DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS FOR EAGLE MOON RANCH SUBDIVISION CHAFFEE COUNTY, COLORADO
# Table of Contents

1. **CREATION OF COMMON INTEREST COMMUNITY** .................................................. 4  
   1.1. General Purposes .................................................................................. 4  
   1.2. Declaration ......................................................................................... 4  
   1.3. Names of the Common Interest Community and the Association .......... 4  
   1.4. Location and Type of Common Interest Community ............................. 4  
   1.5. Planned Community ....................................................................... 4  

2. **PROPERTY OWNERS ASSOCIATION** ............................................................. 5  
   2.1. Rights, Duties, Privileges, Powers, and Obligations ............................ 5  
   2.2. Declarant Control of the Association .................................................. 6  
   2.3. Purpose of Association ..................................................................... 7  
   2.4. Assessments .................................................................................... 7  
   2.5. Common Areas ............................................................................. 8  

3. **DESIGN REVIEW COMMITTEE** ................................................................. 8  
   3.1. Guidelines ....................................................................................... 8  
   3.2. Committee ...................................................................................... 9  
   3.3. Organization and Operation of Committee .......................................... 10  
   3.4. Expenses ....................................................................................... 10  
   3.5. Other Requirements ....................................................................... 11  
   3.6. Limitation of Liability .................................................................... 11  
   3.7. Enforcement ................................................................................ 11  
   3.8. Continuity of Construction ............................................................... 12  

4. **PROPERTY USE RESTRICTIONS** ................................................................. 13  
   4.1. General Restriction ......................................................................... 13  
   4.2. Residential Use of Lots .................................................................... 13  
   4.3. Building Envelope Area .................................................................. 14  
   4.4. No Partition or Subdivision ............................................................... 15  
   4.5. Combining Lots ............................................................................... 15  
   4.6. Motorized Vehicles ......................................................................... 15  
   4.7. Electrical, Television and Telephone Service .................................... 15  
   4.8. Animals and Pets ........................................................................... 15  
   4.9. Drainage ....................................................................................... 15  
   4.10. Trash .......................................................................................... 15  
   4.11. Outside Clotheslines ....................................................................... 16  
   4.12. Parking and Auto Repair ................................................................. 16  
   4.13. Abandoned, Inoperable, or Oversized Vehicles ................................. 16  
   4.15. Lighting ...................................................................................... 16  
   4.16. Water Supply ............................................................................... 17  
   4.17. House Numbers ........................................................................... 17  
   4.18. Nuisance .................................................................................... 17  
   4.19. Mining ........................................................................................ 17  
   4.20. Buried Tanks ............................................................................... 17  

5. **OWNERS’ OBLIGATIONS FOR MAINTENANCE** ........................................ 17  
   5.1. Owner’s Responsibility for Lot .......................................................... 17  

