

Version 14 03-19-24

**AMENDED AND RESTATED
DECLARATION
OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
SANTA FE TRAIL RANCH
UPDATED BY MEMBER VOTE _____, 2024**

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THIS AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR SANTA FE TRAIL RANCH, hereinafter referred to as the "Declaration" which amends and supersedes all previous Declarations of Protective Covenants, Conditions and Restrictions for Santa Fe Trail Ranch and amendments thereof, and which is duly agreed to and adopted this [REDACTED] day of [REDACTED], 2024, by the SANTA FE TRAIL RANCH PROPERTY OWNERS ASSOCIATION, a Colorado non-profit corporation, hereinafter referred to as the "Association".

Witnesseth:

WHEREAS Raton West Baldwin LTD (hereinafter "Declarant"), on August 30, 1990, caused to be filed in the office of the Clerk and Recorder for Las Animas County, Colorado, a Declaration of Protective Covenants, Conditions and Restrictions for Santa Fe Trail Ranch, which document is recorded in Book 873 at Page 261, under Reception No. 588333 (Unit 1) and re-recorded September 24, 1990, in Book 875 at Page 823 under Reception No. 589936 (Unit 2), May 3, 1991, in Book 879 at Page 798 under Reception No. 592103 (Unit 3), February 26, 1992, in Book 885 at Page 426 under Reception NO. 595157 (Unit 4), October 27, 1992, in Book 890 at Page 946 under Reception No. 598133, and November 4, 1992 in Book 891 at Page 203 under Reception No. 598260 (Unit 5), October 27, 1992, in Book 890 at Page 967 under Reception No. 598136 (Unit 6), July 8, 1993, in Book 896 at Page 403 under Reception No. 601285 (Unit 7A), July 8, 1993, in Book 896 at Page 425 under Reception No. 601289 (Unit 7B), December 7, 1993, in Book 900 at Page 313 under Reception No. 449 and April 26, 1994, in Book 903 at page 575 under Reception No. 605371 (Unit 8), December 7th, 1993, in Book 900 at Page 315 under Reception No. 603450 and September 21, 1994, in Book 908 at Page 325 under Reception No. 607969 (Unit 9), December 30, 1994, in Book 911 at Page 570 under Reception No. 609522 (Unit 10), December 30, 1994, in Book 911 at Page 570 under Reception No. 609525, July 5, 1995, in Book 917 at Page 932 under Reception No. 612723, October 6, 1995, in Book 921 at page 932 under Reception No. 614644, and October 4, 1996, in Book 935 at Page 438 under Reception No. 620794.

WHEREAS Declarant was the Owner of all of that certain real property commonly known as Santa Fe Trail Ranch, hereinafter, the "Ranch".

WHEREAS Declarant has divided the Ranch into "Units" and "Lots" hereinafter defined, and has sold Lots to third parties, hereinafter referred to in the singular as "Owner" and collectively as the "Owners". The portions of the Ranch which have been sold to Owners by Declarant or have been platted into Lots and recorded in the Clerk and Recorder's Office for Las Animas County, Colorado, as of the date of the Amended and Restated Declaration are more particularly described on EXHIBIT A attached hereto and hereby made a part hereof and are hereinafter referred to as the "Properties".

WHEREAS all of the Properties described in EXHIBIT A were sold and are held, sold and conveyed subject to the easements, restrictions, covenants and conditions set forth in the Declaration for the purpose of protecting the values and desirability of the Properties, and which easements, restrictions, covenants and conditions run with the land and are binding

on all parties having any rights, title or interest in the Properties or any part thereof, their heirs, successors, personal representatives and assigns, and do and shall inure to the benefit of each Owner thereof;

WHEREAS changes in circumstances and cooperative consultation between and among the Owners and the "Association", hereinafter defined, have caused the parties to determine that parts of the Declaration need to be amended and/or restated for the purpose of clarification and other reasons in furtherance of the stated purposes of the Declaration and that it would be mutually advantageous to amend and restate the Declaration in this Amended and Restated Declaration.

WHEREAS the Declaration in ARTICLE VII thereof, provides procedures in amending the Declaration by a stated number of affirmative votes of Owners of the Properties.

NOW, THEREFORE, in consideration of the mutual benefits herein contained and in keeping and performance of those covenants, conditions and restrictions contained in the Declaration and the purposes thereof, as well as assuring compliance with State Statute, the following Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions of Santa Fe Trail Ranch are hereby adopted.

ARTICLE I DEFINITIONS

1.1 Absentee Vote: An owner who is unable to attend the annual meeting or any other called meeting of the Association who elects to submit an authorized ballot by mail in advance of the tabulation of the votes.

1.2 (FORMERLY 1.1) Association. "Association" shall mean and refer to the Santa Fe Trail Ranch Property Owners Association, a Colorado non-profit corporation, also known as "Santa Fe Trail Ranch P.O.A.", and the "P.O.A." The Association shall act by and through its elected Board of Directors and its elected or appointed officers.

1.3 (FORMERLY 1.2) Board. "Board" shall mean and refer to the Board of Directors of the Association.

1.4 (FORMERLY 1.8) Clerk and Recorder Office. "Clerk and Recorder Office" shall mean Clerk and Recorder Office, Las Animas County, Trinidad, Colorado 81082

1.5 (FORMERLY 1.5) Common Area. "Common Area" shall mean all areas reserved by and for the Association (including improvements thereto) and all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association is described as follows: Rights of way for roads, and public areas as shown on plat maps recorded in the office of the Clerk and Recorder for Las Animas County, Colorado.

1.6 (FORMERLY 1.4) Common Maintenance Area. "Common Maintenance Area" shall mean all of the common area.

1.7 Conservancy Area. Lots J-6 thru J-10. These Lots make up the Conservancy which is part of the "Common Area".

1.8 Duly Appointed Representative. An individual with written authority acting on behalf of an Owner, estate or a mortgagee.

1.9 Mobile Home. A mobile home is a large trailer with axles, wheels, and no permanent foundation, fitted with parts for connection to utilities that can be installed on a relatively permanent site and that is used as a residence.

1.10 (FORMERLY 1.3) Owner. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, excluding those having such interest merely as security for the performance of any obligation. When a person who is an Owner conveys or otherwise assigns of record such person's fee simple title interest to a Lot, then retroactive to the date of such conveyance or assignment, such person shall thereafter cease to be an Owner; provided however that the foregoing shall not in any way extinguish or otherwise void any unsatisfied obligation of such person which existed or arose at the time of such conveyance or assignment, specifically including without limiting the generality of the foregoing, any of a fee simple title to any Lot which is a part of the Properties, excluding contract sellers, and excluding unsatisfied obligation to pay Association assessments.

1.11 Permitted Structures. Permanent structures that are built or placed on any Lot that complies with the building and zoning laws, regulations and ordinances of Las Animas County, Colorado. This includes residences that are connected to permanent county-approved facilities including septic, cistern and county-approved foundations.

