose and receive any payments, fees or charges for the use, rental or operation of the General Common Areas;

Section 5.11 Impose charges for late payment of Assessments, recover reasonable attorney fees and other legal costs for collection of Assessments and other actions to enforce the power of the Association, regardless of whether or not suit was initiated, and after notice and opportunity to be heard, levy reasonable fines for violations of the Association Documents;

Section 5.12 Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid Assessments;

Section 5.13 Provide for the indemnification of its officers and Executive Board and maintain directors' and officers' liability insurance;

Section 5.14 Assign its right to future income, including the right to receive Assessments;

Section 5.15 Exercise any other powers conferred by the Declaration or Association Bylaws;

Section 5.16 Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association; and

Section 5.17 Exercise any other powers necessary and proper for the governance and operation of the Association.

## ARTICLE 6 MECHANIC'S LIENS

Section 6.1 No Liability. If any Owner shall cause any material to be furnished to his Parcel or any labor to be performed therein or thereon, no Owner of any other Parcel shall under any circumstances be liable for the payment of any expense incurred or for the value of any work done or material furnished. All such work shall be at the expense of the Owner causing it to be done, and such Owner shall be solely responsible to contractors, labors, materialmen and other persons furnishing labor or materials to his Parcel.

Section 6.2 Indemnification. If, because of any act or omission of any Owner, any mechanic's or other lien or order for the payment of money shall be filed against the Common Areas or against any other Owner's Parcel or an Owner or the Association (whether or not such lien or order is valid or enforceable as such), the Owner whose act or omission forms the basis for such lien or order shall at his own cost and expense cause the same to be cancelled and discharged of record or bonded by a surety company reasonably acceptable to the Association, or to such other Owner or Owners, within twenty (20) days after the date of filing thereof, and further shall indemnify and save all the other owners and the Association harmless from and against any and all costs, expenses, claims, losses or damages including, without limitation, reasonable attorneys' fees resulting therefrom.

Section 6.3 Association Action. Labor performed or materials furnished for the Common Areas, if duly authorized by the Association in accordance with this Declaration or its Bylaws, shall be the basis for the filing of a lien pursuant to law against the Common Areas. Any such lien shall be limited to the Common Areas and no lien may be effected against an individual Parcel or Parcels.



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## ARTICLE 7 EASEMENTS

### Section 7.1 Provisions for Reciprocal Easements.

**Owner's Easement Across Common Areas.** Every Owner shall have a right and easement for ingress to, and egress from, such Owner's Parcel over and across the Common Areas, which easement shall be appurtenant to and shall pass with the title to every Parcel, subject to the right of the Declarant and/or the Association to dedicate or transfer all or part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Association. No such dedication or transfer by the Association shall be effective unless an instrument signed by 80 percent of the Parcel Owners agreeing to such dedication or transfer has been recorded in the Records.

**Easements Reserved.** Easements and rights of way are reserved on, over, and under the Common Areas and the Parcels, for construction, maintenance, repair, replacement, and reconstruction of poles, wires, pipes, and conduits for lighting, heating, electricity, gas, telephone, drainage, and any other public or quasi-public utility service purposes, and for sewer and pipes of various kinds.

### Section 7.2 Utility Easements.

(a) A ten (10) foot utility easement is hereby set aside on each side of all side and common rear parcel lines and a twenty (20) foot utility easement is hereby set aside on the interior side of all exterior parcel lines. All future electric and phone lines shall be extended underground, excepting that the Property Owners Association Board may approve overhead lines where the terrain prohibits underground installation.

## ARTICLE 8 RIGHTS AND OBLIGATIONS OF INDIVIDUAL PARCEL OWNERS AND THE ASSOCIATION FOR MAINTENANCE AND REPAIR

**Section 8.1 Duties of Association.** The Association shall maintain, repair, replace, provide for adequate dust suppression, and keep in good order, to the extent that such functions are not expected to be performed by any political subdivision thereof or of the State of Colorado, all of the Common Areas. The Association may from time to time, hire and/or contract with third parties to achieve the objectives of this Section 8.

