



**SECOND AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS,
 CONDITIONS AND RESTRICTIONS FOR
 THE GREENS AT DALTON**

This Second Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for the Greens at Dalton is made on the date hereinafter set forth by the Greens at Dalton Owners Association, a Colorado nonprofit Corporation.

RECITALS

1. APPROVAL OF SECOND AMENDED AND RESTATED DECLARATION AND REPLACEMENT OF PRIOR DECLARATIONS

This Second Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for the Greens at Dalton (“Declaration”) was approved by the affirmative vote or agreement of owners of units to which at least sixty-seven percent of the votes in the Greens at Dalton Owners Association are allocated pursuant to Article 13 First Amended Declaration of Protective Covenants, Conditions and Restrictions for the Greens at Dalton recorded on September 14, 2003 under Reception No. 867572, La Plata County Clerk and Recorder (hereinafter “the 2003 Declaration”) and C.R.S. § 38-33.3-217(1) and (4.5).

This Amended Declaration shall supersede and replace the 2003 Declaration and all amendments thereto, including the Second Amendment recorded on July 24, 2009 under Reception No. 1000475, the Third Amendment recorded on August 20, 2014 under Reception No. 1085417, and Fourth Amendment recorded on August 20, 2014 under Reception No. 1085416.

2. DESCRIPTION OF REAL ESTATE INCLUDED IN THE GREENS AT DALTON

Lands included in the Cottonwoods at Dalton Ranch and which are subject to this Declaration are located in La Plata County, Colorado, and are as described in the 2003 Declarations, to wit: A portion of the Cottonwoods at Dalton Ranch property as designated on the plat and in the Declaration for multi-family use and as more particularly described as Lot U1 - U29 of COTTONWOODS AT DALTON RANCH, Project No. 2001-171 according to the final plat thereof filed for record in the office of the Clerk and Recorder of La Plata County, Colorado (the “Greens at Dalton” or the “Greens”).

3. INTENT AND PURPOSE:

The intent and purpose of this Declaration is to enhance and protect the value, desirability, and attractiveness of the Greens at Dalton. This Declaration shall run with title to any lot within the Greens at Dalton, shall bind all parties having or acquiring any right, title, or interest in the Greens at Dalton, and shall inure to the benefit of each such owner of property within the Greens at Dalton. It is the intent of this Declaration to support the free use and enjoyment of the lots within the Greens at Dalton, while protecting the property values of the other lot owners, and ensuring that the natural environment will be disturbed as little as possible.

4. BINDING EFFECT

By accepting a deed or acquiring any ownership interest in any lot within the Greens at Dalton, each lot owner, his/her heirs, personal representatives, successors, transferees and assigns, binds him/herself, his/her heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules and regulations now or hereafter imposed by this Declaration the Bylaws and Articles of Incorporation and any amendments thereto.

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 Return To: **AREM Property Management**
 1201 Main Ave Suite 103
 Durango, CO 81301

5. NAME OF THE HOMEOWNERS' ASSOCIATION.

The name of the association which manages the business affairs, maintains the common areas, and enforces the Declaration is the Greens at Dalton Owners Association, a non-profit Colorado Corporation.

ARTICLE 1 DEFINITIONS

Section 1.1 Act: The Colorado Common Interest Ownership Act, §38-33.3-101, *et seq.* C.R.S., which is in effect on the date of this Declaration together with any subsequent amendments to the Act which are expressly made applicable to existing associations.

Section 1.2 Allocated Interest: Interests allocated to each unit, including the Common Expense liability and membership in the Association.

Section 1.3 Association: The Greens at Dalton Owners Association, a Colorado nonprofit corporation.

Section 1.4 Board: The Board of Directors of the Greens at Dalton Owners Association.

Section 1.5 Common Elements: All portions of the Greens at Dalton not platted as individual Lots are owned by the Association in fee title, also shown or referred to on the Plat as Common Space or Open Space. Common Elements include, but are not limited to, all roads, walkways, parking lots, common areas, open space utilities (except those serving two or fewer units) or other real or personal property, including improvements thereon, shown on the Plat and conveyed to the Association. Common Elements are also referred to as General Common Elements and Limited Common Elements.

Section 1.6 Common Expenses: Expenditures or liabilities incurred by or on behalf of the Association together with any allocations to reserves.

Section 1.7 Declaration: This instrument, together with the Plat and any amendments to the Declaration or Plat. The Declaration may also be referred to as the "Covenants" or "CC&R's".

Section 1.8 Deed of Trust: A deed of trust, mortgage, or other encumbrance permitted under the laws of the State of Colorado, which has been placed upon a Lot by the Owner thereof to secure the performance of an obligation.

Section 1.9 First Mortgage: The deed of trust encumbering a Lot having priority of record over all other recorded liens except those governmental liens made superior by statute (such as general ad valorem tax liens and special governmental assessments) and any other lien, including Association liens for assessments, made superior by operation of law.

Section 1.10 Gender and Number: Unless the context otherwise requires, the use of the masculine shall include the feminine, and the use of the singular shall include the plural.

Section 1.11 Improvement: Any building, structure, driveway, fence, or other manmade structure or construction within the Greens.

Section 1.12 Lot: The multi-family lots within The Cottonwoods at Dalton Ranch designated as Lots U1 - U29 on the plat. Lots may also be referred to as Units.

Section 1.13 Member: Every person or entity holding membership in the Association.