6. **ASSESSMENTS** ....................................................................................... 18  
   6.1. Personal Obligation for Assessments ................................................ 18  
   6.2. Annual Assessments ....................................................................... 18  
   6.3. Special Assessments ...................................................................... 19
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. ENFORCEMENT OF ASSESSMENTS</td>
<td>19</td>
</tr>
<tr>
<td>7.1. Nonpayment of Assessments</td>
<td>19</td>
</tr>
<tr>
<td>7.2. Successors' Liability for Assessment</td>
<td>20</td>
</tr>
<tr>
<td>7.3. Liens for Unpaid Assessments</td>
<td>20</td>
</tr>
<tr>
<td>8. INSURANCE AND ASSUMPTION OF RISK</td>
<td>21</td>
</tr>
<tr>
<td>8.1. Authority to Purchase</td>
<td>21</td>
</tr>
<tr>
<td>8.2. General Insurance Provisions</td>
<td>21</td>
</tr>
<tr>
<td>8.3. Physical Damage Insurance on Common Area</td>
<td>22</td>
</tr>
<tr>
<td>8.4. Liability Insurance</td>
<td>22</td>
</tr>
<tr>
<td>8.5. Provisions Common to Physical Damage Insurance, Liability Insurance, and Fidelity Insurance</td>
<td>23</td>
</tr>
<tr>
<td>8.6. Personal Liability Insurance of Officers and Directors</td>
<td>24</td>
</tr>
<tr>
<td>8.7. Workmen's Compensation Insurance</td>
<td>24</td>
</tr>
<tr>
<td>8.8. Other Insurance</td>
<td>24</td>
</tr>
<tr>
<td>8.9. Insurance Obtained by Owners</td>
<td>24</td>
</tr>
<tr>
<td>8.10. Assumption of Risk</td>
<td>25</td>
</tr>
<tr>
<td>9. SPECIAL DECLARANT RIGHTS AND ADDITIONAL RESERVED DEVELOPMENT RIGHTS</td>
<td>25</td>
</tr>
<tr>
<td>9.1. Addition of Unspecified Real Estate</td>
<td>25</td>
</tr>
<tr>
<td>9.2. Reserved Development Rights of Expansion</td>
<td>25</td>
</tr>
<tr>
<td>9.3. Reservation of Withdrawal Rights</td>
<td>27</td>
</tr>
<tr>
<td>9.4. Other Reserved Rights</td>
<td>27</td>
</tr>
<tr>
<td>9.5. Termination of Rights Reserved</td>
<td>27</td>
</tr>
<tr>
<td>9.6. Utility Easements</td>
<td>27</td>
</tr>
<tr>
<td>9.7. Maintenance Easement</td>
<td>28</td>
</tr>
<tr>
<td>9.8. Drainage Easement</td>
<td>28</td>
</tr>
<tr>
<td>9.9. Emergency Access Easement</td>
<td>28</td>
</tr>
<tr>
<td>9.10. Easements</td>
<td>28</td>
</tr>
<tr>
<td>9.11. Fire Cistern Maintenance</td>
<td>29</td>
</tr>
<tr>
<td>10. ENFORCEMENT</td>
<td>29</td>
</tr>
<tr>
<td>10.1. Violation Deemed a Nuisance</td>
<td>29</td>
</tr>
<tr>
<td>10.2. Failure to Comply</td>
<td>29</td>
</tr>
<tr>
<td>10.3. Who May Enforce</td>
<td>30</td>
</tr>
<tr>
<td>10.4. No Waiver</td>
<td>30</td>
</tr>
<tr>
<td>10.5. Attorneys' Fees</td>
<td>30</td>
</tr>
<tr>
<td>11. DURATION OF THESE COVENANTS AND AMENDMENT</td>
<td>30</td>
</tr>
<tr>
<td>11.1. Amendment</td>
<td>30</td>
</tr>
<tr>
<td>11.2. Declarant's Approval</td>
<td>31</td>
</tr>
<tr>
<td>11.3. Notice of Amendment</td>
<td>31</td>
</tr>
<tr>
<td>11.4. Effective on Recording</td>
<td>31</td>
</tr>
<tr>
<td>12. MISCELLANEOUS PROVISIONS</td>
<td>31</td>
</tr>
<tr>
<td>12.1. Severability</td>
<td>31</td>
</tr>
<tr>
<td>12.2. Limitation of Liability</td>
<td>31</td>
</tr>
<tr>
<td>12.3. Conflicts Between Documents</td>
<td>31</td>
</tr>
<tr>
<td>12.4. Assignment</td>
<td>31</td>
</tr>
</tbody>
</table>
DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR EAGLE MOON RANCH SUBDIVISION, CHAFFEE COUNTY, COLORADO

This Declaration is made this 27th day of August, 2004 by RED-TAILED HAWK, INC., a Colorado corporation of P.O. Box 1223, Salida, Colorado, (herein "the Declarant"). The purpose hereof is to include the Property (as defined below) under the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, et seq. (the "Act").

1. CREATION OF COMMON INTEREST COMMUNITY

1.1. General Purposes. Declarant owns the real property interests legally described on Exhibit "A" attached hereto and by this reference incorporated herein (the "Property"). Declarant desires to create pursuant to the provisions of the Colorado Common Interest Ownership Act (Article 33.3 of Title 38 of Colorado Revised Statutes) as the same may be amended from time to time (the "Act") a "common interest community" (as such term is defined in the Act) on the Property. Declarant further desires to establish a means to ensure the proper use and appropriate development of the Property as a high quality, aesthetically pleasing and harmoniously designed planned community project by means of mutually beneficial covenants, conditions and restrictions imposed on the Property for the benefit of Declarant and all future Owners of any portion of the Property.

1.2. Declaration. To further the purposes expressed in Section 1.01 hereof, Declarant, for itself and its successors and assigns, hereby declares that the Property shall, at all times, be owned, held, used and occupied subject to the provisions of this instrument, to the covenants, conditions and restrictions contained herein and to all amendments and supplements hereto.

1.3. Names of the Common Interest Community and the Association. The name of the common interest community hereby created is Eagle Moon Ranch Subdivision. The name of the unit owners association organized to govern and administer the common interest community hereby created is Eagle Moon Association, Inc., a Colorado non-profit corporation (the "Association").

1.4. Location and Type of Common Interest Community. The common interest community hereby created is situated in the, Chaffee County, Colorado. The common interest community hereby created is a "Planned Community" (as such term is defined in the Act).

1.5. Planned Community.

(i) The Property is hereby divided into twenty-seven (27) