DECLARATION
OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF
GOLD MEDAL WATER ESTATES

THIS DECLARATION is made to be effective the ____ day of July, 2014, by JC Land, LLLP, 7737 County Road 150, Salida, Colorado 81201.

WHEREAS, Declarant is the Owner of certain property in the County of Chaffee, State of Colorado, known as Gold Medal Water Estates as shown on the Plate thereof recorded in the real property records of the Office of the Clerk and Recorder, Chaffee County, Colorado. Said property (hereinafter referred to as the “Property”) is more particularly described as:

See Exhibit A – attached hereto and incorporated herein by this reference.

WHEREAS, Declarant desires to subject the Property to certain covenants, conditions, and restrictions for the benefit of the Property;

WHEREAS, Declarant elects to not be subject to the requirements and limitations of the Colorado Common Interest Ownership Act, C.R.S. §38-33.3-101, et. seq., which is not applicable to the Property pursuant to C.R.S. §38-33.3-116; and

FURTHER, Declarant hereby declares that the Property shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of the Property, and which shall run with the Property and be binding on all parties having any right, title, or interest in said Property, or any part thereof, and their heirs, successors, and assigns, and shall inure for the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1.1 “Declarant” shall mean and refer to JC Land, LLLP, its successors and assigns.

Section 1.2 “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. The term “Owner” shall also include the Declarant, or its successors and assigns, with respect to all Lots held in the name of the Declarant. For purposes of this Declaration, each Lot shall have one vote, whether or not one or more persons or entities hold legal title, and no fractional vote is permitted.
Section 1.3  "Plat" shall mean and refer to the plat of Gold Medal Water Estates, recorded in the real property records of the Office of the Clerk and Recorder, Chaffee County, Colorado, as it may be amended or supplemented.

Section 1.4  "Property" shall mean and refer to the property described above and to such additions thereto as may hereafter be subjected to this Declaration.

Section 1.5  "Lot" shall mean and refer to each separate parcel of Property which is designated with a number on the Plat and any future amendments and supplements to the Plat, title to which shall be held in fee simple. "Lots" shall refer collectively to Lots 1 through 9 as shown on the Plat.

ARTICLE II
ASSOCIATION

Section 2.1  Formation. At such time as a sufficient number of Lots are sold, this determination to be made solely and exclusively by Declarant, Declarant shall organize a nonprofit corporation known as "Gold Medal Water Estates Property Owners' Association, Inc." (herein "Association") which will have as its function the maintenance of roads, easements and common areas within the Property which are conveyed to it by Declarant. Upon formation, the Association shall enter into an agreement with Chaffee County expressly assuming and binding the Association to all maintenance obligations set forth in the Subdivision Improvements and Maintenance Agreement and Covenant entered into by the Declarant and Chaffee County. All Owners of Lots shall become members of the Association once the Association has been formed. The affairs of the Association shall be managed by the Board of Directors (herein "Board"). The Board shall have authority to establish and adopt further rules, regulations, policies, and guidelines reasonably required for the operation and maintenance of the Property, not inconsistent with the provisions of this Declaration. There shall be no fewer than three members of the Board, the specific number to be set forth from time to time in the Bylaws, all of whom shall be Owners of a Lot, except Members appointed by the Declarant.

Section 2.2  Common Property. Common areas of property are depicted on the Plat (herein "Common Property"). The Common Property shall be conveyed by the Declarant and shall be accepted by the Association at a time determined by Declarant. The maintenance of the Common Property will be proved by Declarant until such time as the Association has been formed. Thereafter, the Association shall assume all maintenance of the Common Property and facilities as set forth in this Declaration, including maintenance of road signs and the weed management as it pertains to Common Property.

Section 2.3  Assessments. Assessments to pay the costs of maintenance will be made by Declarant and subsequently by the Association on a pro rata basis based upon each Lot paying an equal share in accordance with the Articles of Incorporation and Bylaws. The assessment shall specifically include, but shall not be limited to: expenses of management of the
Association, taxes and special assessments, insurance premiums, common utility expenses, if any, maintenance and repair of roads, working capital, and creation of reasonable reserves. The Association shall also have the right to levy special assessments.

Section 2.4 Enforcement of Assessments. If an assessment is not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and costs of collection thereof, as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such Lot in the hands of the lien Owner, his heirs, devisees, personal representatives, successors and assigns. In addition to the lien rights, it shall be the personal obligation of the then Owner to pay such assessment and such personal obligations shall continue, even though the owner’s interest in the Lot shall be transferred. Said lien shall be filed with the Chaffee County Clerk and Recorder. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the due date at the rate of eighteen percent (18%) per annum, and the Association or Declarant may bring legal action against the Owner personally obligated to pay the same or to foreclose the lien against the Lot, and there shall be added to the amount of such assessment all costs incurred by the Association or Declarant in foreclosing the lien or in collecting the amount owning, including reasonable attorneys’ fees and costs. The Association may suspend the delinquent owner’s right to vote and use of the Common Property for any period during which any assessment remains delinquent.

ARTICLE III
COVENANTS AND RESTRICTIONS

Section 3.1 General Restriction. The Property will be used only for the purposes set forth in this Declaration, as permitted by the applicable ordinances of Chaffee County and the laws of the State of Colorado and the United States, and as set forth in the Association Documents (which includes Articles of Incorporation, Bylaws, and Rules, Regulations, and Policies established hereunder) or other specific recorded covenants affecting all or any part of the Property. The Plat, recorded in the Chaffee County Clerk and Recorder’s Office, comprises a part of this Declaration. There are additional Notes, Covenants, and Restrictions set forth on the Plat.

Section 3.2 Road Right of Way and Access Easement. Ownership of any Lot shall carry with it the right to use the public road right-of-way shown on the Plat subject to the terms and conditions set forth herein.

Section 3.3 Easements for Drainage and Irrigation. Easement for drainage and for the use and maintenance of the existing irrigation ditches are shown on the Plat. Each Owner shall comply with all restrictions and specification related to these easements. An Owner shall not do any act or work that will damage or impair any easement, including irrigation ditch easements established by or shown on the Plat.
Section 3.4 Utilities. Each Lot shall have the right to use and shall be subject to the public utility easements as shown on the Plat. All utilities must be placed underground in said easements; service lines shall also be underground. All such utility easements described in this paragraph shall be for the installation, replacement, operation, repair and maintenance of utilities, shall include all rights and privileges necessary or convenient for the full use and enjoyment thereof, including the right of ingress to and egress from such easement, and shall be in favor of utility providers and all properties served or capable of being served by the utilities. Should any user of any utility easement disturb the surface of the easement during the exercise of the rights granted hereunder, that user shall restore the surface of the easement to the condition substantially equivalent to its original level and condition. The easements provided for in this Section 3.4 shall in no way affect, void, extinguish or modify any easement(s) of record with the Office of the Chaffee County Clerk and Recorder.