Section 1.14 Owner: The record owner or owners, whether natural persons, corporations, or other legal entities, of any Lot within the Greens. Unless the context otherwise requires, "Owner" shall refer to all multiple owners of a single Lot collectively. The term shall include contract purchasers of Lots but shall exclude persons having an interest in the Lot merely as security for the performance of an obligation, provided, however, that it shall include such persons after the acquisition of title pursuant to a foreclosure or judicial sale.

Section 1.15 Plat: The final plat of Cottonwoods at Dalton Ranch, Project No. 2001-171 as filed of record in the office of the La Plata County Clerk and Recorder on November 29, 2001 as Reception No. 818374 and any subsequent amendments thereof which are filed of record in the office of the La Plata County Clerk and Recorder.

Section 1.16 Villa: For purposes of the Act and this Declaration, a Villa consists of that portion of the building constructed upon a Lot as a single residence which is or will be occupied for residential purposes and which may have one or more party walls with one or more Villas.

Section 1.17 Villa Exterior: For the purposes of the provisions of this Declaration in regard to Association and Owner maintenance responsibility and Common Expenses, all exterior surfaces of a Villa, the structure supporting the Villa, including but not limited to, foundations, columns, girders, beams, supports, main walls, roofs, gutters, downspouts, exterior doors, exterior windows (except the glass surface), the exterior building surface and the structural components of all walls, ceilings and floors.

Section 1.18 Villa Interior: For the purposes of provisions of this Declaration in regard to the Association and Owner maintenance responsibility and Common Expenses, that portion of the Villa not comprising the exterior, including but not limited to, finished walls, ceilings and floors and the coverings of same; interior doors and windows; the glass surface of all exterior windows; all heating and ventilating equipment serving such Villa; and all gas, water, sewer and power lines and utilities serving such Villa, including those within the walls of the Villa and service lines to the point of connection with utilities owned and operated by the Association or by any public or private utility company.

Section 1.19 Yard Area: That portion of a Lot outside the footprint of the Villa.

ARTICLE 2 LOT OWNERSHIP

Section 2.1 Establishment of Lots. The Greens has been subdivided into Lots as shown on the Plat. Each Lot consists of a fee simple interest in the real property of each Lot and the improvements and fixtures located thereon together with the Owner's interest in the Association. For purposes of the Act, the Greens at Dalton is a "planned community".

Section 2.2 Inseparability. No portion of any Lot or of any legal right with respect to ownership of a Lot may be partitioned, separated or otherwise divided from any other part thereof during the period of ownership provided for in this Declaration. Lots shall always be conveyed, transferred, devised, bequeathed, encumbered and otherwise affected only as a complete unit. Any transfer of a Lot or any part thereof shall be presumed to be a transfer of the entire Lot together with all appurtenant rights and interests created by law or by this Declaration.

Section 2.3 Non-partitionability. The Common Elements shall be owned by the Association. No owner or person claiming any right, title or interest in any Lot shall bring any action for partition or division of the Common Elements and by acceptance of a deed or any other instrument of conveyance or

assignment of an interest to a Lot, each such Owner or person shall be deemed to have specifically waived any right to institute or maintain a partition action or any other cause of action designed to cause a division of the Common Elements or of any Lot. Any Owner or person who institutes or maintains such action shall be liable to the Association for the Association's costs, expenses and reasonable attorney fees incurred in defending such action.

Section 2.4 Covenants Running With the Land. All the provisions of this Declaration shall be deemed to be covenants running with the land or an equitable servitude as the context may require. The benefits, burdens and all other provisions set forth in this Declaration shall be binding upon and shall inure to the benefit of the Association and all Owners and upon their respective heirs, executors, administrators, personal representatives, successors and assigns.

ARTICLE 3 THE ASSOCIATION

Section 3.1 Authority. The business affairs of the Greens shall be managed by the Association. The Association shall be governed by the Act and its Articles of Incorporation, Bylaws, and Rules and Regulations, as amended from time to time.

Section 3.2 Powers. The Association shall have all the powers, authority and duties permitted pursuant to the Act necessary and proper to manage the business and affairs of the Greens at Dalton.

Section 3.3 Membership. Membership in the Association shall be a covenant running with the land, and all Owners of Lots in the Greens shall be members of such Association, subject to the Articles of Incorporation, Bylaws and Rules and Regulations, as the same may from time to time be adopted and amended. Membership in the Association shall be appurtenant to and may not be separated from ownership of a Lot; provided, however, that Members may make written appointments of an agent or a written designation by proxy which shall allow such agent or delegate to cast votes on behalf of the Member.

Section 3.4 Voting Rights. All Owners of Lots (including Declarant) shall be Members and the Owners of each Lot shall have one vote. When more than one person holds an ownership interest in a Lot, such persons may appoint one of the co-owners or a delegate to cast the vote for the Lot. Voting interests for any Lot shall not be divided among co-owners.

Section 3.5 Managing Agent. The Association may delegate any or all of its powers and duties to a managing agent, however, such delegation shall not relieve the Association of any responsibilities under this Declaration. Any such delegation shall be in writing and may be terminated by either party upon reasonable notice. The Association may by contract employ independent contractors, professionals, employees or such other persons as it deems necessary to carry out its function.

Section 3.6 Rules and Regulations. The Association shall have the right to adopt and amend reasonable Rules and Regulations governing The Greens. Any such Rules and Regulations shall be subject to the provisions of this Declaration and shall not alter or amend this Declaration. Violation of any such Rules and Regulations may be enjoined by the Association or any Owner and the provisions on collection in Section 5.9 and enforcement in Section 10.1 shall apply.

Section 3.7 Books and Records. The Association shall keep complete records of the affairs of the Association, including receipts and expenditures. Each Owner and any mortgagee shall have the right to inspect such records at reasonable times.