1.12 (FORMERLY 1.7) Platted Lots. "Platted" shall be defined as areas engineered and surveyed into Lots and whose boundaries have been described and recorded in the Clerk and Recorder Office in Las Animas County, Colorado.

1.13 (FORMERLY 1.6) Properties. "Properties" shall mean and refer to that certain real

property described on EXHIBIT A.

1.14 Proxy. An individual with written consent authorized to represent someone else, especially in voting.

1.15 (FORMERLY 1.9) Unit. "Unit" is defined as an approximately 35 acre Lot joined by a common roadway, engineered and surveyed into a platted map and recorded with Clerk and Recorder.

ARTICLE II PROPERTY RIGHTS

2.1 Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the common area which shall belong to and shall pass with the title to every Lot, subject to the following provisions:

2.1.1 The right of the Association to suspend the voting rights and right of use of the recreational facilities by an Owner (1) for any period during which any assessment against his Lot remains unpaid; and (2) for a period determined by the Board for any infraction of the published rules, regulations and policies of the Association.

2.1.2 The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, governmental entity, special district or metropolitan district or utility for such purposes and subject to such conditions as maybe agreed to by the Association and its Members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer is voted on by the membership and approved by fifty-one percent (51%) of the members voting and is recorded in the office of the Clerk and Recorder for Las Animas County, Colorado.

2.1.3 The right of the Association to limit the number of guests or invitees of each Owner or occupant which may use the recreational or other facilities contained in the Common Area.

2.1.4 The right of the Association to adopt, from time to time, any and all reasonable rules and regulations for the use of the Common Area and any facilities located thereon, including, without limitation, rules and regulations relating to vehicular traffic and travel upon, in and under the Common Area.

2.2 Rights of Ingress and Egress. Subject to the above conditions with respect to Owner use and enjoyment, every Owner and such Owner's family Members, guests and licensees shall have an easement of ingress and egress over, across, and upon the Common Areas for purposes of getting to and from such Owner's individual Lot and the public way for equestrian, pedestrian, and vehicular travel.

2.3 Grazing Restriction. Owners agree to perpetuate the environment of the subject property as that of a working ranch for themselves and their successors in interest. All Owners of the Properties shall have the right to the use and the quiet enjoyment of their Lots as a working mountain ranch subject to the specific rights and obligations hereinafter set forth:

2.3.1 An Owner shall have the right to fence out livestock with a fence set back from the Lot boundary and 15' utility easement along the roadway right of way. A fence can be situated on a Lot line with an adjoining Lot if an agreement is reached between the two Lot Owners, and a written copy of that agreement is provided to the Covenant Committee.

2.3.2 To preserve the ranching use and atmosphere the P.O.A. shall be granted a perpetual use and right to lease the grazing. All Lots shall be sold subject to this reservation. Funds received from agricultural leases shall be administered by the Board and shall be utilized for Common Area maintenance or improvement.

2.4 Utility Easements. The Association, through the Board, may grant easements across, under and over the Common Area for utilities, water lines or similar or dissimilar purposes which do not unreasonably interfere with the easements for use of the Common Areas granted to the Owners by these covenants. All Owners shall take title subject to an easement hereby reserved to the Association, for purposes of installation and repair of the Common Maintenance Areas. These easements are to be identified on recorded plats in the Clerk and Recorder's Office. The Association also reserves for the sole benefit of all Lot Owners

and the Association a non-exclusive easement and right to install underground or overhead electrical lines, telephone lines, television cable, and underground water lines across any Lot or portion of the recorded plat, together with the right of ingress and egress for purposes of installing and maintaining said lines. There is a specific fifteen (15) foot wide easement along all roadway rights of way. Within a reasonable time after completion of any of such utilities, the Association shall cause a map showing the location of the same to be filed with the Clerk and Recorder.

2.5 Maintenance of Utility Service Line. The Association, shall grant the right to each Owner of a Lot, to use, install and repair service lines running from the primary distribution service systems across the Common Area to their Lot for water, electricity, fuel, television and telephone service, and may grant to any public utility supplying such services, pursuant to an order of the Association, which shall be sufficient to establish the grant of the easement and any further grant or formal legal instrument shall be unnecessary. The Owner who is served shall, at his cost, cause the surface of the Common Area to be restored after any installation of a service line to the Lot Owner's Lot and any subsequent surface damage caused by repair, replacement, or other causes.

ARTICLE III MEMBERSHIP, VOTING RIGHTS AND MEETINGS

3.1 Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall belong to and may not be separated from Ownership of any Lot.

3.2 Members. Members shall be all Owners of record of Lots, and each Owner shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for any such multiple-owned Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any one (1) Lot. If the Owners of such Lot do not agree as to the manner in which their vote should be cast when called upon to vote, then they shall be treated as having abstained.

3.3 (FORMERLY 3.2.1) Voting. Absentee ballots will be acceptable for all votes and such forms will be made available by the Association. All contested Board Member elections will be by secret ballot. The tallying of votes must always include the participation by at least two non-Board Members from the Member Pool. The Association has the right to reject a vote which it has reasonable, good faith basis, to doubt.

3.4 (FORMERLY 3.3) Owner's Address for Notices. Unless an Owner shall have notified the Association by registered or certified mail of a different address, any notice required to be given, or otherwise given by the Association under this Declaration to any Owner or any other written instrument to be given to any Owner may be mailed to such Owner in a postage prepaid envelope and mailed by first class, registered or certified mail to the address of the individual Lot shown upon the Association's records as being owned by such Owner, if more than one Owner owns a particular individual Lot, then any notice or otherwritten instrument may be addressed to all of such Owners and may be mailed in one envelope in accordance with the foregoing. Any notice or other written instrument given by the Association in accordance with the foregoing will be deemed to have been given on the date that it is mailed. Owners are responsible for ensuring their mailing address, phone numbers and email addresses are up to date with the Association's Business Office.

3.5 (FORMERLY 3.4) Conduct of Meetings. This Section is not intended to take the place of or invalidate provisions contained in the Bylaws or the Colorado Revised Nonprofit Corporation Act or Colorado Revised Statutes (C.R.S.) Title 38, Article 33.3, the Colorado Common Interest Ownership Act ("CCIOA").

3.5.1 Annual Owners and Special Owners Meetings.

3.5.1.1 Owners Meetings. A meeting of the Owners shall be called at least once per year and in accordance with the provisions of the CCIOA and the Governing Documents, as applicable.

3.5.1.2 Calling a Meeting. A meeting of the Owners may be called by the President of the Board, a majority of the Board or those Owners having not less than 20% of the total votes of all Owners.