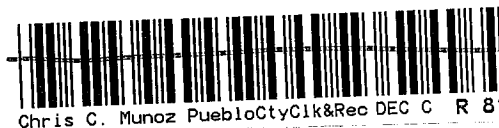
**Section 8.2 Dissolution of Association.** If the Association is dissolved for any reason, the Parcel Owners will be responsible for maintenance and repair of the Common Areas based on the following formula: number of parcels owned by parcel owner, divided by total number of parcels, multiplied by the cost of maintenance or repair to the Common Areas.

## ARTICLE 9 INSURANCE

### Provision for Insurance Covering the Common Areas

**Section 9.1 Coverage.** To the extent reasonably available, the Executive Board shall obtain and maintain insurance coverage as set forth in this Article. If such insurance is not reasonably available, and the Executive Board determines that any insurance described in this Article will not be maintained, the Executive Board shall cause notice of that fact to be hand delivered or sent prepaid by United States mail to all Parcel Owners.

**Liability Insurance.** Liability insurance, including medical payments insurance, will be maintained in an amount determined by the Executive Board, but in no event shall it be less than \$1,000,000. This insurance shall cover all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Areas and the activities of the Association. Insurance policies carried pursuant to this Section shall provide that:





- (a) each Parcel Owner is an insured person under the policy with respect to liability arising out of the Parcel Owner's interest in the Common Areas or membership in the Association;
- (b) the insurer waives the right to subrogation under the policy against a Parcel Owner or member of the household of a Parcel Owner;
- (c) an act or omission by a Parcel Owner, unless acting within the scope of the Parcel Owner's authority on behalf of the Association, will not void the policy or be a condition to recovery under the policy;
- (d) if, at the time of a loss under the policy, there is other insurance in the name of a Parcel Owner covering the same risk covered by the policy, the policy of the Association provides primary insurance; and
- (e) the insurer issuing the policy may not cancel or refuse to renew it until 30 days after notice of the proposed cancellation or nonrenewal has been mailed to the Association, each Parcel Owner, and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued at their last known addresses.

Section 9.2 Workers Compensation Insurance. The Executive Board shall obtain and maintain Workers Compensation Insurance to meet the requirements of the laws of the State of Colorado.

## ARTICLE 10 ASSESSMENTS

Section 10.1 Obligation. Each Owner, including Declarant while an Owner of any Parcel, is obligated to pay the Association (1) the Annual Assessments; (2) Special Assessments; and (3) Default Assessments.

Section 10.2 Budget. Within ninety (90) days after the adoption of any proposed budget for the Association, the Executive Board shall mail, by ordinary first-class mail, or otherwise deliver a summary of the budget to all the Owners and shall set a date for a meeting of the Owners to consider ratification of the budget within a reasonable time after mailing or other delivery of the summary, or as allowed for in the bylaws. Unless at that meeting a majority of all Owners reject the budget, the budget is ratified, whether or not a quorum is present. In the event that the proposed budget is rejected, the periodic budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board. The Executive Board shall adopt a budget and submit the budget to a vote of the Owners as provided herein no less frequently than annually. The Executive Board shall levy and assess the Annual Assessments in accordance with the annual budget.

Section 10.3 Annual Assessments. Annual Assessments made for Common Expenses shall be based upon the estimated cash requirements as the Executive Board shall from time to time determine to be paid by all of the Owners, subject to Section 10.2 above. Estimated Common Expenses shall include, but shall not be limited to, the cost of routine maintenance and operation of the Common Areas, expenses of management and insurance premiums for insurance coverage as deemed desirable or necessary by the Association, landscaping of the Property, care of grounds within the Common Areas, routine repairs, replacements and renovations within and of the Common Areas, wages, common water and utility charges for the Common Areas, legal and accounting fees, management fees, expenses and liabilities incurred by the Association under or by reason of this Declaration, payment of any default remaining from a previous assessment period, and the creation of a reasonable and adequate contingency or other reserve or surplus fund for insurance deductibles and general, routine maintenance, repairs and replacement of improvements within the Common Areas on a periodic basis, as needed.