Section 3.8 Directors and Officers. The management of the Association shall be vested in a Board of Directors of not less than three (3) members. The Board shall annually elect a President, Treasurer and Secretary, who may, but need not be, directors. The Bylaws of the Association shall set forth detailed provisions for directors and officers who shall have and may exercise such powers as may be conferred upon them by this Declaration, the Act, the Articles of Incorporation, the Bylaws and the Colorado Nonprofit Corporation Act.

Section 3.9 Notices. Any notice required or permitted to be given pursuant to this Declaration or in the normal course of the affairs of the Association, shall be sent to such Owner by first-class mail, postage prepaid, or email to the address of such Owner as shown in the Association's records. An Owner may by written notice to the Association sent in the same manner notify the Association of a different address. If more than one Owner owns a Lot, any such notice may be addressed to all of such Owners and mailed in one envelope or emailed to the address shown in the Association's records. Until notice is given of a change of address for the Association, all notices to the Association shall be addressed as follows:

Greens at Dalton Owners Association
PO Box 3453
Durango, CO 81302

ARTICLE 4 LOTS - NUMBER, IDENTIFICATION AND BOUNDARIES

Section 4.1 Number of Lots. The maximum number of Lots in the Greens at Dalton is twenty-nine (29).

Section 4.2 Identification of Lots. The identification of each Lot is shown on the Plat.

Section 4.3 Lot Boundaries. The boundaries of each Lot are located as shown on the Plat. For common walls, the centerline of the common walls is designated as the boundary of a Lot.

ARTICLE 5 ASSESSMENTS

Section 5.1 Covenant. Each Owner of a Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association Annual Assessments, Special Assessments, and Default Assessments.

Section 5.2 Personal Obligation of Owner. Such assessments shall be fixed, established and collected from time to time as provided in the Act, this Declaration and the Bylaws of the Association. Each Owner, by acceptance of deed, further waives any Homestead Exemption as to any lien created by this Declaration or the Act. All assessments, together with such interest thereon and costs of collection thereof, including reasonable attorney's fees, as hereinafter provided, shall be a lien pursuant to the Act and shall also be a continuing personal liability of the person who was the Owner of such Lot when the assessment fell due.

Section 5.3 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to pay Common Expenses and for the purpose of promoting the recreation, health, safety, and welfare of the residents of the Greens and in particular for the maintenance of the roads, utilities, Villa Exteriors, Common Elements and other property the Association is obligated or authorized to maintain.

Section 5.4 Statement of Status of Assessments. The Association shall, upon demand at any time, furnish a certificate in writing signed by an officer or agent of the Association, setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Association for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 5.5 Annual Assessment. At least thirty (30) days prior to the end of each calendar year, the Board shall determine the Annual Assessment for the next ensuing year. Such Assessment shall be based upon an annual budget for the Association approved by the Board and adopted by the Owners in the manner required by the Act. Each annual budget shall be based upon the actual income and expenditures for the preceding year, plus such amounts representing expected additional expenses and modifications of income for the next ensuing year together with contributions to reserves maintained by the Association. Annual Assessments shall be payable in periodic installments and with appropriate penalties for delinquency as shall be established by the Board.

Section 5.6 Special Assessment. In addition to the Annual Assessments authorized above, the Association may levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair, or replacement of any Common Elements or facilities which are the responsibility of the Association pursuant to this Declaration, provided that such Special Assessment shall have the assent of Members who own not less than two-thirds (2/3) of the Lots in the Greens 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 set forth for the purpose of the meeting. Any such Special Assessment shall be payable in equal monthly or quarterly installments together with the Annual Assessment installment over such a period of time as the Board of Directors may deem in the best interest of the Owners.

Section 5.7 Default Assessments. In the event that expenses for maintenance, repair or replacement of the Common Elements or a Villa Exterior are the result of the intentional or negligent act of an Owner, an Owner's family or an Owner's guests or invitees, then such expenses incurred by the Association for such maintenance shall be the personal obligation of such Owner and if not repaid to the Association within seven (7) days after notice of the amount of such expense, then such expense shall become a Default Assessment levied against such Lot and the Association may proceed to collect such assessment in the manner provided in Article 11.

Section 5.8 Allocation of Assessments. All assessments, excluding Default Assessments, shall be evenly allocated among the Owners on the basis of the total number of Lots (29) resulting in an allocation per Lot of 1/29th.

Section 5.9 Collection of Assessments. Any annual, special or Default Assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate provided in the Bylaws, not to exceed twenty-one percent (21%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Lot, and interest, costs and a reasonable attorney's fee for any such action or other collection efforts shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Lot.

Section 5.10 Liens. Priority of liens for assessments shall be as set forth in the Act, including §38-33.3-316, C.R.S.

Section 5.11 Reserves. The Association may establish reasonable reserves for maintenance, capital expenditures, or repairs and accumulate such reserves from year to year without causing such reserves to be deemed “surplus funds” for purpose of the Act.

ARTICLE 6 COMMON ELEMENTS

Section 6.1 Rights of Ingress and Egress. Every Owner and all family members, guests and licensees of such Owner shall have a right and easement of ingress over, across and upon the Common Elements for the purpose of getting to and from the Lot and parking spaces of such Owner and the roadways and rights of way shown on the Plat for both pedestrian and vehicular traffic. Such right and easement shall be appurtenant to and pass with the ownership of such Lot subject to the following:

6.1.1 All provisions of the Declaration and the Plat; and

6.1.2 The right of the Association which is hereby specifically reserved, to adopt reasonable rules and regulations concerning parking, vehicular or pedestrian traffic within the Greens at Dalton; and

6.1.3 The right of the Association which is hereby specifically reserved, to adopt and amend reasonable rules and regulations concerning the use of the Common Elements and improvements located thereon.