3.5.1.3 Notice of Meeting. Notice of the meeting shall be in accordance with the Bylaws.

3.5.1.4 Posting of Notice. In addition to providing notice of a meeting of the Owners, the Association shall cause a notice of the Owners' meeting to be posted in a conspicuous place within the property to the extent feasible or practical. The Association may also post the notice electronically on a web site or transmit the notice via e-mail to those Owners who so request.

3.5.1.5 Order of Business. All meetings of the Owners shall proceed on issues generally set

forth in the notice of the meeting unless a majority of the Owners at the meeting vote to amend the order of business. All meetings of the Owners shall be conducted in accordance with Roberts Rules of Parliamentary Authority. At the commencement of each meeting, the secretary shall state how notice of the meeting was given and include such evidence of notice in the minutes of the meeting.

3.5.1.6 Open Meetings. All meetings of the Owners shall be open to attendance by all Owners or their duly appointed representatives.

3.5.1.7 Meeting Discussions. Each Owner, or a duly appointed representative of an Owner, may speak at the appropriate time during the deliberations at an Owner meeting based on the reasonable time restrictions imposed by the Board.

3.5.1.8 Proxy Voting. An Owner may vote by absentee ballot in accordance with these Covenants.

3.5.1.9 (Proposed Revision – Ballot Measure #1) Adjourning an Owners Meeting. 51% of the Owners present may vote to adjourn the meeting from time to time without notice other than announcement at the meeting, for a total period or periods not to exceed thirty (30) days after the date set for the original meeting. The location of the reconvened meeting shall be announced at the meeting prior to adjournment.

3.5.2 Board of Directors Meetings.

3.5.2.1 Meetings. A meeting of the Board shall be called in accordance with the provisions of CCIOA and the Association's Governing Documents, as applicable.

3.5.2.2 Meeting Agenda. Meetings of the Board shall proceed on issues as generally set forth in the agenda distributed for each meeting. The agenda will be made reasonably available to Owners and/or their duly appointed representatives at any time prior to the meeting of the Board.

3.5.2.3 Owner's Right to Attend and Participate in Board Meetings. Unless the Board is in an executive session pursuant to C.R.S. § 38-33.3-308, all meetings of the Board are open to attendance by all Owners or their duly appointed representatives.

3.5.2.4 Owner's Right to Speak at Board Meetings. Owners shall be given an opportunity to speak on any issue presented on the agenda for the Board meeting before the Board votes on an issue. Reasonable time restrictions on an Owner's right to speak may be imposed by the Board.

ARTICLE IV COVENANT FOR ASSESSMENTS

4.1 Creation of the Lien and Personal Obligations of Assessments. The Association, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a Deed therefore, whether or not it shall be so expressed in such Deed, is deemed to covenant and agree to pay to the Association:

4.1.1 Annual Assessment for general operations of the Association, and

4.1.2 Special Assessments for capital improvements and repairs, such assessments to be established and collected as hereinafter provided. The Annual and Special Assessments together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation for delinquent assessments and shall pass to the successors in title. In addition to the foregoing, each Owner shall also have the obligation to pay real property taxes imposed by the Colorado Governmental Taxing Authorities. An Owner's obligation for payment of taxes and insurance may be contractually delegated through the Owner's respective mortgagedocument.

4.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Properties and for the improvement and maintenance of the common areas including but not by way of limitation:

4.2.1 repairing, replacing and maintaining the common area;

4.2.2 installing, maintaining and repairing all roads and utilities upon, across, over and under any part of the Properties;

4.2.3 furnishing garbage and trash pickup and water and electrical services to the Properties;

4.2.4 establishing and maintaining adequate reserves for repairs, maintenance, taxes, capital improvements and other purposes;

4.2.5 carrying out all other powers, rights, and duties of the Association;

4.2.6 generally for any other purposes and uses that the Association shall determine to be necessary to meet the primary purposes of the Association;

4.2.7 obtaining liability and property damage insurance in a sufficient amount to ensure that the P.O.A. is fully covered for all potential claims.

4.3 Annual Assessment. Beginning January 1, of the year following purchase of a Lot, the Owner shall be assessed annual Association fees, as approved by a vote of the Membership, or as adjusted by the Board under the conditions set forth below. This does not include a possible annual CPI adjustment.

4.3.1 The amount of any increase in the Annual Assessment shall be set by the Board of Directors, but such increase, without Membership approval as set forth below, is limited to the increase in the Consumer Price Index, as defined below, for the period ending the month prior to the date of the meeting at which the Annual Assessment is set (hereinafter, the "Adjustment Date"). Only upon an affirmative vote of fifty one percent (51%) of the Members who are voting in person or by absentee ballot may the Annual Assessment be increased more than the increase in the Consumer Price Index over the previous year.

4.3.2 The base for computing any automatic increase is the Consumer Price Index as published by the U.S. Bureau of Labor Statistics. In no case shall an Annual Assessment

be less than the Previous Assessment. If the Index is discontinued or revised during the term of the Amended and Restated Declaration (or any extension thereof), such other governmental index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index has not been discontinued or revised. In the event that the figures necessary for the calculation of the increase in Annual Assessments are not available on the Adjustment Date, the Annual Assessment shall be billed, unchanged from the previous year, and when such figures are available, the Annual Assessment shall be recalculated according to the provisions and any adjustment shall be billed in the next regular billing cycle.

4.4 Special Assessment for Repairs. In addition to the Annual Assessments authorized above, the Association may levy, for the purpose of defraying, in whole or in part, the cost of any reconstruction, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto, provided that any such assessment must have the assent of at least fifty one percent (51%) of the Members who are voting in person or by absentee ballot at a meeting duly called for this purpose.

4.5 Special Assessment for Capital Improvements. In addition to Annual Assessments and Repair Assessments authorized above, the Association may collect and administer fees for improvements such as telephone distribution systems. The fees, costs and capital assessments, together with the terms and conditions are to be fully set forth in the Owners (purchasers) contract to purchase. The P.O.A. Board shall collect, administer and contract for these services and shall be authorized to act as the following but not limited to:

4.5.1 Establish fees for hookups to transmission systems (if any) and set rates if applicable for services provided,

4.5.2 Withhold services for non-payment of fees,

4.5.3 Pledge promissory notes of Owners securing payment of capital improvements for bank loans or to utility companies to bond or insure payment on utility or capital improvements, and

4.5.4 Use Annual Maintenance Fees to pay for Capital Improvements whenever in the sole discretion of the Board, it is necessary.

4.6 Notice and Quorum for Any Vote of the Members. Written notice of any meeting called for the purpose of taking any action authorized by the Declaration shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting. At any such meeting called, the presence of Members or of absentee ballots representing 10% of all the votes of Membership shall constitute a quorum.

4.7 Uniform Rate of Assessment. Both Annual and Special Assessments must be fixed at a uniform and equitable rate for each Lot. Different rates may apply when an Owner constructs more than one single family detached home on one Lot.