Annual Assessments shall be payable in annual installments on a prorated basis in advance. The omission or failure of the Association to fix the Annual Assessments for any assessment period shall not be deemed a waiver, modification or release of the Owners from their obligation to pay the same. The Association shall have the right, but not the obligation, to make prorated refunds of any Annual Assessments in excess of the actual expenses incurred in any fiscal year.

Section 10.4 Apportionment of Annual Assessments. The Common Expenses shall be allocated among the Parcels on the basis of the Allocated Interests for Common Expenses in



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effect on the date of assessment, provided, however, that the Association reserves the right to allocate all expenses relating to fewer than all of the Parcels (such as those expenses attributable to Limited Common Areas and insurance premiums described in Article 9) to the Owners of those affected Parcels only.

**Section 10.5 Special Assessments.** In addition to the Annual Assessments, the Association may levy in any fiscal year one or more Special Assessments, payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of improvements within the Common Areas or for any other expense incurred or to be incurred as provided in this Declaration. This Section 10.5 shall not be construed as an independent source of authority for the Association to incur expense, but shall be construed to prescribe the manner of assessing expenses authorized by other sections of this declaration. Any amounts assessed pursuant to this section shall be assessed to Owners according to their Allocated Interests for Common Expenses. Notice in writing of the amount of such Special Assessments and the time for payment of the Special Assessments shall be given promptly to the Owners, and no payment shall be due less than ten (10) days after such notice shall have been given.

**Section 10.6 Default Assessments.** All monetary fines assessed against an Owner pursuant to the Association Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Association Documents, shall be a Default Assessment and shall become a lien against such Owner's Parcel which may be foreclosed or otherwise collected as provided in this declaration. Notice of the amount and due date of such default Assessment shall be sent to the Owner subject to such Assessment at least ten (10) days prior to the due date.

**Section 10.7 Effect of Nonpayment; Assessment Lien.** Any Assessment installment, whether pertaining to any Annual, Special or Default Assessment, which is not paid on or before its due date shall be delinquent. If an Assessment installment becomes delinquent, the Association, in its sole discretion, may take any or all of the following actions:

- a) Assess a late charge for each delinquency in such amount as the Association deems appropriate;
- b) Assess an interest charge from the due date at the yearly rate of six (6) points above the prime rate charged by the Association's bank, or such other lawful rate as the Executive Board may establish;
- c) Suspend the voting rights of the Owner during any period of delinquency;
- d) Suspend the rights of the Owner, and the Owner's family, guests, lessees and invitees, to use Common Area facilities during any period of delinquency;
- e) Accelerate all remaining Assessment installments so that unpaid Assessments for the remainder of the fiscal year shall be due and payable at once;
- f) Bring an action at law against any Owner personally obligated to pay the delinquent Assessments; and
- g) Proceed with foreclosure as set forth in more detail below.

Assessments chargeable to any Parcel shall constitute a lien on such Parcel. The Association may institute foreclosure proceedings against the defaulting Owner's Parcel in the manner for foreclosing a mortgage on real property under the laws of the State of Colorado. In the event of any such foreclosure, the Owner shall be liable for the amount of unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings, the cost and expenses for filing the notice of the claim and lien, and all reasonable attorney's fees incurred in connection with the enforcement of the lien. The Association shall have the power to bid on a Parcel at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

**Section 10.8 Personal Obligation.** Each Assessment against a Parcel is the personal obligation of the person who owned the Parcel at the time the Assessment became due and shall



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not pass to successors in title unless they agree to assume the obligation. No Owner may exempt himself from liability for the Assessment by abandonment of his Parcel or by waiver of the use or enjoyment of all or any part of the Common Areas. Suit to recover a money judgment for unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings, and all reasonable attorney's fees in connection therewith shall be maintainable without foreclosing or waiving the Assessment lien provided in this Declaration.