Section 6.2 Private Nature of Roads, Paths and Parking Areas. Unless expressly dedicated to public use or previously reserved for public use or access, all roads, pathways and parking areas shown on the Plat are dedicated for the private use of the Owners, the Association and their guests, licensees and invitees and are owned by the Association as part of the Common Elements.

Section 6.3 Limited Common Elements.

a) A “Limited Common Element” means a portion of the Common Elements, designated in this Declaration, on the Plat, or by the Act, for the exclusive use of one or more but fewer than all of the Lots.

b) The following portions of the buildings, in additions to the portions described in Sections 38-33.3-202(1)(b) and (d) of the Act, are designated as Limited Common Elements:

(i) any common wall in a building serving two adjoining Lots shall be a Limited Common Element assigned jointly to those two Lots;

(ii) all other components of each Lot, including but not limited to the exterior walls and roof, serving only that Lot, shall be a Limited Common Element assigned solely to that Lot.

Section 6.4 Allocation of Specified Common Elements. The Board of Directors may designate parts of the Common Elements from time to time for use by less than all of the Lot Owners or by nonowners for specified periods of time or by only those persons paying fees or satisfying other reasonable conditions

for use as may be established by the Board of Directors. Any such designation by the Board of Directors shall not be a sale or disposition of such portions of the Common Elements.

ARTICLE 7 MAINTENANCE, REPAIR AND REPLACEMENT

Section 7.1 General Maintenance Responsibilities. Subject to the specific rights and obligations set forth in this Declaration, each Owner shall have the exclusive right and obligation to maintain each Owner's Villa Interior. The Association shall have the right and obligation to maintain all Villa Exteriors, Yard Areas and Common Elements.

Section 7.2 Owner's Maintenance Obligation. Each Owner shall have the obligation, at such Owner's sole cost and expense, to maintain and keep in good repair the Villa Interior, including the fixtures located therein, to the extent such repairs shall be necessary to avoid any damage to other Lots or the Common Elements. No Owner shall do or permit any act or work which would impair the structure, utilities, heating or plumbing systems or the integrity of the buildings or impair any easements established by this Declaration. An Owner shall not be responsible for repairs caused by insured casualties as set forth in Article 11 hereof unless such repair is caused by the act or negligence of the Owner, the Owner's family, guests, invitees or tenants. In such event, such Owner shall promptly reimburse the Association for the repairs and unless paid such amount shall become a default assessment which shall be enforceable in the same manner as other assessments pursuant to this Declaration.

Section 7.3 Association's Maintenance Obligation. The Association shall be obligated to maintain, repair, replace and improve all Villa Exteriors, Yard Areas and Common Elements not otherwise required to be maintained by the Owner. No approval of the Owners shall be required for the Association to make such expenditures.

Section 7.4 Modification to Villa Exterior Prohibited. Any modifications to any Villa Exterior or the construction of any improvements or landscaping within any Yard Area without the expressed written approval of the Association is prohibited.

Section 7.5 Party Walls. The walls of any Lot which are shared with one or more contiguous Lots are declared Party Walls and subject to the following provisions:

7.5.1 Mutual reciprocal easements have been established, declared and granted for all common walls between Lots. The Owners of adjoining Lots shall have the right to use Party Walls jointly. Each Owner of each Lot having a Party Wall shall have an easement on that part of the foundation, stem walls, supporting wall structure and roofing of the Lot on each adjoining Lot and such Owner's Lot, for the purpose of structural support, repair and maintenance of the same, and including reasonable access through such adjoining Lot for the repair, maintenance, restoration and replacement of such building components constituting the Party Wall and situated on such common boundary. Reference to any Lot in any instrument affecting title thereto, including without limitation, deeds, mortgages, deeds of trust, statements of lien and the like, shall be deemed automatically to include the reciprocal easements for Party Wall structural improvements adjacent and appurtenant to such Lot. To the extent not inconsistent with these provisions, the general rules of law regarding Party Walls and liability for property damage due to negligence or willful acts or omissions shall apply.

7.5.2 Repair, restoration and replacement of any part of Party Wall improvements of an Owner caused by the willful act of negligence of the Owner of an adjoining Lot, or his family members, guests or invitees, shall be the responsibility of and performed by such other Owner at his

sole cost and expense. Repair and maintenance of Party Wall coverings, including sheetrock, paneling, fire board, paint and the like, due to ordinary wear and tear or damage or destruction by acts of God or the elements shall be the responsibility of the Owner on whose Lot such wall covering are situated, at his sole cost and expense. Repair, maintenance, replacement or restoration of all other parts of components of Party Wall improvements including concrete, structural framing, roof material and insulation shall, unless caused by the willful act or negligence of one Owner or his family, guests or invitees, be performed at the joint and mutual cost and expense of the Owners of both Lots having easements in such Party Wall. Each Owner is hereby licensed and authorized by the adjacent Owner to enter upon the other Owner's premises during reasonable business hours and after reasonable notice to make necessary or proper repairs, maintenance, restoration or replacement of the Party Wall improvements. Construction, replacement and restoration of the portion of any Party Wall shall be of the same design, type, quality and color as previously existed. In the event any Owner fails after reasonable demand to perform repairs, maintenance, replacement or restoration for which such Owner is liable by the foregoing provisions, then upon request of an aggrieved Owner the Association may make or contract to make such repairs, maintenance, replacement or restoration and all costs and expense thereof shall be billed to the responsible Owner as a default assessment.

7.5.3 The right of any Owner to contribution from any other Owner under these Party Wall provisions shall be appurtenant to the land and shall pass to such Owner's successors in title.

7.5.4 In the event of any dispute between adjacent Lot Owners concerning a Party Wall, such dispute shall be submitted to binding arbitration pursuant to the Colorado Uniform Arbitration Act of 1975, Section 13-22-201, C.R.S., as repealed and reenacted, in 2004. Unless otherwise agreed, each party shall choose one arbitrator and such two arbitrators shall choose one additional arbitrator and the decision shall be by a majority of the arbitrators. The selection by each party of an arbitrator shall be made within twenty (20) days of notice by one party in writing to the other party demanding arbitration of any such dispute.

ARTICLE 8 RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY

Section 8.1 Use and Occupancy Restrictions. The following use restrictions apply to all Lots and to the Common Elements;

- a) Residential Use. All Lots shall be used exclusively for single family residential purposes.
- b) Improvements. No improvements shall be constructed on any Lot, except as approved by the Board, or other entity to whom review responsibilities have been assigned as provided herein. For purposes of this Declaration, improvements shall mean any changes, alterations, modifications or improvements to buildings, structures, parking areas, walls, hedges, plantings, driveways, walkways, signs, decks, enclosures, change in exterior color or shape, excavation, and all other site work, including without limitation grading, work constructions, utility improvements, removal of trees or plantings, and any new exterior construction or exterior improvements.
- c) No Commercial Use. No commercial or business enterprise of any nature shall be allowed or permitted on any Lot; provided however, that the Owner of the Lot may be permitted to conduct a home occupation, artistic or literary activity on any Lot upon approval of the Board as to such occupation or activity.
- d) Antennae. No exterior radio, television, microwave or other antennae or antennae dish or signal capture or distribution device in excess of three feet high or 24 inches in diameter shall be permitted

or installed on any Lot. In the event Federal Communications Commission regulations or other applicable government regulations limit the ability to prohibit certain small satellite dishes or antennae, the prohibition shall be enforced to the maximum extent allowed under such regulations and any allowed antennae or satellite dish shall be subject to being located in a manner approved by the Association.

e) Woodburning Devices. There shall be no more than one solid fuel burning device per dwelling unit. Any such devices are limited to either a fireplace or a US EPA certified wood heater.

f) Fences. No fences shall be erected or maintained within the Greens, with the exception of exterior fencing separating the Greens from the adjoining property on the north and fences enclosing patio area which have been approved in writing by the Board as to size, color, materials and location.

g) Signs. No sign of any kind shall be displayed for public view on any portion of any Lot, except:

1. Real estate signs advertising the sale of a Lot with maximum dimensions no greater than 12" x 18".

2. Political signs which are defined as "a sign that carries a message intended to influence the outcome of an election, including supporting or opposing the election of a candidate, the recall of a public official, or the passage of a ballot issue," may be displayed subject to the following restrictions:

i) no earlier than forty-five days before the day of an election and later than seven days after an election day;

ii) no more than one political sign per political office or ballot issue that is contested in a pending election;

iii) the maximum dimensions of each sign may no greater than:

(A) The maximum size allowed by any applicable city, town, or county ordinance that regulates the size of political signs on residential property; or

(B) Thirty-six inches by forty-eight inches.

3. The American flag may be flown on any Lot. The Association may adopt reasonable rules regarding the placement and manner of display of the American flag.

4. Additional signage only upon application and written permission from the Board.

Any restrictions or prohibitions contrary to public policy related to patriotic and political expression as contained in the Act shall be enforced to the maximum extent allowed under the Act.

h) Drainage. No Lot Owner shall do or permit any work, construction of improvements or do any landscaping which shall alter or interfere with the natural drainage for the property, except to the extent the same is approved by the Board.

i) Structures Prohibited. No occupied temporary structure, modular home, mobile home, trailer house, travel trailer or RV vehicle shall be permitted within the Greens.

j) Trash. No trash, ashes, garbage or other refuse shall be allowed to accumulate or be placed upon any Lot or area within the Property. There shall be no burning or other disposal of refuse outdoors. Each Owner shall provide suitable wildlife resistant receptacles for the temporary storage and collection of such refuse and all such receptacles shall be screened from the public view and from wind and protected from animal and other disturbances. Every Villa Owner will own and be responsible for their own individual trash receptacles. Trash receptacles will be stored within garages or a Board approved enclosed structure and can be left outside only on the day of trash pick-up.

k) Completion of Construction. All construction (other than construction of the Villas themselves), reconstruction, alterations or improvements, approved by the Board, shall be prosecuted diligently through completion and shall be completed within twelve months of the commencement thereof.

l) Abandoned or Inoperable Vehicles. Abandoned or inoperable automobiles or motor vehicles of any kind, shall not be stored or parked on any driveway, road or Common Element within the Greens. Abandoned or inoperable vehicles shall be defined as any vehicle which is either incapable of legal operation upon a public highway or has not been driven under its own propulsion for a period of thirty days or longer. A written notice describing the abandoned or inoperable vehicle and requesting the removal thereof may be personally served upon the Owner or Owner's tenant or posted on the unused vehicle, and if such vehicle has not been removed within 72 hours thereafter, the Board acting on behalf of the Association shall have the right to remove the same and will be held harmless of any liability from the Owner and/or the owner of said vehicle, and the expenses thereof shall be charged to the Owner.

m) Parking. All vehicles for Owners and renters must be parked within the garages constructed for the Villas. Vehicles may, for a few hours, park in the driveway or the street for washing, loading/unloading, cleaning garages and other similar purposes. It is the intent that garages be utilized for parking of Owner's and renter's vehicles to maintain a neat and orderly appearance at the Greens.