Section 3.5 Declarant’s Use. Notwithstanding any provisions herein to the contrary, it shall be expressly permissible, during the time Declarant owns all or any portion of the Property, for Declarant, its successors and assigns, or any agent, contractor, subcontractor, or employee of the Declarant to complete any improvements indicated on the Plat, to exercise any development right pertaining to the Property, to maintain during the period of construction and sale upon such portion of the Property as Declarant deems necessary, facilities incidental to said construction and sale, including, but not limited to, storage areas and signs advertising the Property, and to use such portion of the Property as Declarant deems necessary for construction staging.

Section 3.6 Easement for Emergency Access. There is hereby created a right of access across all portions of the Property for the passage of emergency vehicles and police, fire, and other emergency service workers.

Section 3.8 Use Restrictions.

(a) Residential Use. No Lot shall be used and no improvements on any Lot shall be hereafter constructed or converted for any use other than residential. No more than one single-family dwelling and attached garage shall be permitted. Not more than two (2) outbuildings or other structures shall not be constructed or placed on a Lot without Board approval. In no event shall there be constructed more than one single-family dwelling unit per Lot.

(b) Construction Standards. All homes shall be constructed onsite. No mobile home, portable home, modular home or factory built home shall be permitted to be placed, permanently or temporarily, on any Lot.

(c) Leases. An Owner shall have the right to lease that Owner’s residence upon such terms and conditions as such Owner may deem advisable; provided, however, that (i) any such lease shall be in writing and shall provide that the lease is subject to the terms of the Declaration, Articles, Bylaws, and Rules; (ii) a residence may be leased only for the above use and occupancy; (iii) the term of any lease shall be in accordance with the Rules adopted by the
Association; (iv) any failure of a lessee to comply with the terms of the Declaration, the Articles, the Bylaws, or the Rules shall constitute a default by such Owner under the applicable document; (v) any failure of a lessee to comply with the terms of the Declaration, Articles, Bylaws, and Rules shall be a default under the lease and shall be enforceable by the Association as a third-party beneficiary; (vi) notwithstanding any other provision contained herein, it shall be permissible for residences to be leased for short-term vacation rentals, provided that short-term rentals shall be subject to written leases or rental agreement and such reasonable Rules as may be established by the Association with regard to short-term rentals. However, no Owner of any Lot shall offer or sell any interest in such Lot under a “timesharing,” “interval ownership” plan, or any similar plan.

(e) **Square Footage.** Any single-family dwelling shall contain a minimum of 1,500 square feet of living area exclusive of porches, decks, and garages.

(f) **Engineered Foundations and Septic Systems.** A geotechnical investigation shall be required before construction of any new permanent structure on any Lot. Engineered footers and foundations are recommended and may be required by rules and regulations adopted by the Association. Engineered septic systems may be required. Ownership shall take all reasonable measures to ensure that the location and construction of wells and septic systems do not interfere with the wells and septic systems located on other Lots.

(g) **Location of Improvements.** No structures or improvements, except fences, utilities and driveways, may be located within easements and setbacks as shown on the Plat.

(h) **Architectural Standards.** All improvements, structures, landscaping, and alterations on the separate Lots within the Property shall conform and harmonize with the natural surroundings and with existing structures as to exterior design, materials, color, site orientation, height, grade, and finished ground elevation. All structures located on a Lot shall be of similar design and construction so that their appearance is reasonably uniform within the Lot. Materials for exterior walls shall be masonry, stone, stucco, wood siding, log, rock, or a combination thereof. All roofs shall be of tile, slate, non-reflective metal, or composition shingle. No wood or shake shingles or corrugated metal shall be used for roofing. Color schemes shall be earth tones, with an intention of blending into or complementing the natural landscape.

(i) **Construction Standards.** All homes shall be constructed onsite. No mobile home, portable home, modular home or factor built home shall be permitted to be placed, permanently or temporarily, on any parcel or Lot.

(j) **Completion of Construction.** Any exterior construction of a single-family dwelling, garage, or other structure permitted herein must be completed within eighteen (18) months of the initiation of on-site construction. If an Owner shows good cause for delays in the completion of construction, this time period may be extended upon approval of the Board. Construction upon the dwelling shall be commenced prior to or simultaneous with
commencement of construction of any other structures on the Lot unless specifically permitted by rules or regulations adopted by the Board. No building may be stored on the Lot except during the period allowed for completion of construction.

(k) Driveways. Driveways shall be constructed of asphalt, concrete, or a suitable ground rock, gravel, or road base. Driveways shall be properly constructed, bordered, and contained. Driveway entries shall be engineered to ensure proper drainage.

(l) Maintenance. The Owner of each Lot shall keep and maintain all improvements and landscaping in a clean, safe, and attractive condition and in good repair.

(m) Storage of Unsightly Items. All unsightly facilities, equipment, and other items, including, but not limited to, those specified below, shall be enclosed within a solid, covered structure. No junk vehicle, inoperative vehicle, or vehicle under repair shall be parked, stored or maintained on any Lot unless concealed within a garage.

(n) Trash and Receptacles. Any refuse or trash container, utility meter, or other utility facility, service area, storage pile, or area for hanging clothing or other household fabrics shall be enclosed or appropriately screened from view by fencing and shall be adequate to conceal the same from adjoining parcels, roads, and access drives. No lumber, metals, bulk materials, scrap, refuse, or trash shall be kept, stored, or allowed to accumulate on any property, except for firewood and except for building materials during the course of construction, and except for refuse or trash in a suitable container appropriately enclosed or screened from view for such reasonable time as is necessary prior to collection or disposal thereof. The Owner of each Lot shall arrange for the property and frequent removal of trash.

(o) Animals. Each Lot Owner or other occupant may keep dogs, cats, or other pets and may keep livestock, poultry, pigs, and horses which are restrained within the Lot, provided that such animals are not kept, raised or bred for commercial purposes. Dogs shall be properly confined, leashed or kenned at all times. No dog shall be allowed outside the Lot, or any fenced portion thereof, unless on a leash and accompanied by a responsible person. Each Lot Owner or occupant must promptly remedy or remove any pet which causes undue noise or disturbance so as to constitute a nuisance to other Lot Owners. Up to two horses may be permitted on each Lot, so long as horses are adequately maintained and confined. The Board is authorized to adopt rules and regulations which provide additional guidelines regarding the animals on the Property and which may specifically limit and restrict what types of household pets may be kept on any Lot, specifically including but not limited to restrictions of certain breeds of animals, size, and number of pets, so long as such rules and regulations do not conflict with the provisions set forth herein.