4.8 Date of Commencement of Annual Assessments: Due Dates. The Annual Assessments provided for herein shall commence on each Lot and become due in January of the year following the recording of the deed to the Owner. The Board of Directors shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of the Annual Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors and will allow a reasonable amount of time for Members to pay fees before becoming delinquent. As an option, quarterly payments can be arranged.

4.9 Effect of Nonpayment of Assessments: Remedies of the Association. Any Assessment, whether an Annual Assessment under Section 4.3, a Special Assessment for Repairs under

Section 4.4, or a Special Assessment for Capital Improvements under Section 4.5, not paid within thirty (30) days after the due date shall be deemed delinquent and shall bear interest from the due date at a rate of eight percent (8%) per annum, unless that rate is adjusted by the Board. If an Assessment becomes delinquent, the Association, acting through the Board, in its sole discretion, may take any or all the following actions:

4.9.1 assess a late charge for each delinquency in such amount, as the Board deems appropriate.

4.9.2 suspend the voting rights, provision of or access to POA services, and the right of use of the Common Area (except access roads) by the Owner during any period of delinquency.

4.9.3 take steps to assign the debt to the County tax rolls.

4.9.4 Assessments chargeable to any Lot, as set forth in Section 4.1, shall constitute a continuing lien on such Lot, including all improvements thereon. To evidence a lien created under this Article IV, the Board may, but shall not be obligated to, prepare a written Notice of Lien (hereinafter, "Notice") setting forth (a) the address of the Association, (b) the amount of such unpaid indebtedness, (c) the amount of accrued interest on the indebtedness, (d) the name of the Owner of the Lot, and (e) a description of the Lot. The Notice shall be signed by the President or the Vice President of the Association and the Association shall serve the Notice on the Owner by mail as set forth in Section 3.4. Not less than ten (10) calendar days after the date on which such Notice is mailed to the Owner.

4.9.5 Record a statement of lien against the Owner's Lot in the Las Animas County real property records for the delinquent amount, late payment fees, interest, and costs of collection. The Association's failure to record any such statement of lien or any error omission in the content of such statement of lien shall not defeat such lien of the Association nor affect its priority. If the assessment remains delinquent, the Association may (a) file a lawsuit against the Owner, or (b) institute a foreclosure action against the Owner's Lot to collect all amounts due to the Association or proceed with both of these actions. The cost of any lawsuit and/or foreclosure action shall include the costs of collection, including attorney fees and litigation and sheriff's sale costs.

4.10 Lien is a Personal Obligation to Owner. The amount of any assessment chargeable against any Lot shall be a personal and individual debt of the Owner of the same. No Owner may exempt himself from liability for the Assessment by abandonment of his Lot or by waiver of the use and enjoyment of all or any part of the Common Area. Suit to recover a money judgment for unpaid Assessments, any penalties and interest thereon, the costs 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.

4.11 Successor's Liability for Assessment. In addition to the personal obligation of each Owner to pay all Assessments and the Association's continuing lien for such Assessment, all successors to the fee simple title of a Lot, except as provided in Section 4.12, below shall be jointly and severally liable with the prior Owner thereof for any and all unpaid Assessments, late charges, costs, expenses and attorney's fees against such Lot without prejudice to any such successor's right to recover from any prior Owner any amounts paid by such successor. The liability of a successor shall not be personal and shall terminate upon termination of such successor's fee simple interest in the Lot. In addition, such successor shall be entitled to rely on the Certificate of Status of Assessments by or on behalf of the Association under Section 4.13.

4.12 Subordination of Lien. The lien for Assessments provided for in this Declaration shall

be subordinate to the lien of real estate taxes and special governmental assessments. The lien for Assessments shall be superior to and prior to the lien for all sums unpaid on a First Mortgage of record against such Lot, including all unpaid obligatory advances as may be provided by such encumbrance, and any homestead exemption provided now or in the future by the laws of the State of Colorado. No sale or transfer shall release a Lot from the lien of Assessments, except in the case of a sale or transfer of a Lot pursuant to a decree of foreclosure, by a public trustee in foreclosure, or by any proceeding or deed in lieu of foreclosure for the purpose of enforcing a First Mortgage, which shall extinguish the lien of such Assessments as to installments which became due prior to such sale or transfer. No sale or transfer shall relieve the purchaser or transferee of a Lot from liability for, or the Lot from the lien of, any Assessments made after the sale or transfer as set forth herein.

4.13 Certificate of Status of Assessment. Upon request in writing by any legally interested person and payment of a reasonable charge therefore, the Association shall furnish a Certificate of Status of Assessments setting forth:

4.13.1 the amount of any unpaid assessment, interest, late charges, costs, expenses and attorney's fees then existing against a particular Lot.

4.13.2 the amount of the current monthly or annual installment assessments and the date that the next installment is due and payable.

4.13.3 the date of the payment of any installments of any Special Assessments then existing against the individual Lot.

4.13.4 Any other information deemed proper by the Association Articles and Bylaws, books of account and financial statements together with a Certificate of Status of Assessments upon reasonable request in writing and payment of a reasonable charge, therefore. Upon the issuance of such certificate signed by an Officer of the Association, the information contained therein shall be conclusive upon the Association as to the person or persons to whom such a certificate is addressed and who may rely thereon in good faith.

4.14 Mortgagees May Pay Assessments and Cure Defaults. If any Assessment, or monthly installments thereof, for any individual Lot shall not be paid by the Owner thereof within thirty (30) days after the same is due, or if a default by any Owner of any provision of this Declaration shall not be cured within thirty (30) days after written notice thereof is given to such Owner, then the Association may thereafter send a notice thereof to any First Mortgagee thereof and may (but shall not be required to) send a notice thereof to any other Mortgagee thereof. Any Mortgagee may (but shall not be required to) pay any such Assessment, together with any other amount secured by the Association's lien created by this Article IV and may (but shall not be required to) cure any such default.

**ARTICLE V
PROPERTY USE AND RESTRICTIONS**

5.1 (Proposed Addition – Ballot Measure #2) Owners are Responsible for all Parties. Owners are ultimately responsible for their actions and the actions of their visiting family members, guests, and contractors.

5.2 (FORMERLY 5.1.2) Business Use Prohibited.

In order to preserve the private nature of the ranch, and the unique character and atmosphere which attracted most owners to purchase property, business usage on ranch property is strictly prohibited, except as specifically permitted in this section and its subparts. It is the intent of this section to prohibit use of any lot which attracts to the ranch paying clientele or paying visitors of any nature whatsoever, except for (a) property rentals strictly in accord with section 5.3 below, and (b) home based online businesses which do not solicit or invite clients or visitors to the ranch, and which do not rely in anyway on persons visiting the ranch.

5.3 (FORMERLY 5.1.2.1) Property Rentals.