**Section 10.9 Payment by Mortgagee.** Any Mortgagee holding a lien on a Parcel may pay any unpaid Assessment payable with respect to such Parcel, together with any and all costs and expenses incurred with respect to the lien, and upon such payment that Mortgagee shall have a lien on the Parcel for the amounts paid with the same priority as the lien of the Mortgage.

**Section 10.10 Statement of Status of Assessment Payment.** Upon payment of a reasonable fee set from time to time by the Executive Board and upon fourteen (14) days' written request to the Association's registered agent by personal delivery or certified mail, first-class postage prepaid, return receipt, any owner, designee of Owner, Mortgagee, prospective Mortgagee or prospective purchaser of a unit shall be furnished with a written statement setting forth the amount of the unpaid Assessments, if any, with respect to such Parcel. Unless such statement shall be issued by personal delivery or by certified mail, first class postage prepaid, return receipt requested, to the inquiring party (in which event the date of posting shall be deemed the date of delivery) within fourteen (14) days after receipt of the request, the Association shall have no right to assert a lien upon the Parcel over the inquiring party's interest for unpaid Assessments which were due as of the date of the request.

**Section 10.11 Maintenance Accounts; Accounting.** If the Association delegates powers of the Executive Board or its officers relating to collection, deposit, transfer or disbursement of Association funds to other persons or to a manager, then such other persons or manager must (a) maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the other person or manager, (b) maintain all reserve and working capital accounts of the Association separate from the operational accounts of the Association, and (c) provide to the Association an annual accounting and financial statement of Association funds prepared by the manager, a public accountant or a certified public accountant.

## ARTICLE 11

### RESERVED DEVELOPMENT AND SPECIAL DECLARANT RIGHTS

**Section 11.1 Reservation of Withdrawal Rights.** Declarant reserves the right for itself and any Successor Declarant at any time and from time to time to withdraw from the provisions of the Declaration individual Parcels and/or Common Areas, provided however that none of the real estate may be withdrawn after any Parcel has been conveyed by Declarant to a purchaser.

**Section 11.2 Other Reserved Rights.** Declarant reserves the right for itself and any Successor Declarant at any time and from time to time to: (a) maintain and relocate sales offices, management offices, signs advertising the Project and models, of any size, within one or more Parcels and within the General Common Areas so long as Declarant or Successor Declarant continues to be an Owner of a Parcel or, if earlier, five (5) years from the recording of this Declaration with the Clerk and Recorder, and (b) to appoint or remove any officer of the Association or any Executive Board member during the period of Declarant control as set forth in Article 4 above.

**Section 11.3 Change in Allocated Interests.** In the event Declarant or Successor Declarant exercises the right to withdraw Parcels as set forth above, the Allocated Interests of the resulting Parcels after such expansion or withdrawal shall be according to the formula set forth in Section 2.2 above.

**Section 11.4 Termination of Rights.** The rights reserved to the Declarant for itself, its successors and assigns in this Article shall expire, unless sooner terminated as required by the Act, ten (10) years from the date of recording this declaration, unless such rights are (i) extended as allowed by law, or (ii) reinstated or extended by the Association, subject to whatever terms, conditions and limitations the Executive Board may impose on the subsequent exercise of the rights by Declarant.



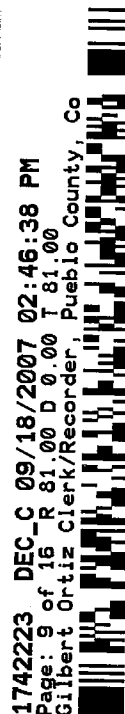
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## ARTICLE 12 USE RESTRICTIONS

Section 12.1 Except for the right of ingress or egress, the owners are hereby prohibited and restricted from using any of the Properties outside the exterior boundary lines of their respective Parcels, except as may be allowed by the Association's Board of Directors and this Declaration. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all owners and is necessary for their protection.

Section 12.2 Refuse piles or other unsightly objects or materials shall not be allowed to be placed or to remain upon the Properties. The Association shall have the right to enter upon said lands and remove such refuse piles or other unsightly objects or materials at the expense of the owner responsible therefor, and such entry shall not be deemed a trespass provided three (3) days prior notice has been given to the owner and failure of owner to remove same.