Guests should park in garages or the guest spaces at the end of Midiron Court and Dog Leg Lane. The Board, however, may enact fair and reasonable changes to this guest parking rule and the use of guest spaces by Owners. Such changes will be discussed at a scheduled Board meeting that Members may attend and will be approved by a unanimous vote of the Board. The Board will communicate the changes to Members by email or letter. The Board may remove or amend these changes in the same means as above.

Except as provided in the first paragraph above, no vehicles may be parked on Midiron Court or Dog Leg Lane except that service vehicles may temporarily park on the streets while providing services for the Villas and must be positioned so as to allow access for emergency vehicles.

n) Noise. No exterior horns, whistles, bells, or other sound devices, except security and/or warning devices used exclusively to protect the improvements on any Lot shall be placed or used on any Lot.

o) Nuisance. No obnoxious or offensive activity shall be carried on within the Greens, nor shall anything be done or permitted to exist or operate within the Greens so as to be offensive or detrimental to any other part of the Greens or its Owners or occupants.

p) Hazardous Activities. No activities shall be allowed or conducted within the Greens which are or might be unsafe or hazardous to any person or property. Such hazardous activities include, but are not limited to, fireworks, firearms, bow and arrows, explosives, air or pellet guns or any similar type devices.

Common household pets, including but not limited to dogs, cats, birds and fish shall be allowed and each Lot Owner shall be limited to two such household pets. If the pet is the type of animal that is not confined to the Villa, the animal is to be on a leash when outside the Villa. The Owner of any animal shall at all times be personally liable and responsible for all actions of such animals and for any damage or maintenance required as the result of such animals.

r) Compliance With Cottonwoods at Dalton Ranch Declaration. Notwithstanding any provisions hereof, all Lots and Lot Owners shall comply with the Declaration of Covenants, Conditions and Restrictions for The Cottonwoods at Dalton Ranch, Project No. 2001-171 as filed for record with the La Plata County Clerk and Recorder's Office and any supplements or amendments thereto.

s) Villas may be rented to non-Members, subject to the following requirements and restrictions and reasonable requirements of the Board:

1. The minimum rental period is 7 days.
2. A Villa may be rented up to 20 times during a calendar year.
3. The maximum number of rental occupants is 7.
4. All rental agreements must be in writing, and the rental agreement must contain the "Renter Rules" as adopted by the Board from time to time and shall state that the return of the renters deposit may be reduced if Renter Rules are not followed.
5. Members are responsible for Association charges related to Renter Rules violations and damage regardless of whether or not they are able to pass on such charges to their renters.
6. The Renter Rules must be permanently and prominently displayed in the unit as to be regularly seen by all occupants. For example, the rules can be framed and mounted on the wall of a living room, kitchen or entrance.
7. Members who rent their units will submit a copy of their current rental agreement form to the Association's manager for approval of the items related to these requirements.
8. Members who rent their units will provide to the Association's Manager the contact information (phone / text and email) for the Member and, if different, for their property manager who is responsible for rental operations and compliance with the Renter Rules. The Association may publish this contact information to its Members.
9. It is the responsibility of Members or their designated property managers to resolve any renter problem reported by the Board or the Association Manager within 18 hours of when notice is received. The notice is deemed received at the time it is sent by email, voice mail or text to the address or phone number provided by the Member or their representative. The Board and the Association Manager are not obligated to follow up with the Member or property manager before taking further action if the problem is not resolved within 18 hours.
10. Members will be billed for the cost of unresolved renter problems. This includes the costs related to damage to property that is the HOA's responsibility which includes damage

to the exterior of the building and landscaping. It also includes, at the Association's discretion, up to a \$100 Association fee related to a problem not resolved within 18 hours of notice. The HOA Manager will inform the Member of any charges within 14 days of the original problem notice in order to give the Member the opportunity to withhold monies from the renter's deposit. The Member will pay the bill within 30 days of its receipt and is not obligated to pay if not received within the 14-day deadline. During this 30-day period, the Member may contest the charge to the Board. The Board will then make its decision by majority vote.

11. All reservations must be submitted to the HOA Manager prior to the arrival of the renter. They can be submitted by email to: arem@arempm.com or faxed to: 970-247-8343 and titled as "Greens Rental Reservation "address xxx" "Dates Applicable". The reservation will include the name, phone number (local/cell), number in the party, and car license number.

12. In addition to the Renter Rules which are being emphasized, all other HOA covenants, restrictions and rules apply.

13. The Board may change the procedures for managing these requirements (excluding items 1, 2 or 3 above) or modify the Renter Rules for clarity. Members will be given at least 15 days' notice of any change in procedures.

14. Consistent compliance with the above requirements is key to the Board and Association Manager effectively working with Members managing rentals. As such, Members may be charged a fee of up to \$150 for a violation of requirements 1 to 10 following a warning for the first violation for each of the above requirements. Members may appeal the fee to the BOD who will consider any extenuating circumstances. These requirements are important and continued violations will receive less consideration.

15. The obligations pertaining to unit rentals, which include these requirements, are part of the HOA's Declarations. By their action, each Member that rents their unit agrees to follow these requirements.