5.3.1 Owners may rent their homes, or any other Permitted Structure on their lots, in whole or in part. The term “rent” means to receive compensation or value of any type whatsoever. Any rental shall (a) be in writing signed by all renters and by the owner or owner’s agent, and (b) shall be for a minimum term of at least thirty (30) consecutive calendar days.

5.3.2 Tenants shall not sublease or sublet any part of their rental. Owners shall not have more than one rental at any time on their lot, and if any part of their lot is rented, owners are prohibited from renting any other part of their lot.

5.3.3 Owners may not rent any part of their lot for the purpose of allowing a non-owner to camp or hunt.

5.3.4 All owners anticipating renting must execute a written rental document or lease with the renter prior to the rental term, containing the complete name, address, and phone number of the renter(s). The written rental document or lease must be signed by both the Owner, Owner’s agent, and renter, and a complete and legible copy must be promptly provided to the Association’s Business Office. The written rental document or lease must include the statement that:

5.3.4.1 Renter(s) have been given a true copy, and have read and understand the Association’s Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions, and,

5.3.4.2 Renter(s) understand that any violation of the Association’s Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions, rules, regulations, or policies by the renter could result in immediate termination of the rental agreement, fines levied against the Owner, injunction, and other legal remedies.

5.3.4.3 Owners are responsible for all actions and behaviors of their renters, and any violations of the Association’s Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions, rules, regulations, or policies by their renters shall be deemed a violation by the renting owner.

5.4 (FORMERLY PART OF 5.1.2.1) Violation Remedies. Any violation of Article V and its subsections may result in the imposition of fines, and the Association, in its sole discretion, may seek any of its legal remedies. The Association may supplement this Article V and its sections with rules, regulations, and policies.

5.5 (FORMERLY 5.2) Conveyance of Lots, Subject to Covenants. All Lots within the

Properties, whether or not the instrument of conveyance thereof shall refer to this Declaration, shall be conveyed subject to the covenants, conditions, restrictions, easements, reservations, rights-of-way and other provisions contained in this Declaration and any amendments thereto.

5.6 (FORMERLY 5.3) Use of Common Areas. All Owners, their families, guests, agents, employees and invitees shall use the Common Area subject to rules and regulations governing the same that may from time to time be adopted by the Board. There shall be no obstruction of the Common Area, nor shall anything be stored or constructed on or removed from the Common Area without the express written consent of the Board.

5.7 (FORMERLY 5.4) Prohibition of Increases in Insurable Risks and Certain Activities. Nothing shall be done or kept upon any individual Lot or on the common areas, or any part thereof, which would result in the cancellation of any insurance carried by the Association, or any part thereof, or increase the rate of the insurance carried by the Association, without prior written approval of the Association.

5.8 During Construction Process.

5.8.1 (FORMERLY 5.6) Temporary Residences - Construction Period. Temporary residences during the construction period are subject to the county zoning laws, regulations and ordinances (Las Animas County 3.06). Any temporary residence cannot be situated within thirty feet (30') of any boundary line, and must be hidden from view if practical. The temporary residence must have self contained or otherwise sanitary services.

5.8.2 (FORMERLY 5.1) Permitted Structures. No permanent structure may be built or placed on any Lot that does not comply with the building and zoning laws, regulations and ordinances of Las Animas County, Colorado. Mobile homes are only permitted as temporary residences during the construction period. Any Structure that is build off-site and transported to its location on the Ranch shall be transported only after the appropriate Building Permit(s) have been issued by the governmental entity having jurisdiction and issuance of an address by the Address Committee. The requirements for permanent structures per the Las Animas County Land Use Regulations Section 3.02.02 are as follows:

- a. Minimum front setback: 60 feet
- b. Minimum side setback: 25 feet
- c. Minimum rear setback: 30 feet
- d. Minimum dwelling size: 600 square feet

5.8.3 (FORMERLY 5.1.1) Address Assignment. Any new construction will be assigned an address by the Address Committee upon request by the Lot Owner. This address will be in keeping with Association, County and 911 system requirements. The new address can then be submitted to the County Planner along with the County permit application. The address must be posted at the opening of the driveway, in such a manner as to be visible upon approach from any direction, in reflective characters not less than two inches (2") wide and five inches (5") high, between five (5) and six (6) feet above the ground. Mounting on a pressure treated 4X4 post is recommended.

5.8.4 (FORMERLY 5.14) Drainage, Culverts. It shall be the responsibility of the Owner of any Lot, at the time such Owner designs and constructs a driveway from the Common Area roads into such Lot, to procure the written design approval of the Road Committee.

5.8.5 (FORMERLY 5.15) Cisterns. No permanent residence shall be built on the Property that does not include, incorporate or have the sole use of a cistern for the storage of water with a minimum capacity of 1,500 gallons.

5.8.6 (Proposed Addition – Ballot Measure #3) Owner’s Responsibility During Construction

Process. Owner is responsible for self and responsible for any contactors utilized on their property regarding the following requirements:

5.8.6.1 Sanitation. During any construction process, on site sanitation is required, using a portable toilet facility or the Owner's other sanitation facilities.

5.8.6.2 Trash removal. The Association's trash facilities are not allowed to be used for any construction refuse. This includes all construction debris generated by the Owner or a Contactor. Owners and Contractors can either use an on-site dumpster or haul their trash off the ranch for disposal.

5.8.6.3 Permits. Owners are responsible to have a copy of their issued permits on site and available for inspection by county officials, the Covenants Committee or Board member(s), as requested.

5.9 (FORMERLY 5.5) Rules and Regulations. No Owner shall violate the rules and regulations, as adopted from time to time by the Association, for the use of the common areas.

5.10 (FORMERLY 5.6) Temporary Residences Other than During Construction Period.

Temporary residences such as tents, campers and other recreational vehicles may be place by an owner on his/her lot for occasional use provided such use is in compliance with Las Animas County Zoning laws, regulations and ordinances (Las Animas County 3.06.01). The tent, camper or RV situated not closer than thirty feet (30') of any lot boundary line and is hidden from view if practical. This does not intend any restriction against the parking of an unoccupied recreational vehicle on one's permanently occupied property. The temporary residence must have self-contained or otherwise sanitary services.

5.11 (FORMERLY 5.8) Signs, Advertising. With the exception of those specifically allowed below, no signs, advertising, billboards or similar items calling attention to any Lot or improvements thereon shall be placed on any Lot without the express written consent of the Board, and shall be removed at the conclusion of the project. Permitted signs are as follows:

5.11.1 "For Sale" or "For Lease" signs not exceeding six (6) square feet.

5.11.2 "No Trespassing", "Posted", or similar signs that do not exceed two (2) square feet.

5.11.3 An Owner's "Name/Property Sign".

5.11.4 Contractor's signs that do not exceed six (6) square feet.

5.11.5 A temporary political sign placed no earlier than 45 days before, nor more than 7 days after the election. Signs are limited to one per political office or ballot issue and may be no larger than thirty-six (36) inches by forty-eight (48) inches.