(p) Wildlife. Wildlife in its natural state within the Property will be encouraged. The residential usage of the Property will be accomplished in a manner to encourage and protect all wildlife, and no hunting, taking, or harassment of any wildlife shall be allowed. Under no circumstances shall dogs be permitted to molest or interfere with such wildlife. Further, each
Owner acknowledges and assumes the risk of the presence of wildlife including, but not limited to, bears, mountain lions, coyotes, deer and other species of game animals and predators.

(q) **Fencing.** Lot perimeter fencing shall be allowed subject to the terms of the restrictions and standards shown on the Plat. The term “lot perimeter fencing” is defined to mean fences along or near lot lines, fences enclosing a lot or fencing not connected with a building or structure. In any case where a fence is permitted, it is recommended that its specifications comply with current wildlife management practices as determined by the Colorado Division of Wildlife. The top or top wire of any perimeter fencing shall be no higher than forty-two (42) inches. Further, perimeter fencing shall have a minimum of a 16-inch gap between the ground and the bottom wire and no more than four (4) strands of wire. Notwithstanding, interior fences, screens, or walls which are associated with a building or structure and fences designed and constructed to define or enclose garden or yard areas, courtyards, driveways, or entrances are permitted, subject to the requirements herein. Exclusionary fencing around the residence, gardens, or other vegetation shall be constructed of wood or other material conforming to the natural surroundings and other structures. Ornamental fencing with sharp vertical points or projections extending beyond the top rail and barbed wire fencing is prohibited.

(r) **Control of Noxious Weeds.** All Owners shall be responsible for controlling the growth and spread of noxious weeds on their property in accordance with the Chaffee County Weed Management Plan and all applicable laws or regulations. The cost of compliance with the Weed Management Plan as it pertains to any common area or roadway shall be a Common Expense of the owners.

(s) **Fire Protection.** Minimal defensible space requirements for fire protection shall be observed during construction of improvements. Owners are encouraged to engage in building practices and utilize building materials that are fire resistant. Wood shingles shall be prohibited.

(t) **Mining and Drilling.** No oil or gas drilling, oil or gas development operations, oil refining, exploration activities, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil or gas wells, tanks, tunnels, mineral excavations, or shall oil or gas wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any lot.

(u) **Drainage.** Under no circumstances shall the drainage characteristics of any Lot as established by Declarant and approved by governmental agencies be altered by any Owner or his agents during the course of landscaping, subsequent construction within the lot or by erosion that is a direct result of lack of landscaping or maintenance. Drainage swales, channels and easements established by Declarant shall not be altered, obliterated or blocked by an owner or his agent. Notwithstanding the forgoing, this alteration may be permitted with the prior written approval of both the Board and any and all proper governmental agencies or authorities. Each owner or his agent shall be responsible for maintaining such grades, swales and easements within his Lot once they have been established by the Declarant, and to keep any drainage
improvements of culverts located within a Lot free of debris. Each owner or his agent shall be responsible for taking measures to prevent and control erosion on his Lot.

(v) **Storage Tanks.** Any tank used in connection with any dwelling or other structure on any parcel including tanks for storage of gas, fuel oil, oil, or water shall be buried, or if located above ground, such tanks shall be screened from view by appropriate interior fencing or placement.

(w) **Parking Prior to and During Construction.** Prior to the time a permanent single-family dwelling has been constructed on a Lot, no vehicles of any kind, including, but not limited to, commercial vehicles, recreational vehicles, trailers, campers, or motor homes, may be parked, used as a residence, stored or maintained on any Lot. However, during construction, an Owner may reside on a Lot temporarily in a recreational vehicle, subject to County approval, if necessary.

(x) **Parking and Storage of Vehicles.** Each owner shall be permitted to park or store on a Lot: (i) one self-contained motor home or one camper trailer, (ii) one livestock trailer, and; (iii) one utility trailer. No other commercial vehicle or large recreational vehicle, including without limitations, any boat, trailer, camper, or self-contained motorized vehicle or motor home, shall be parked, stored or maintained on any Lot unless such is concealed with a garage. In addition, at no time shall there be more than two of any one type of such vehicle on the Property, and the second such vehicle shall not remain on the Property for more than seven (7) consecutive days or a total of thirty (30) days in a calendar year. The intent of this provision is to prevent ongoing recreational or commercial vehicle traffic, to avoid the appearance of the Property being used as a trailer park, and to otherwise maintain the residential and quality nature of the Property. However, regarding emergency vehicles used by an Owner, an Owner may park a motor vehicle on a Lot, road, parking space, or guest parking area on the Property only if the vehicle is required to be available at designated periods at the Owner’s residence as a condition of the Owner’s employment and all of the following criteria are met:

i. The vehicle has a gross vehicle weight rating of ten thousand pounds or less;

ii. The Owner is a bona fide member of a volunteer fire department or is employed by an emergency service provider, as defined in section 29-11-101(1.6),C.R.S.;

iii. The vehicle bears an official emblem or other visible designation of the emergency service provider; and

iv. Parking of the vehicle can be accomplished without obstructing emergency access or interfering with the reasonable needs of other Lot owners to use streets and driveways within the common interest Community.

(y) **Lighting and Noise.** No lights, including, but not limited to vapor lights, shall be emitted from any Lot which are unreasonably bright or cause unreasonable glare; no sounds shall
be emitted from any Lot which are unreasonably loud or annoying; and no odor shall be emitted from any Lot which is noxious or unreasonably offensive to other Owners.

(z) Noxious Activities. No noxious, offensive or unsightly activity shall be conducted on any Lot, nor shall anything be done or placed on a Lot or the Property which is or may become a nuisance or cause disturbance or annoyance to others, or which may pollute the Property or create an environmental hazard.

(aa) Signs. With the exception of a "for rent" or "for sale" sign, which shall not be larger than 5.25 square feet, no advertising signs or billboards shall be erected or permitted to remain on any parcel within the Property. Notwithstanding the foregoing, Owners may display political campaign signs during campaign season in accordance with state, local ordinances and regulations, or as may be determined by the Board.

(bb) Towers and Antennas. No towers and no exposed or outside radio, television, or other electronic antennas, with the exception of no more than two (2) satellite units not longer than 18 inches in diameter will be allowed.

(cc) Burning. There shall be no burning of trash, garbage, or refuse within the Property. Burning of leaves or other vegetation shall be allowed provided that such burning is done in such a manner as to not endanger any structure within the Property and must comply with all applicable regulations and laws.

(dd) Firearms. No firearms shall be discharged within the boundaries of the Property.

(ee) Motorized Vehicles. The use of motorized vehicles, including ATVs, snowmobiles, motorcycles, or other recreational vehicles shall be restricted to driveways and roads.

(ff) Outside Clothes Lines. Outside drying of laundry shall be permitted if screened from view from roads, driveways and other residences.