Section 8.2 Restrictions on Alienation. A Lot may not be conveyed pursuant to a time-sharing arrangement described in Sections 38-33-110 to 113, C.R.S.. All leases and rental agreements shall be in writing and subject to requirements and restrictions set forth in the Declaration and reasonable requirements of the Board.

ARTICLE 9 EASEMENTS

Section 9.1 Recorded Easements. The Greens and each of the Lots shall be subject to all easements and setbacks as shown on any plat, deed or other document of record affecting the Greens.

Section 9.2 Easements for Encroachments. The Greens and each of the Lots shall be subject to an easement for building encroachments created by construction, overhangs, settling, shifting and movement of any portion of the Greens at Dalton. A perpetual easement for the encroachment and the maintenance thereof is hereby created.

Section 9.3 Utility Easements. A utility easement is hereby affirmed upon, across, over, in and under all of the Common Elements. The general utility easements affirmed hereby shall be for ingress and egress and for the installation, repair and maintenance of utilities. This easement shall be for the use and benefit of the utility providers, the Association and the Owners for the purposes of providing necessary utilities for the operation of the Greens at Dalton.

Section 9.4 Landscape Easements. The landscape easement shown on the Plat shall be properly maintained by the Association.

Section 9.5 Emergency Easement. A general emergency easement is also affirmed and granted to all police, fire, ambulance, and other emergency agencies and their personnel to enter upon the streets and the Greens when necessary in the performance of their duties.

Section 9.6 Maintenance Easement. A maintenance easement is affirmed and granted to the Association and its officers, agents, employees, contractors and assigns upon, across, over, in and under the Common Elements including the right to construct and maintain any maintenance and storage facilities on the Common Elements necessary for carrying out the affairs of the Association.

Section 9.7 Access Easement for Repair, Maintenance and Emergencies. Some of the Common Elements or Villa Exteriors are or may be located within the interior of Lots or may be most reasonably accessed through the interior of Lots. The Association shall have the irrevocable right to have access to each Lot and to all Common Elements or Villa Exteriors during any reasonable hours as may be necessary for the maintenance, repair, removal or replacement of any of the Common Elements, to prevent damage to any of the Common Elements or to make repairs to any Common Elements or Villa Exteriors. Except when such repairs or maintenance are required as a result of the acts or the negligence of an Owner, his family, guests or invitees, any damage to a Villa resulting from the maintenance or repair of a Common Element or the Villa Exterior shall be a Common Expense of all Owners.

Section 9.8 Easements Created. Any conveyances of Lots within the Greens at Dalton, whether by the Declarant or otherwise, shall be construed to grant and reserve the easements specified in this Declaration and the Plat whether or not specific reference is made to the easements, the Declaration or the Plat.

ARTICLE 10 ENFORCEMENT; POWERS OF ASSOCIATION

Section 10.1 Enforcement. This Declaration may be enforced by an Owner or by the Association, including without limitations the right to maintain an action for injunction, damages or both. In the event that litigation is brought for the purpose of enforcing this Declaration or to recover liens for assessments or other charges levied by the Association pursuant to this Declaration, the prevailing party shall be entitled to recover its costs, including all charges for witnesses, experts, or consultants, and reasonable attorney's fees.

Section 10.2 Powers of Association. The Association may exercise all powers conferred upon it by this Declaration, together also with such powers as may be contained in the Act, the Articles of Incorporation, the Bylaws and the Colorado Nonprofit Corporation Act, not reasonably inconsistent with the powers and purposes set forth in this Declaration. Such powers shall include, but not be limited to, the following:

10.2.1 The power to enforce, by litigation if necessary, all provisions of this Declaration.

10.2.2 The power to appoint an Architectural Control Committee or to act as same and to approve any construction or other improvements as authorized by this Declaration.

10.2.3 The power to establish budgets and maintenance assessments and assessments for capital improvements and to place liens and take such other actions as shall be necessary for the collection of same.

10.2.4 The power to maintain, repair and improve roads as shown on the Plat, emergency access as shown on the Plat, entrance sign, irrigation pumps and lines, common facilities, and other access and utility improvements, together with the power to make and enter into contracts for snow removal, landscaping maintenance, repairs or improvements, and weed control in conformance with requirements of applicable planning approvals and the requirements of any governmental agency with jurisdiction.

10.2.5 The power to grant licenses or easements for use of access and utility easements as shown on the Plat or described herein to any utility or adjoining land owner, together also with the power to allow connection to utility systems within the Greens, subject to the following conditions:

a) The person or persons to whom such license is granted shall be responsible for all damage to roads or easements and restoration of landscaping, fences and improvements.

b) All such licenses shall be revocable upon thirty (30) days' notice by the Association; grants of easement or utility connection may be in perpetuity.

c) The Association may prescribe the compensation to be paid for use of such easements or connection to utility systems; provided that no fee, other than reasonable inspection fees, shall be payable by an Owner.

d) The power to grant the right to use easements and to connect to utility systems is exclusively reserved to the Association and shall not be exercised by any individual Lot Owner.

10.2.6 The power to establish Rules and Regulations governing the Greens at Dalton, including fines and penalties for violations, which are not inconsistent with the Declaration.

Section 10.3 Other Declarations. The Greens is subject to certain other declarations and associations established thereunder. To the maximum extent permitted, the Association shall have first and primary responsibility for enforcement of such other declarations.