5.12 (FORMERLY 5.9) Commercial Vehicles. No commercial vehicle or commercial trucks shall be parked on any road, driveway or parking area within the Properties except while the same is temporarily engaged in transport to or from or loading materials or other items on a Lot. For the purpose of this section, a one (1) ton or smaller vehicle shall not be deemed a commercial vehicle or truck. A commercial vehicle or truck may be parked on a Lot, if the same is kept entirely within a structure (such as a garage) or is otherwise not visible from adjoining Lots or the Common Area.

5.13 (FORMERLY 5.10) Nuisances. No obnoxious or offensive activity shall be carried out upon any part of the Properties nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to any other Owner.

5.14 (FORMERLY 5.11) Inoperative or "Junked" and Abandoned Vehicles/Equipment. No unused, stripped down, partially wrecked, or inoperative motor vehicle or equipment or part thereof shall be permitted to be parked or stored on any road, driveway, property, or part of

the Common Area in such a manner as to be visible at ground level from the Common Area or any Lot owned by a different Owner. In the event that the Board shall determine that a "junked" vehicle or piece of equipment is visible at ground level from the Common Area or a Lot owned by a different Owner, then a written notice describing the "junked" equipment or vehicle will be personally delivered to the Owner thereof or will be placed conspicuously upon the unused vehicle or equipment. If the unused vehicle or equipment is not made invisible at ground level from the Common Area or any Lot owned by a different Owner within thirty (30) days after posting or delivering such notice, the Board shall have the right to remove the unused vehicle or equipment at the sole expense of the Owner thereof.

5.15 (FORMERLY 5.12) Subdivision. To further preserve the ranching use and atmosphere of Santa Fe Trail Ranch, all Lots are presently platted in sizes of 35 acres or greater, and no Lot shall be subdivided creating parcels less than 35 acres in size. In addition, no existing un-platted parcel of less than 35 acres shall be conveyed except in conjunction with, or to the Owner, of, an adjoining Lot. Such parcels shall not be further subdivided. Also, it will not be allowed to combine adjoining Lots into larger single Lot for the purpose of escaping assessment obligations.

5.16 (FORMERLY 5.13) Building and Grounds Conditions. Each Owner shall maintain the exterior of his or her dwelling unit and all other improvements in good condition and shall cause them to be repaired as the effects of damage or deterioration become apparent. Each Owner shall, to the best of his or her ability, maintain his or her Lot in good repair and appearance at all times.

5.17 (FORMERLY 5.16) Firearms, Hunting. There shall be no hunting or discharge of firearms, including without limitation, the use of bows or crossbows, on the Common Area. Hunting and discharge of firearms is permitted on an Owner's Lot and a Lot or Lots owned by another Owner or Owners only if such activity is carried on in a safe and responsible manner so that:

5.17.1 no projectile enters or crosses the Common Area or any adjoining Lot owned by a different Owner,

5.17.2 the Owner of the Lot or an adult with written permission on his person is present at all times, and

5.17.3 all such activity is carried out in strict compliance with all applicable laws and regulations of the State of Colorado.

5.18 (FORMERLY 5.17) Fires. All Owners shall, at all times, take reasonable precautions against fire. No "open ground" or "above ground" fire shall be permitted on any Lot or on the Common Area unless the same is acknowledged and official permit obtained from the Sheriff, supervised by the fire department and written permission obtained from the Association. The foregoing shall not apply to propane grills and outdoor propane fire pits and fireplaces within a structure, but all chimneys shall be equipped with appropriate spark controls. Charcoal grills are not permitted. All burning of any nature shall comply with state and local laws, rules, and regulations.

5.19 (FORMERLY 5.18) Animals.

5.19.1 Domestic Pets. Domestic pets may be kept on any Lot subject to the following regulations:

5.19.1.1 They may be quartered or maintained, provided they are controlled and not a nuisance or threat to any other Owner and/or wildlife.

5.19.1.2 The keeping of domestic pets shall be subject to, and in accordance with, all health and sanitation laws, to include rabies inoculation for dogs and cats.

5.19.1.3 All pets must be under the control of the Owner at all times.

5.19.1.4 No household shall keep more than four (4) dogs.

5.19.2 Livestock and Poultry

5.19.2.1 All corrals, stables or similar structures must be kept in clean and sanitary conditions and all animals must be quartered, maintained and controlled so as not to constitute a nuisance to any other Owner.

5.19.2.2 The keeping of livestock and poultry shall be subject to and in accordance with all health and sanitation laws.

5.19.2.3 All livestock and poultry must be under the control of the Owners at all times.

5.20 (FORMERLY 5.19) Exterior Lighting. No mercury vapor or high intensity light shall be placed on the exterior of any structure or any other part of a Lot, unless the same is directed or focused onto the Lot and in a manner that prevents such light from interfering unreasonably with the use and enjoyment of any other Lot in the Property by the Owner thereof.

5.21 (FORMERLY 5.20) Mineral Development. No mineral development is permitted.

5.22 (FORMERLY 5.21) Restriction on Marijuana Distribution and Growing. No owner or occupant of a property within the boundaries of Santa Fe Trail Ranch, may utilize his unit, or any other unit, for the purpose of growing or distributing marijuana, including medical or recreational marijuana, beyond the personal allowances provided to individuals by Amendment 64 to the Colorado Constitution. This Covenant and Restriction may be further clarified by the Santa Fe Trail Ranch Board of Directors through further rules and regulations. Owners will be responsible for any additional costs or damages resulting from a violation of this Covenant, including, but not limited to, water and utility assessments.

ARTICLE VI DAMAGE OR DESTRUCTION

6.1 Estimate of Damages or Destruction. As soon as practical after an event causing damage to or destruction of any part of the Common Areas, the Association shall, unless such damage or destruction shall be minor, obtain an estimate or estimates that it deems reliable and complete of the costs of repair and reconstruction of that part so damaged or destroyed. "Repair and Reconstruction" as used in this Article VI shall mean to bring the damaged or destroyed part of the Properties to substantially the same condition in which it existed prior to the damage or destruction, with each individual Lot and the common areas having substantially the same vertical and horizontal boundaries as before.

6.2 Repair and Reconstruction. As soon as practical after obtaining estimates, the Association shall diligently pursue to completion the repair and reconstruction of the part of the common areas damaged or destroyed. As attorney-in-fact for the Owners, the Association may take any and all necessary or appropriate action to effect repair and reconstruction and no consent or other action by any Owner shall be necessary in connection therewith. Any repair after substantial losses must be in accordance with original plans and specifications unless 51% of all Owners consent to deviation there from.