ARTICLE IV
GENERAL PROVISIONS

Section 4.1 Enforcement.

(a) The Declarant, any Owner, and the Association shall have the right to enforce by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration.
(b) Failure by the Declarant, any Owner, or the Association to enforce any provision, covenant, or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

(c) In any civil action to enforce any provision, covenant or restriction, or to seek reimbursement of expenses incurred by a non-violating Owner as provided under this Section, the prevailing party shall be entitled to an award of reasonable costs and attorney fees.

Section 4.2 Remedies. Every violation of these Covenants is hereby declared to be, and to constitute a nuisance, and every public or private remedy allowed for such violation by law or equity against a Member will be applicable. Without limiting the generality of the foregoing, these Covenants may be enforced as provided below.

(a) Fines for Violations. The Board may adopt a schedule of fines for failure to abide by the Rules and Regulations of the Association, including fines for failure to obtain any required approval from the Board.

(b) Removal of Nonconforming Improvements. The Association, after reasonable notice to the offender and, if different, to the Owner, may enter upon any Lot at any reasonable time after notice to the Owner, without being deemed guilty of trespass, and remove any Improvement constructed, reconstructed, refinished, altered, or maintained in violation of these Covenants. The Owner of the Improvement will immediately reimburse the Association for all expenses incurred in connection with such removal.

Section 4.3 Limitation of Liability. Neither the Association nor any officer or member of the Board will be liable to any party for any action or failure to act with respect to any matter arising by, through, or under the Association Documents if the action or failure to act was made in good faith. The Association will indemnify all of the officers and Board members with respect to any act taken in their official capacity to the extent provided in this Declaration, the Articles of Incorporation, Bylaws, or under Colorado law. Further, Declarant shall not be liable to any party for any claim, demand, liability, damages, or cause of action arising from or in any way connected to action taken by Declarant or any failure to act in Declarant's capacity as Declarant, if the action taken or failure to act was in good faith and without malice.

Section 4.4 Severability. Invalidation of any one or more of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

Section 4.5 Declaration and Plat Amendments. The covenants, conditions, restrictions and liens of the Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (20) years. Prior to the transfer of the first Lot to any third party not related to or associated with Declarant, Declarant may amend this Declaration and the Plat at the
Declarant's sole discretion. In addition, Declarant hereby reserves and is granted the right and power to record minor or technical amendments to this Declaration and the Plat at any time for the purpose of correcting spelling, grammar, dates, typographical errors, or as may otherwise be deemed necessary by the Declarant to clarify the meaning of any provisions, without the consent of any of the Owners or first mortgagees or beneficiaries of deed(s) of trust. After the transfer of the first Lot as provided herein, this Declaration may be amended, at any time, by the affirmative vote of the Owners of five of the nine Lots. If authorized by a vote of five of nine Owners of all Lots, a representative of the Board of Directors shall be authorized to execute and cause any such amendment to be recorded in the real property records of the Office of the Clerk and Recorder, Chaffee County, Colorado.

Section 4.6 Amendment of Lot Boundaries. Declarant reserves the right to amend the Plat described herein so as to adjust boundary lines of Lots then owned by Declarant as Declarant deems appropriate for a period of ten (10) years from the date such Plat is recorded.

Section 4.7 Assignability. Declarant's rights hereunder shall be freely assignable.

Section 4.8 No Partition, Subdivision, Combining Lots. No action shall be brought for partition of a Lot between or among the Owners thereof. Each Owner hereby expressly waives any and all such rights of partition. Further, the Lots shall not be subdivided. This Section shall not, however, be interpreted to prevent adjustments to Lot lines agreed to by the Owners of the Lots affected. Lot line adjustments and combining Lots shall not be permitted without written approval of the Association and Chaffee County. If an Owner combines two or more Lots with the intent of creating one Lot there form, such resulting Lot shall continue to have the full share of Common Expenses originally assigned to the Lots so combined.

Section 4.9 Notices. Any notices, certificates, demands or the like required or permitted hereunder shall be in writing and delivered either in person to the party to which such notice is to be given, or by United States Mail, Certified, Return Receipt Requested, postage fully prepaid, to the addresses designated in writing and delivered as provided herein to the Association by each Owner upon transfer of title. If no such notice of address is provided, the Association shall have the right to demand an address be designated and, if not designated, the Association may use the address shown on the recorded deed or other instrument by which title to the Lot was taken. Notice shall be deemed as having been given upon personal deliver or three (3) days after deposit in the U.S. Mail.

IN WITNESS WHEREOF, the foregoing was acknowledged and executed this ___ day of July, 2014.
BYLAWS
OF
GOLD MEDAL WATER ESTATES PROPERTY OWNERS’ ASSOCIATION, INC.
(A Colorado Nonprofit Corporation)

The name of the Corporation shall be Gold Medal Water Estates Property Owners’
Association, Inc., a Colorado Nonprofit Corporation (the “Association”).

ARTICLE I
DEFINITIONS

A. “Colorado Nonprofit Corporation Act” refers to Title 7, Articles 121 through 137
of the Colorado Revised Statutes, as amended.

B. “Common Property” shall mean and refer to all real and personal property owned
by the Association.

C. “Declaration” shall mean and refer to the Declaration of Covenants, Conditions,
and Restrictions of Gold Medal Water Estates.

D. “Rules and Regulations” shall mean and refer to all written rules and regulations
enacted by the Board of Directors by resolution pursuant to the provisions of these Bylaws.

ARTICLE II
OFFICES

A. Business Offices. The principal office of the Corporation in the State of
Colorado shall be 7737 County Road 150, Salida, Colorado 81201. The Corporation may have
such other offices, either within or without the State of Colorado, as the Board of Directors may
determine or as the affairs of the Corporation may require from time to time.

B. Registered Office. The Corporation shall have and continuously maintain in the
State of Colorado a registered office, and a registered agent whose office is identical with such
registered office, as required by the Colorado Nonprofit Corporation Act. The registered office
may be changed from time to time by the Board of Directors.

ARTICLE III
MEMBERS

A. Membership. Ownership of a finally platted lot within Gold Medal Water
Estates (a “Lot”) is required in order to qualify for membership in the Association.

B. Representation on Board of Directors. If title to a Lot is held by a firm,
corporation, partnership, association or other legal entity or any combination thereof, or if any
individual or entity shall own title to more than one (1) lot, then in either case that individual or
entity may appoint, by a writing furnished to the Association, a delegate to represent each such Lot as a candidate for, and if elected, as a member of, the Board of Directors. Such delegate shall not vote as a member of the Association unless such person shall be appointed by a proxy executed in conformance with Article III, Paragraph H of these Bylaws to cast the voting interest of the Lot which (s)he represents.