Section 12.3 All Parcels shall be used for residential purposes only and shall not be used for any business, manufacturing or commercial purpose whatsoever without the prior written approval of the Association and conditional upon a determination by the Association, that the zoning is appropriate. However, a home office is permissible as defined by Pueblo County Zoning. The Association's approval may thereafter be withdrawn or terminated at any time.

Section 12.4 No Parcel or easement shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be disposed of in a sanitary manner, pursuant to rules and regulations adopted by the Association.

Section 12.5 Dwellings. Each parcel in the subdivision shall be used as a residence for a single family and for no other purpose. One guest house may be built after the main house is built and shall be allowable if accepted and approved by Pueblo County Zoning. Single family residence as defined by these restrictive covenants shall mean a building which satisfies the size of sixteen hundred (1600) square feet on the main floor, location, architectural, and other requirements of these restrictive covenants. Single family residence shall not be interpreted to include any of the following: duplexes, triplexes, other multifamily dwellings, mobile homes, manufactured homes as defined by Section 31-23-301 (5) (a), C.R.S., or any building which fails to satisfy the size, location, architectural, and other requirements of these restrictive covenants.

The current structure(s) located on Parcel 20 are exempt from this Section 12.5 except that the construction to replace any structures which are destroyed or demolished must comply with this section.

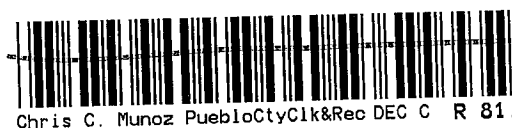
Section 12.6 Setbacks. No structure may be erected within fifty (50) feet of the front parcel line, nor within twenty-five (25) feet of any side or rear parcel line of any parcel, except that the rear setback for Parcels 22 through 50 is fifty (50) feet from the parcel boundary line, excluding Parcels 31 and 37 which have a rear setback of forty (40) feet from the parcel boundary line.

Section 12.7 Nuisances. No owner shall cause or allow the origination of excessive odors or sounds from his parcel. No owner shall cause or allow any other nuisances of any kind whatsoever to exist on his parcel. In case of dispute, at the request of an owner, the Property Owners Association board shall make the final determination of what constitutes a nuisance.

Section 12.8 Animals. Animals will be allowed in Lago Vistas Subdivision for personal use of parcel owners. Horses and other large animals will only be allowed on Parcels 22 through 50 as per Pueblo County Zoning, with a maximum of three (3) horses per Parcel. Horses are not allowed on Parcels 1 through 21. All other animals are prohibited except for (a) grazing lease on the development and 4-H projects. No swine will be allowed on any Parcel.

Section 12.9 Motor Vehicles. No motorized vehicle which is either non-operational or non-licensed shall be kept or stored on any parcel, unless said vehicle is kept or stored in a fully enclosed building.

Section 12.10 Recreational vehicles. All Recreational vehicles must be housed in a permanent structure. All RV's such as ATV's, motorcycles and snowmobiles operated within





Lago Vistas must be 4 cycle or greater variety and properly muffled and provided with a spark arrester.

**Section 12.11 Temporary Residences.** No structure of temporary character, recreational vehicle, camper unit, motorhome, trailer, basement, tent or accessory building shall be used on any tract as a residence. The exception is using a temporary residence as defined above for use while building a home for up to nine (9) months. Recreational vehicles, camper units, and tents may be used for vacation camping for periods not to exceed thirty (30) consecutive days in any calendar year.

**Section 12.12 Underground Utilities.** All utilities except for lighting standards and customary service devices for access, control or use of utilities shall be installed underground, terrain permitting. Approval for installation of above ground utilities must be approved by the governing board of the Association.

**Section 12.13 Subdivision.** No parcel in Lago Vistas Subdivision may be subdivided.

**Section 12.14 Hunting.** No game hunting is allowed within Lago Vistas Subdivision.

**Section 12.15 Exterior Lighting.** Exterior lighting shall be adequately hooded and of a type deemed "night sky friendly". To every extreme possible, exterior lighting sources are not to be visible from other parcels.