6.3 Funds for Repair and Reconstruction. The proceeds received by the Association from any hazard insurance shall be used for the purpose of repair, replacement, and reconstruction. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair and reconstruction, the Association may levy, assess, and collect in advance from all Owners a Special Assessment sufficient to provide funds to pay such estimated or actual costs of repair and reconstruction, if they are made in compliance with section 4.4 Assessments For Repair.

6.4 Coordination with Owners Repair and Reconstruction. In the event of damage or destruction to improvements upon an Owner's Lots, improvements shall be repaired or replaced within 12 months after the damage or destruction or at the Owner's option, the ruins shall be removed from the subject property and the property restored to its natural pre-improvement conditions.

**ARTICLE VII
AMENDMENT TO THE DECLARATION**

7.1 Amendment. (This provision was modified by Court order 03 Jan 2006. Recorded by Las Animas County Clerk and Recorder, Book 1054, Page 1819-1820, 05 Jan 2006). The provisions of this Declaration may be amended or terminated, in whole or in part, at any time and from time to time, by an instrument (which instrument may be executed in identical counterparts, in which event all of such counterparts shall be taken as one and the instrument of amendment) approved by 51% of Members who are voting in person or by absentee ballot at a meeting duly called for this purpose.

Before such a meeting can be called, the proposed amendment must be offered to the Covenant Committee for consideration, and if approved, must then be considered and voted on by the Board of Directors. Only then can it be placed before the members for a vote. This requirement cannot be changed or waived in any manner whatsoever without 51% approval by the full membership.

Any action terminating this Declaration in full or any action to change the Ownership of the common areas shall require the approval by fifty-one percent (51%) of the members voting.

7.2 (ADDED per CCIOA) Changes. No changes shall be made to this Declaration without a vote of the Associations Owners unless a change is specifically mandated by county or state statute/law/ordinance/regulation eliminating the need for such vote. In such cases it is imperative that the Board make adequate notice to property owners of the required change prior to its implementation.

7.3 (FORMERLY 7.2) Recording of Amendments. All amendments to or termination of this Declaration must be recorded with the County Clerk and Recorder.

ARTICLE VIII GENERAL PROVISIONS

8.1 Enforcement. The enforcement of the Association's governance documents shall be governed by policies established by the Board of Directors from time to time in compliance with the provisions of the CCIOA.

8.2 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way effect any other provisions which shall remain in full force and effect.

8.3 Invalidation. Failure by the Association to record or file any of the required documentation or to complete any acts within the prescribed time shall not invalidate or cause any provision contain herein to be invalidated.

8.4 Annexation. Additional Common Area may be annexed to the Properties with the consent of 51% of Members.

8.5 Conflicts in Legal Documents. In case of conflicts between the provisions in this Declaration and the Articles of Incorporation of the Association or the By-Laws of the Association, this Declaration shall control. In case of conflicts in the provisions in the Articles of Incorporation of the Association and the By-Laws of the Association, the Articles of Incorporation shall control.

8.6 Board of Director's Related Information.

8.6.1 Board of Directors. There shall be an odd number of Directors consisting of not less than three (3) nor more than nine (9) Members. Additionally, four (4) Officers, a President, a Vice-President, a Secretary, and a Treasurer will be elected by the Board. The Directors serve three (3) year terms and may be reelected. The Officers serve one (1) year terms and may be reelected. The Directors must be elected by a quorum of the total Association Membership eligible to vote, as specified in Section 4.6. In order to be elected, a candidate must be nominated and either placed on the Annual Ballot, or written in.

8.6.2 (F O R M E R L Y 8 . 6 . 5) Policy Regarding Board of Directors Conflicts of Interest.

8.6.2.1 Definitions. As used in this section, "conflicting interest transaction" means: a contract, transaction, or other financial relationship between the Association and a director serving on the Board (a "Director"), or between the Association and a party related to a Director, or between the Association and an entity in which a Director of the Association is a director or officer or has a financial interest. For purposes of this section, a "party related to a director" shall mean immediate family members (parents, spouse, children, siblings, grandparents, grand children), in-laws, an estate, or trust in which the Director or a party related to a Director has a beneficial interest, or an entity in which a party related to a Director is a director, officer, or has a financial interest.

8.6.2.2 No Loans. No loans shall be made by the Association to its Directors or officers. Any Director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.

8.6.2.3 Not Void. No conflicting interest transaction shall be void or voidable or be enjoined, set aside, or give rise to an award of damages or other sanctions in a proceeding by a member or by or in the right of Association, solely because the conflicting interest transaction involves a Director or a party related to a Director or an entity in which a Director is a director or officer or has a financial interest or solely because the Director is present at or participates in the meeting of the Association's Board that authorizes, approves, or

ratifies the conflicting interest transaction or solely because the Director's vote is counted for such purpose if:

8.6.2.3.1 The material facts as to the Director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Board and the Board in good faith authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors are less than a quorum; or

8.6.2.3.2 The material facts as to the Director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the members entitled to vote thereon, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by a vote of the members entitled to vote thereon; or

8.6.2.3.3 The conflicting interest transaction is fair as to the Association.

8.6.2.3.4 (Proposed Addition – Ballot Measure #4) No Employment, Sub-Contracting or Equipment Rental. It is a policy of the Association that at no time shall any director accept employment with a contractor employed by the association, nor shall any director perform work as a paid contractor for the association. At no time shall any director seek reimbursement for use of their personal equipment in support the association's activities. However, the board, at its sole discretion, may provide a waiver, in advance, for this clause if the requirement for the association so warrant that a board member is deemed to be qualified and has appropriate liability insurance to perform said services.

8.6.3 (FORMERLY 8.6.6) Adoption and Amendment of Regulations, Rules and Policies. The Board of Directors may adopt, amend, repeal and enforce the Regulations, Rules and Policies and impose fines for violations thereof (after notice and an opportunity to be heard), as it deems desirable with respect to the interpretation and implementation of the Governing Documents.

8.6.3.1 Emergency. The Board may waive the opportunity for member comment of the proposed Regulation, Rule or Policy if the Board determines in its sole discretion that providing notice and an opportunity to comment is not practical due to the emergency nature of the Regulation, Rule or Policy.

8.7 Association Bank Accounts and Investing.

8.7.1 (FORMERLY 8.6.2) Bank Account. The Board has established one or more bank accounts, where all Association funds shall be deposited. Where practical, the accounts should be interest bearing. Funds are to be used only for designated purposes. Two signatures shall be required on all checks drawn on the account and the signers include the President, Vice-President(s), Treasurer, or Secretary. Reserve funds should be placed in interest bearing accounts whenever practical.

8.7.2 (FORMERLY 8.6.3) Policy Regarding Investment of Reserve Funds. The purpose of the Reserve Fund shall be to responsibly fund and finance the projected repair and replacement of those portions of the property that the Association is responsible for and for such other funding as the Board may determine.