C. **Responsibilities of Members.** Any person, including Declarant, upon becoming an owner of a Lot, shall automatically become a member (a “Member”) of the Association and shall be subject to these Bylaws. Such membership shall terminate without any formal action by the Association whenever such person ceases to own a Lot, but such termination shall no relieve or release any such former owner from any liability or obligation incurred under, or in any way connected with, the Association during the period of such ownership, or impair any rights or remedies which the Board of Directors of the Association or others may have against such former owner arising out of ownership of the Lot and membership in the Association and the covenants and obligations incident thereto.

D. **Membership Certificates.** No Certificates of Stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue membership cards to owners of Lots. Such membership cards shall be surrendered to the Secretary of the Association whenever ownership of the Lot designated on the card shall terminate.

E. **Classes of Members.** The Corporation shall have one class of Members.

F. **Voting Rights.** Subject to Declarant’s control of the Association, each Lot shall be allocated one (1) vote on the affairs of the Association. The Association shall not have a vote with respect to any Lot which may be owned by it. Owners, including Declarant, shall be entitled to one (1) vote (the “Vote”) for each Lot they own.

G. **Multiple Owners.** If only one (1) of several owners is present at a meeting of the Association, the owner present is entitled to cast the Vote. If more than one (1) of the owners is present, the Vote may be cast only in accordance with the agreement of a majority of the owners of that Lot. Majority agreement exists if any one (1) of the owners casts the Vote without protest being made promptly to the person presiding over the meeting by another owner of that same Lot.

H. **Proxy.** Votes allocated to a Lot may be cast under a proxy duly executed by a Member. If a Lot is owned by more than one (1) person, each owner of the Lot may vote or register protest to the casting of votes by the other owners of the Lot through a duly executed proxy. An owner may revoke a proxy given under this section only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven (11) months after its date, unless it specifies a shorter term.

I. **Representatives.** The Vote of a corporation or limited liability company may be cast by an officer or designated agent of that corporation or by the manager of the limited
liability company in the absence of express notice of the designation of a specific person by the Board of Directors, members, manager, operating agreement or bylaws of the owning corporation or limited liability company. The Vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence that a person voting on behalf of a corporation, limited liability company, partnership or Lot is qualified to vote.

ARTICLE IV
MEETINGS OF MEMBERS

A. **Annual Meeting.** The first annual meeting of the Association Members shall be within one (1) year after the date of adoption of these Bylaws. Thereafter, the annual meetings of the Members shall be held on a date and at a time selected by the Board of Directors in June of each year, for the purpose of electing Directors and for the transaction of any other business as may lawfully come before the meeting. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Members as soon thereafter as conveniently may be held.

B. **Special Meetings.** Special meetings of the Association may be called by the President or a majority of the Board of Directors.

C. **Place of Meeting.** The Board of Directors of the Association may designate any place within Chaffee County, Colorado as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors.

D. **Notice of Meetings.**

1. The Secretary shall cause notice of all meetings of the Members to be hand-delivered, sent prepaid by United States mail, or delivered by any other method of delivery authorized by statute, directed to the mailing address of each Lot or to any other mailing address designated in writing by the Owner, not less than ten (10) nor more than fifty (50) days in advance of a meeting. The date notice is sent shall be the date received by the recipient or three (3) days after placing the notice in the United States mail. No action shall be taken at a special meeting except as stated in the notice.

2. To the extent at all possibly, the notice of any meeting shall be given by electronic mail and posted in a conspicuous place within Gold Medal Water Estates (the latter, to the extent that such posting is feasible and practicable). All Members shall provide the Association with their e-mail addresses if the Member possesses an e-mail address.

3. The notice shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or
Bylaws, any changes to the budget, and any proposal to remove a member of the Board of Directors.

4. No action shall be adopted at a special meeting except as stated in the notice.

E. **Quorum.** Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of the Members possessing sufficient votes to constitute fifty percent (50%) of the votes of all Members shall constitute a quorum, and such Members present in person or by proxy shall constitute the Members entitled to vote upon any issue lawfully presented at a meeting at which a quorum is present. A majority of votes entitled to be cast by such Members present in person or by proxy shall be sufficient to make decisions binding on all owners, unless a different number or method of voting is expressly required by statute or by the Declaration, the Articles of Incorporation of the Association, or these Bylaws. If a quorum is not present at any meeting of the Members, a majority of the Members present may adjourn the meeting from time to time without further notice.

F. **Procedure.** The Board of Directors shall determine the rules of order and procedure to be followed at meetings.

**ARTICLE V**

**BOARD OF DIRECTORS**

A. **General Powers.** Except as otherwise provided herein, the affairs of the Association shall be managed by a Board of Directors.

B. **Number.** The affairs of Gold Medal Water Estates and the Association shall be governed by the Board of Directors, who shall be the policy-making body. The initial Board of Directors is set forth in the Articles of Incorporation. The Articles of Incorporation provide for an increase of the Board to three (3) members. Thereafter, the number of members of the Board of Directors may be increased or decreased by amendment of these Bylaws; provided, however, the number must be an odd number of not less than three (3).

C. **Qualification.**

1. Other than the representatives of the Declarant, candidates for the Board of Directors must be Members and eligible to vote.

2. If any Lot is owned by a partnership or corporation, any officer, partner or employee of that owner shall be eligible to serve on the Board of Directors and shall be deemed to be an owner for the purposes of the preceding sentence.

3. A Director whose term is expiring is eligible to serve any number of succeeding terms.
D. **Staggered Terms.** The terms of the members of the Board of Directors shall be staggered terms of three (3) years.

E. **Nominating Procedures.** Nomination for election to the Board of Directors other than those appointed by the Declarant may be made by a Nominating Committee composed of at least three (3) Members appointed by the President. Nominations may also be made from the floor at the annual meeting.

F. **Election Procedures.** Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of these Bylaws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

G. **Vacancies.** Vacancies may be filled at a special meeting of the Board of Directors held for that purpose at any time after the occurrence of the vacancy, even though the members of the Board of Directors present at that meeting may constitute less than a quorum. These appointments shall be made by a majority of the remaining Directors. Each person so elected or appointed shall serve on the Board of Directors for the remainder of the term of the Director so replaced.

H. **Compensation.** No Director shall receive compensation from the Association for any service (s)he may render to the Association or for service as a Director. However, any Director may be reimbursed for his actual expenses, excluding travel expenses, incurred in the performance of his/her duties, as determined and approved by the Board of Directors.

I. **Action Taken Without a Meeting.** The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written, including electronic, approval of all of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

J. **Removal of Board of Directors Member.** The Members, by a two-thirds vote of all persons present and entitled to vote, at any meeting of the Members at which a quorum is present, may remove any member of the Board of Directors, other than those appointed by the Declarant, with or without cause.