### ARTICLE 13

#### DURATION OF COVENANTS AND AMENDMENT

**Section 13.1 Term.** The covenants and restrictions of this Declaration shall run with and bind the land in perpetuity, subject to the termination provisions of the Act.

**Section 13.2 Amendment.** This declaration, or any provision of it, may be amended at any time by Owners holding not less than sixty-seven percent (67%) of the votes possible to be cast under this declaration at a meeting of the Owners called for that purpose.

Any amendment must be executed by the President of the Association and recorded, and approval of such amendment may be shown by attaching a certificate of the Secretary of the Association to the recorded instrument certifying the approval of a sufficient number of Owners of the amendment. Notwithstanding the foregoing, Declarant, acting alone, reserves to itself the right and power to modify and amend this Declaration and the Map to the fullest extent permitted under the Act.

### ARTICLE 14

#### GENERAL PROVISIONS

**Section 14.1 Restriction on Declarant Powers.** Notwithstanding anything to the contrary herein, no rights or powers reserved to Declarant hereunder shall exceed the time limitations or permissible extent of such rights or powers as restricted under the Act. Any provision in this Declaration in conflict with the requirements of the Act shall not be deemed to invalidate such provision as a whole but shall be adjusted as is necessary to comply with the Act.

**Section 14.2 Enforcement.** Except as other wise provided in this declaration, the Executive Board, Declarant or any Owner shall have the right to enforce, by a 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 Executive Board of the Association, Declarant or by any Owner to enforce any covenant or restriction contained in this Declaration shall in no event be deemed a waiver of the right to do so thereafter.

**Section 14.3 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.

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Section 14.4 Conflicts Between Documents. In case of conflict between this Declaration and the Articles and the Bylaws of the Association, this declaration shall control. In case of conflict between the Articles and the Bylaws, the Articles shall control.

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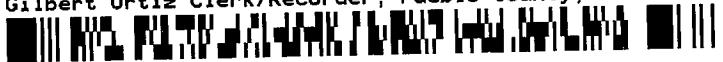
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EXHIBIT A

Property Description

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## EXHIBIT B

## Allocated Interests

Parcel #	Percentage Share of Common Areas and Common Expenses	Votes
1	1/50	1
2	1/50	1
3	1/50	1
4	1/50	1
5	1/50	1
6	1/50	1
7	1/50	1
8	1/50	1
9	1/50	1
10	1/50	1
11	1/50	1
12	1/50	1
13	1/50	1
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44	1/50	1
45	1/50	1
46	1/50	1
47	1/50	1
48	1/50	1
49	1/50	1
50	1/50	1
Totals	50/50	50

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IN WITNESS WHEREOF, the undersigned Manager of Rancho San Westcliffe, LLC, (the Declarant") has hereunto set his hand and seal this 14<sup>th</sup> day of June, 2006

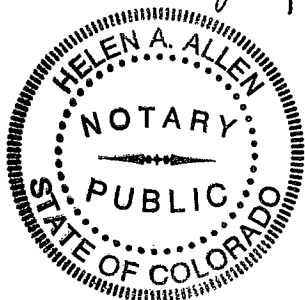
*James E. Young*  
\_\_\_\_\_  
Rancho San Westcliffe, LLC  
By Its Manager: James E. Young

State of Colorado )  
County of El Paso ) ss.

Subscribed and sworn to before me by James E. Young, Manager of Rancho San Westcliffe, LLC this 14<sup>th</sup> day of June, 2006.

My commission expires: July 25, 2006

*Helen A. Allen*  
\_\_\_\_\_  
Notary Public  
Helen A. Allen



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Exhibit "A"

Rerecorded

*All Lago Vista Subdivision as shown on the plat recorded June 28, 2006, at Reception No. 1681904,*

*County of Pueblo,  
State of Colorado*

Legal should read as follows:

All Lago Vista Subdivision as shown on the plat recorded June 28, 2006, at Reception No: 1681904.

County of Pueblo,  
State of Colorado

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