ARTICLE 11 INSURANCE, DAMAGE, DESTRUCTION AND CONDEMNATION

Section 11.1 Association's Obligation to Maintain Insurance. At the time of the first conveyance of a Lot to a person other than Declarant, the Association shall maintain in full force and effect, to the extent reasonably available, the following insurance:

11.1.1 Property insurance for broad form covered causes of loss in the kinds and amounts typically required by mortgage lenders for similar townhome projects. The amount of such insurance shall be the full insurable replacement cost less applicable deductibles. Coverage shall be provided for the Common Elements and the Villa Exteriors but not the Villa Interiors.

11.1.2 A comprehensive policy of public liability insurance covering all claims and liabilities arising in connection with the ownership, existence, use or management of the Common Elements. The insurance shall cover the Association, its Board, management agent and their respective employees, agents and all persons acting as agents. The Lot Owner shall also be included as additional insured for claims and liabilities arising in connection with the ownership, existence, use or management of the Common Elements. The insurance shall also cover claims of one or more insured parties against other insured parties.

11.1.3 To the extent required by law and subject to the availability of funds, adequate fidelity insurance or bond to protect against dishonest acts on the part of the Association's officers, directors, managing agents, trustees, employees and volunteers which shall name the Association as obligee and be written in an amount equal to at least 150% of the estimated annual operating expenses of the Greens, including reserves.

11.1.4 To the extent required by law and subject to availability of funds, the Association may also obtain personal liability insurance for officers and directors, workmans' compensation insurance and insurance against other risks as it shall deem appropriate.

Section 11.2 Insurance Premiums. All insurance premiums required or permitted hereunder shall be a Common Expense of the Association, except Owner's Insurance.

Section 11.3 Owner's Insurance. Each Owner shall have the responsibility, at such Owner's sole expense, to maintain a standard policy of fire and hazard insurance on the Villa Interior and a standard policy of liability insurance with limits established by the Board. Owners may obtain such additional insurance as they deem appropriate provided such insurance coverage shall not affect any coverage obtained by the Association to cause the diminution or termination thereof. All Owners' insurance policies shall include a provision waiving the insurance company's right of subrogation against the Association.

Section 11.4 Damage or Destruction. As soon as possible after damage to or destruction of any part of the Greens, except Villa Interiors, the Association shall, unless such damage or destruction shall be minor, obtain an estimate of the cost of repair and reconstruction. Repair or reconstruction shall mean restoring the damaged or destroyed part of the Greens to the same condition as existed prior to the damage or destruction. The Association shall diligently pursue completion of the repairs and shall utilize insurance proceeds for such reconstruction. The Association shall have full authority, right and power of attorney-in-fact to cause the repair and restoration of the improvement without any consent or other action by any Owner.

Section 11.5 Insufficient Proceeds for Repair. If insurance proceeds are not sufficient to cover the complete cost of the repair, a special repair assessment shall be levied against all Owners and their Lots for the deficiency, which shall be due and payable within thirty (30) days. Such special repair assessment shall not be subject to the approval requirement of Article 7.

ARTICLE 12 AMENDMENT AND TERMINATION

Amendment of this Declaration and termination of this common interest community shall be as set forth in the Act.

ARTICLE 13 GENERAL PROVISIONS

Section 13.1 Severability. In the event that any provision of this Declaration is deemed invalid or is declared to be invalid by any court of competent jurisdiction, such declaration shall not invalidate the remainder of the Declaration, and they shall remain in full force and effect.

Section 13.2 Indemnification. To the fullest extent permitted by law, every Director and Officer of the Association, and the members of committees of the Association, shall be indemnified by the Association, and every other person serving as an employee or direct agent of the Association, or on behalf of the Association as a member of a committee or otherwise may be in the discretion of the Board, be indemnified by the Association, against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having served in such capacity on behalf of the Association or any settlement thereof, whether or not he is a director, officer, or serving in such other specified capacity at the time such expenses are incurred, provided that the Board shall determine, in good faith, that such officer or director did not act, failed to act, or refused to act willfully or with gross negligence or fraudulent or criminal intent in the performance of his duties. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such persons may be entitled at law or otherwise.

Section 13.3 Nonwaiver. Failure by the Association or any Owner to enforce any covenant, condition, restriction, easement, reservation, right-of-way or other provision contained in this Declaration shall in no way or event be deemed to be a waiver of the right to do so thereafter.

Section 13.4 Captions. The captions to the Articles and Sections are inserted herein only as a matter of convenience and for reference and are in no way to be construed to define, limit or otherwise describe the scope of this Declaration nor the intent of any provisions hereof.

Section 13.5 Conflict in documents. In the case of any conflict between the provisions of this Declaration and the Articles of Incorporation, Bylaws or Rules and Regulations adopted by the Association, this Declaration shall control.

IN WITNESS WHEREOF, the Association has on file written instruments signed by more than two-thirds of the Owners of lots within the Greens at Dalton, each lot entitled to one vote, approving, agreeing to and adopting this Second Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for the Greens at Dalton as of March 6, 2019, and which is hereby certified and declared to be in full force and effect as of the date set forth below.

Dated this 8 day of July, 2020.

Greens at Dalton Owners Association, Inc.

By: Sharon Blaylock Treasurer
Sharon Blaylock, ~~President~~

STATE OF Colorado)
) ss.
COUNTY OF La Plata)

The foregoing instrument was acknowledged before me this 8 day of July, 2020 by Sharon Blaylock, ~~President~~ of The Greens at Dalton Owners Association, Inc. Treasurer

Witness my hand and official seal.

My commission expires: June 3, 2023

Anita Nickels
Notary Public

**ANITA NICKELS
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20074020455
MY COMMISSION EXPIRES JUNE 3, 2023**