K. **Regular Meetings.** A regular annual meeting of the Board of Directors shall be held without other notice than these Bylaws, immediately after, and at the same place as, the annual meeting of Members. The Board of Directors may provide by resolution the time and place, either within or outside the State of Colorado, for the holding of additional regular meetings of the Board without other notice than such resolution. The Board may also hold meetings (annual, regular, or special) by telephone conference call.
L. **Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President, or any two (2) Directors in accordance with Article V, Section M herein.

M. **Notice of Meetings.** Notice of each meeting of Directors, whether annual, regular or special, shall be given to each Director. If such notice is given either (a) by personally delivering written notice to a Director, (b) by e-mail, or (c) by personally telephoning such Director, it shall be so given at least two (2) days prior to the meeting. If such notice is given by depositing a written notice in the United States mail, postage prepaid, directed to such Director at his residence or place of business, it shall be so given at least thirty (30) days prior to the meeting. The notice of all meetings shall state the place, date and hour thereof. The agenda of any regular meeting or special meeting shall be made reasonably available, in advance of the meeting, to owners.

N. **Quorum.** A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

O. **Manner of Acting.** The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

P. **Powers.** In additional to those powers granted to the Association pursuant to the Colorado Nonprofit Corporation Act, the Board of Directors, in its sole discretion and authority, has the power to:

1. Adopt and amend the Bylaws and Rules and Regulations for the operation and regulation of Gold Medal Water Estates;

2. Adopt and amend budgets for revenues, expenditures, and reserves;

3. Collect assessments for Common Expenses, hereinafter defined in Article XII, from Members;

4. Hire and discharge managing agents to perform any duty permitted under applicable law specifically including, but not limited to, those described in this Article V, Section P;

5. Hire and discharge employees, independent contractors and agents other than managing agents;

6. Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violations of the Association's Declaration, Bylaws, or Rules and Regulations in the Association's name and on behalf of the Association;
7. Enter into contracts;

8. Regulate the use, maintenance, repair, replacement and modification of the Common Property;

9. Cause additional improvements to be made as a part of the Common Property;

10. Borrow funds from any source, acquire, hold, encumber, and pledge and convey, in the Association’s name, any right, title or interest to real estate or personal property;

11. Grant easements for any period of time, including permanent easements, and grant leases and licenses for no more than one (1) year, through or over the Common Property;

12. Impose and receive a payment, fee or charge for services provided to Members and for the use, rental or operating of the Common Property;

13. Impose reasonable charges for non-payment or late payment of assessments and levy a reasonable fine, and file and enforce a lien for a delinquency in payment of charges due or for a violation of the Declaration, Bylaws, or Rules and Regulations of the Association;

14. Impose a reasonable charge for the preparation and recording of amendments to the Declaration or statements of unpaid assessments;

15. Provide for the indemnification of the Associations’ Board of Directors and maintain directors’ and officers’ liability insurance;

16. Exercise any other powers conferred by the Declaration, the Articles of Incorporation, Bylaws, and the Colorado Nonprofit Corporation Act;

17. Exercise any other power that may be exercised in the State of Colorado by legal entity of the same type as the Association;

18. Exercise any other power necessary and property for the governance and operation of the Association;

19. By resolution, establish committees, permanent and standing, to perform any of the above functions under specifically delegated administrative standards as designated in the resolution establishing the committee. All committees must maintain minutes of their actions which are available to Members and the Board Directors. Actions taken by a committee may be appealed to the Board of Directors by any Member within forty-five (45) days of the date of such action, and, if so appealed, the committee’s action must be ratified, modified or rejected by the Board of Directors at its next regular meeting;

Bylaws – Gold Medal Water Estates Property Owners’ Association, Inc.
July ____, 2014
20. Upon violation of any of the Rules and Regulations adopted by the Board of Directors, if any, or the breach of any provision of the Declaration, after an opportunity to be heard, except in case of an emergency, in addition to any other rights set forth in these Bylaws:

   a. To enter the Lot as to which the violation or breach exists and to summarily abate and remove, at the expense of the defaulting Member any structure, thing or condition (except for additions or alterations of a permanent nature that may exist on that Lot) that is existing and creating a danger to the Common Property contrary to the intent and meaning of the provisions of the Rules and Regulations or the Declaration. The Board of Directors shall not be deemed liable for any manner of trespass by this action; or

   b. To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach;

21. Adopt resolutions providing for fines or other monetary penalties for the infraction of its Rules and Regulations, if any, or of the Declaration. Fines will be levied after notice thereof and an opportunity to be heard. The Board of Directors may levy fines in amounts that it, in its sole discretion, shall determine to be reasonable for each violation of the Declaration, these Bylaws, Rules and Regulations, including those violations which persist after notice and an opportunity to be heard is given;

22. Employ a manager or other employees for the Association, at a compensation established by the Board of Directors, to perform duties and services authorized by the Board of Directors.

ARTICLE VI
DELEGATION OF POWERS OF THE BOARD

The Association may delegate powers of the Board relating to collection, deposit, transfer, or disbursement of Association funds to other persons or to a managing agent, and if so, the following shall be required:

1. That the other persons or managing agent maintain fidelity insurance coverage or a bond in an amount not less than fifty thousand dollars or such higher amount as the Board may require;

2. That the other persons or managing agent maintain all funds and accounts of the Association separate from the funds and accounts of other Associations managed by the other persons or managing agent and maintain all reserve accounts of each Association so managed separate from operational accounts of the Association; and

3. That an annual accounting for Association funds and a financial statement be prepared and presented to the Association by the managing agent, a public accountant, or a certified public accountant.
ARTICLE VII
OFFICERS

A. Officers. The officers of the corporation shall be a President, one (1) or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary. The officers must be members of the Board of Directors.

B. Election and Term of Office. The officers of the corporation shall be elected at the first meeting of the Board of Directors and thereafter at the next regular meeting of the Board of Directors following each annual meeting of the Members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

C. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

D. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

E. President. The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. (S)he shall insure that the orders and the resolutions of the Board of Directors are carried out. (S)he shall preside at all meetings of the Members and of the Board of Directors. (S)he may sign, with the Secretary or any other proper officer of the corporation, leases, mortgages, deeds, contracts or other instruments which the Board of Directors has authorized to be executed, including preparing, executing, ratifying, and recording amendments to the Declaration on behalf of the Association, except in the cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by Statute to some other officer or agent of the Corporation; and in general (s)he shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time.

F. Vice President. In the absence of the President or in event of his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all powers of and be subject to all the restrictions upon the President. Any
Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

G. **Treasurer.** If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, and shall disburse such funds as directed by resolution of the Board of Directors, keep proper books of account, and at the direction of the Board of Directors prepare an annual budget and a statement of income and expenditures to be presented to the Members.