8.7.2.1 Investment of Reserves. The Board of the Association shall invest funds held in the Reserve Fund account to generate revenue that will accrue to the Reserve Funds account balance while minimizing risks and maximizing return rates.

8.7.2.2 Limitation on Investments. Unless otherwise approved by the Board, all investments will be FDIC (Federal Deposit Insurance Corporation) insured, and/or guaranteed by the United States Government.

8.7.2.3 Investment Strategy. The investment strategy of the Association should emphasize a long-

term outlook by diversifying the maturity date of fixed-income instruments within the portfolio utilizing a laddered investment approach.

8.7.2.4 Independent Professional Investment Assistance. The Board may hire a qualified investment counselor to assist in formulating a specific investment strategy.

8.7.2.5 Review and Control. The Board shall review the Reserve Fund investments periodically to ensure that the funds are receiving competitive yields and shall make prudent adjustments as needed.

8.7.2.6 Reserve Study. In order to determine funding of the Reserve Fund, the Board shall determine, the life expectancy of those portions of the Property to be maintained by the Association and the anticipated costs of maintaining, replacing and improving those identified areas.

8.7.2.7 Good Faith. The Board shall make investment decisions in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Board reasonably believes to be in the best interest of the Association and in accordance with the Colorado Revised Nonprofit Corporation Act.

8.7.2.8 Review. The account is subject to review and each Owner upon request may obtain copies of all checks written, all deposits made and account balance at the office of the Association upon payment of reasonable copy charges.

8.8 (FORMERLY 8.6.4) Inspection and Copying of Association Records by Lot Owners. The Association shall permanently retain the following records as required by Colorado law: (1) Minutes of all Board and Owner meetings, (2) all actions taken by the Board or Owners by written ballot in lieu of a meeting, (3) all actions taken by a committee on the behalf of the Board acting on behalf of the Association, (4) all waivers of the notice requirements for Owner meetings, Board member meetings or committee meetings and (5) a record of each Owner's name, address and number of votes each Owner is entitled to vote.

Further, the Association shall keep a copy of each of the following records (1) resolutions adopted by the Board, (2) all written communication within the past three (3) years to Owners, (3) a list of the names and business or home addresses of the Association's current directors and officers, (4) the Association's most recent annual report, if any, and (5) all financial audits or reviews conducted during the immediately preceding three years.

An Owner is entitled to inspect and copy, during regular business hours at the Association's principal office, any of the records of the Association described C.R.S. § 38-33.3-317 if the Owner gives the Association written demand at least five business days before the date on which the Owner wishes to inspect and copy such records. The request must describe with reasonable particularity the records sought and the purpose of the request. The inspection and/or copying of the records relevant to the request shall be at the Owner's expense and may be collected by the Association in advance. Association documents/records shall not be used by Owners for (1) any purpose unrelated to an Owner's interest as an Owner, (2) any commercial purpose, (3) the purpose of distributing or selling such records to any person, (4) the purpose of soliciting money or property unless such money or property will be used solely to solicit the votes of the owners in an election to be held by the Association, and (5) any other improper purpose, determined in the sole discretion of the Board.

8.9 Covenant Dispute Resolution.

8.9.1 (FORMERLY 8.6.7) Dispute Resolution. Because the prompt, efficient, fair, and non-belligerent resolution of any disputes is desirable, any controversy arising out of or relating to the Covenants, Rules and Regulations or Bylaws, or a breach thereof shall be resolved as set forth in this section.

8.9.2 Direct Communication. The parties to the disagreement shall set forth their respective positions in the dispute in correspondence. Each party shall respond within seven days after receipt of a letter from the other until agreement is reached.

8.9.3 Mediation. If the dispute cannot be resolved through direct communication of the parties, either party may request appointment of a neutral and properly credentialed mediator. Both parties shall participate in the mediation in good faith until the dispute is resolved for a period not to exceed thirty days with the consent of all parties. The cost of mediation shall be divided equally among the parties.

8.9.4 Arbitration. If the dispute cannot be resolved through mediation, the dispute shall be settled by arbitration before a single arbitrator in accordance with the Colorado Revised Statute Section 13-22 Part 3 Dispute Resolution Act. The results of the arbitration shall be final and binding, and not subject to appeal. Venue for arbitration shall be Las Animas County, Colorado, unless otherwise mutually agreed. The arbitrator shall award to the prevailing party, if any, as determined by the arbitrator, all its costs and expenses including any attorney's fees, arbitrator's fees and out-of-pocket expenses of any kind.

8.9.5 Not Applicable to Association. This Dispute Resolution Policy is not applicable to the Association and the Association shall have the right to enforce all Covenants, Rules and Regulations and Bylaws as more particularly described in those documents. The Association shall be exempt from and shall not be required to mediate or arbitrate its claims in any enforcement actions taken by the Association.

**ARTICLE IX
INSURANCE**

9.1 Authority to Purchase. All insurance policies related to the Common Area and the activities of the Association, and its Board shall be purchased by the Board or its authorized agent. This shall include property, general liability, Director and Officer professional liability and indemnification, and fidelity policies.

9.2 Notice to Owners. The Board shall promptly furnish to each Owner written notice of adverse changes in, or termination of, insurance coverage obtained on behalf of the Association under this Article.

**EXHIBIT A
MAP OR PLAT RECORDINGS**

UNIT	DATE RECORDED OR RE-RECORDED	BOOK	PAGE	RECEPTION NUMBER
1	April 30, 1990	873	261	588333
2	Sept. 24, 1990	875	823	589936

3	May 3, 1991	879	798	592103
4	Feb 26, 1992	885	426	595157
5	Oct. 27, 1992	890	946	598133
	Nov. 4, 1992	891	203	598260
6	Oct. 27, 1992	890	967	598136
7A	July 8, 1993	896	403	601285
7B	July 8, 1993	896	425	601289
8	Dec. 7, 1993	900	313	603449
	April 26, 1994	903	575	605371
9	Dec. 7, 1993	900	315	603450
	Sept. 21, 1994	908	351	607969
10	Dec. 30, 1994	911	550	609522
11	Dec. 30, 1994	911	570	609525
	July 5, 1995	917	932	612723
12	Oct. 6, 1995	921	932	614644
	Oct. 4, 1996	935	438	620794

THE UNDERSIGNED, as President and Secretary of the Board of Directors of the Santa Fe Trail Ranch Property Owners Association, hereby certify that the above stated Declaration of Covenants were duly amended by the required number of votes of the members on _____, 2024 and approved by the Board of Directors, to assure compliance with State Statutes.

/s/ Robert L. Scott

 Robert L. Scott
 President
 Santa Fe Trail Ranch
 Property Owners Association

/s/ Carol Smith

 Carol Smith
 Secretary
 Santa Fe Trail Ranch
 Property Owners Association

This document was recorded on _____, in Book _____, Pages _____, Reception Number _____.