F. **Secretary.** The Secretary shall keep the minutes of the meetings of the Members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these Bylaws; keep a register of the post office address and e-mail address of each Member which shall be furnished to the Secretary by such Member and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

I. **Assistant Treasurers and Assistant Secretaries.** If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

**ARTICLE VIII**

**ELIMINATION OF CERTAIN LIABILITIES OF DIRECTORS**

There shall be no personal liability, either direct or indirect, of any Director of the corporation to the corporation or to its Members for monetary damages for any breach or breaches of fiduciary duty as a Director; except that this provision shall not eliminate the liability of Director to the corporation or to its Members for monetary damages for any breach, act, omission, or transaction as to which the Colorado Nonprofit Corporation Act (as in effect from time to time) prohibits expressly the elimination of liability. This provision is also in the corporation’s original Articles of Incorporation and thus is effective on the date of the Association’s incorporation. This provision shall not limit the rights of Directors of the corporation for indemnification or other assistance from the corporation. This provision shall not restrict or otherwise diminish the provisions of Section 13-12-116(2)(b), Colorado Revised Statutes (concerning no liability of Directors except for wanton and willful acts or omissions), any amendment or successor provision to said Section, or any other law limiting or eliminating liabilities. Any repeal or modification of the foregoing provisions of this Article by the Members of corporation or any repeal or modification of the provision of the Colorado Nonprofit
Corporation Act which permits the elimination of liability of Directors by this Article shall not affect adversely any elimination of liability, right or protection of a Director of the corporation with respect to any breach, act, omission, or transaction of such Director occurring prior to the time of such repeal or modification.

ARTICLE IX
AMENDMENTS AND COMPLIANCE

A. Amendments. These Bylaws may be amended only by a majority vote of the members of the Board of Directors, following notice to all owners, at any meeting duly called for such purpose. No amendment of these Bylaws shall be adopted which would affect or impair the validity or priority of any mortgage or deed of trust encumbering any Lot or which would change the provisions of these Bylaws with respect to institutional mortgagees of record.

B. Conflict Between Documents. In the case of any conflict between the Articles of Incorporation of the Association and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws or the Articles of Incorporation of the Association, the Declaration shall control.

ARTICLE X
SERVICES

The Association shall initially provide for the following services, among others, funded through the related payments outlined below from regular, annual assessments, which services may be amended or supplemented from time to time by the vote of the Board of Directors:

1. Accounting services;
2. Maintenance, repair and improvement of the Common Property;
3. Legal services;
4. Payment of reimbursable expenses of the Board of Directors or its Committees;
5. Maintenance of insurance specified in the Declaration or herein; and
6. Establishment of a reserve fund for the maintenance, repair, and replacement of the Common Property, as required by the Declaration.

ARTICLE XI
NONPROFIT CORPORATION

The Association is not organized for profit. No Member of the Association, member of the Board of Directors, or a person from whom the Association may receive any property or
funds, shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations of the Association, and in no event shall any part of the funds or assets of the Association be paid as a dividend, or be distributed to, or inure to the benefit of, any member of the Board of Directors. The foregoing, however, shall neither prevent nor restrict the following:

A. Reasonable compensation may be paid to any Member or Director acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association; and

B. Any Member or Director may, if previously so authorized by the Board of Directors from time to time, be reimbursed for his/her actual and reasonable expenses incurred in connection with the administration of the affairs of the Association, as authorized by the Board of Directors.

ARTICLE XII
OBLIGATIONS OF THE OWNERS

A. Assessments. Each owner shall be obligated to pay to the Association annual assessments or charges to be established and collected as provided by the Declaration and herein. The assessments levied by the Association shall be used exclusively to preserve, protect and enhance the values and amenities of Gold Medal Water Estates for the benefit of all owners and to provide for the expense of repair, maintenance, operation and improvement of the Common Property (“Common Expenses”). The annual assessment shall be determined by prorating the budgeted amount for Common Expenses, including reasonable reserves, for the next fiscal year for all Lots. A Member shall be deemed to be in good standing and entitled to vote at any Annual or Special Meeting of the Members within the meaning of these Bylaws, if, owned by him. The Treasurer, Assistant Treasurer, a manager employed by the Association or, in their absence, any officer having access to the books and records of the Association may prepare, certify, and execute statements of unpaid assessments.

B. Special Assessments. In addition to the annual assessments authorized in this Article XII, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Property, including fixtures and personal property related thereto, or for the funding of any operating deficit incurred by the Association.

C. Registration of Mailing Address. All owners of each Lot shall have one and the same registered mailing address to be used by the Association for mailing of notices, demands, and all other communications. Such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association, or other legal entity or such combination thereof to be used by the Association. Such registered address of a Lot owner or owners shall be furnished by such owners to the Secretary of the Association within five (5) days after transfer of title. Such registration shall be in written form and signed by all of the owners.
of the Lot or by such persons as are authorized by law to represent the interest of all owners thereof. If no such address is registered or if all the owners cannot agree, then the address of the Lot shall be deemed the registered address for the purposes of this Section until another registered address is furnished as required under this Section. If the Lot is the registered address of the owners, then any notice shall have been deemed to be duly given if it is delivered to any person occupying that Lot, or, if such Lot is unoccupied, if the notice is held and available for the owners at the principal office of the Association. The registered address may be changed from time to time by designation in accordance with this Section.

ARTICLE XIII
BOOKS AND RECORDS: STATEMENT OF ACCOUNT

A. Inspection. The records of receipts and expenditures of the Board of Directors, and other books, records and papers of the Association, including the Declaration, the Articles of Incorporation, and these Bylaws of the Association as well as any management agreement and any Rules and Regulations of the Association shall be available for inspection during convenient week day business hours by the owners, their agents, their attorneys, their lenders, and to holders, insurers or guarantors of mortgages or deeds of trust at the principal office of the Association, where copies may be purchased at reasonable costs.

B. Statement of Account. Upon ten (10) days notice to the managing agent, if any, or to the Board of Directors, and payment of a reasonable fee, any owner shall be furnished a statement of the owner’s account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

ARTICLE XIV
CORPORATE SEAL

The corporate seal shall be in such form as shall be approved by resolution of the Board of Directors. Said seal may be used by causing it to be impressed or affixed or reproduced. The impression of the seal may be made and attested by either the Secretary or an Assistant Secretary for the authentication of contracts or other papers requiring the seal.

ARTICLE XV
WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Colorado Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XVI
FISCAL YEAR
The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XVII
CAPITALIZED TERMS

Any capitalized terms used herein and not otherwise defined shall have the meaning defined in the Declaration or Articles of Incorporation.

JC Land, LLP
By: Jeffrey Pridemore
ARTICLES OF INCORPORATION
OF
GOLD MEDAL WATER ESTATES PROPERTY OWNERS’ ASSOCIATION, INC.
(A Colorado Nonprofit Corporation)

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, acting as incorporator, hereby establishes a corporation (the “Corporation”) pursuant to the Colorado Revised Nonprofit Corporation Act and adopts the following Articles of Incorporation:

ARTICLE I
NAME OF CORPORATION

The name of this Corporation is:

GOLD MEDAL WATER ESTATES PROPERTY OWNERS’ ASSOCIATION, INC.

ARTICLE II
PERIOD OF DURATION

The Corporation shall have perpetual existence, unless dissolved according to the law.

ARTICLE III
PURPOSES

The Corporation is established not for profit and the objects and purposes for which the Corporation is organized and the nature of the business to be conducted by it shall be:

A. To constitute the Association to which reference is made in the Declaration of Covenants, Conditions, and Restrictions of Gold Medal Water Estates as recorded in the real property records of the Office of the Clerk and Recorder, Chaffee County, Colorado ("Declaration").

B. To be the Association for Gold Medal Water Estates in accordance with the Colorado Revised Nonprofit Corporation Act, as it now exists and as it may hereafter be amended from time to time.

C. To exercise all powers and to administer, manage, and govern Gold Medal Water Estates as governed by the Declaration including all powers granted to the Association under such Declaration.

D. To own, administer, and maintain all property, whether real or personal or interest therein, for the use and benefit of all owners within Gold Medal Water Estates by the Declaration of Covenants, Conditions, and Restriction of Gold Medal Water Estates.

ARTICLE IV
POWERS
This nonprofit Corporation shall have and may exercise all powers conferred upon a nonprofit corporation under the Colorado Revised Nonprofit Corporation Act as it now exists and as it may hereafter be amended from time to time.

ARTICLE V
MEMBERSHIP

This nonprofit Corporation shall have members and the membership shall be constituted as follows:

A. **Members.** The owner of lots in Gold Medal Water Estates governed by the Declaration, upon becoming such owner, shall be entitled and required to be a member of the Corporation and shall remain a member of the Corporation for the period of ownership of such lot.

B. **Voting Rights.** Such membership shall be an appurtenant right of the ownership of a lot within Gold Medal Water Estates, shall run with such lot, and shall automatically be transferred to any subsequent owner of such lot upon the recording of any deed or conveyance thereof to a subsequent owner, and shall entitle the owner to voting rights in the Corporation.

C. **Terms and Conditions.** The terms and conditions of membership in the Corporation shall be as set forth in these Articles of Incorporation and the Bylaws of the Corporation.

D. **Class of Members.** There shall be one class of members.

E. **Certificate of Membership.** The Corporation may issue a certificate evidencing membership therein.

ARTICLE VI
BOARD OF DIRECTORS

A. **Directors.** The business and affairs of the Corporation shall be managed by a board of directors.

B. **Qualification of Directors.** All directors shall be members of the Corporation and as further qualified in the Bylaws.

C. **Number of Directors.** The initial Board of Directors shall consist of one (1) person whose term of office and the manner of their election shall be set forth in the Bylaws of the Corporation. Not later than sixty (60) days after the conveyance of twenty-five percent (25%) of the lots to Owners other than the Declarant, the number of directors shall be increased to three (3). Thereafter, the terms, number of directors, and the manner of their election shall be in accordance the Bylaws.
D. Initial Board of Directors. The initial persons comprising the Board of Directors of the Corporation and their names and addresses are as follows:

Name: Jeff Pridemore  
Address: 7737 County Road 150, Salida, Colorado 81201

E. Rights of Declarant. Except as limited herein, the Declarant of Gold Medal Water Estates, its successors and assigns, shall have the right to appoint members of the board of directors during the period of Declarant Control. Such members and officers need not be Owners, but shall exercise the care required of fiduciaries of the Lot Owners. "Declarant Control" begins with the appointment of the initial Board of Directors and continues until the earlier of (a) five (5) years from the date of recording the Declaration, (b) the voluntary surrender by Declarant in writing, (c) 60 days after Declarant conveys seventy-five percent (75%) of the Lots to Owners other than a Declarant, (d) two (2) years after the last conveyance of a Lot by Declarant in the ordinary course of business, or (e) two (2) years after the right to add new Lots was last exercised (if such right is reserved by Declarant in the Declaration). However, Declarant control is further extinguished to the extent stated as follows:

(1) Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Lots that may be created to lot owners other than Declarant, at least one member and not less than twenty-five percent (25%) of the members of the Board must be elected by lot owners other than the Declarant; and

(2) Not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots that may be created to lot owners other than a Declarant, not less than thirty-three and one-third percent (33 1/3%) of the members of the Board must be elected by lot owners other than the Declarant.

ARTICLE VII
INDEMNIFICATION

The Corporation shall indemnify the officers and directors of the Corporation to the full extent permitted by the statutes of the State of Colorado.

ARTICLE VIII
LIMITATION OF LIABILITY

A. Non-Liability of Director. The personal liability of a director to the Corporation or its members for monetary damages for breach of a fiduciary duty as a director or officer is limited to the full extent provided by the statutes of the State of Colorado.

B. Liability for Willful or Wanton Acts. Directors shall not be liable for actions taken or omissions made in the performance of corporate duties except for wanton and willful acts or omissions.
ARTICLE IX
BYLAWS

The initial Bylaws of the Corporation shall be adopted by the Board of Directors. The power to alter, amend, or repeal the Bylaws or adopt new Bylaws shall be vested in the Board of Directors pursuant to the terms of the Declaration.

ARTICLE X
REGISTERED OFFICE AND AGENT

A. Address and Name of Office and Agent. The address of the initial registered office of the Corporation is 7737 County Road 150, Salida, Colorado 81201, and the name of its initial registered agent at such address is Jeff Pridemore.

B. Change of Office or Agent. Either the registered office or the registered agent may be changed at any time in the manner provided by law.

ARTICLE XI
DISTRIBUTION OF ASSETS ON DISSOLUTION

Upon dissolution of the Corporation, its assets shall be applied and distributed as follows:

A. First to pay and discharge all liabilities and obligations of the Corporation.

B. To return, transfer, or convey any assets as required by the provisions of C.R.S. § 7-134-101, et seq. or as the same may be subsequently amended or modified.

C. All remaining assets of the Corporation shall be distributed to its members.

ARTICLE XII
INITIAL PRINCIPAL OFFICE

The address of the Corporation’s initial principal office is 7737 County Road 150, Salida, Colorado 81201.

ARTICLE XIII
INCORPORATOR

The incorporator of the Corporation and the name and mailing address of the individual who causes this document to be delivered for filing, and to whom the Secretary of State may deliver notice if filing of this document is refused is:

Name: Jeff Pridemore
Address: 7737 County Road 150, Salida, Colorado 81201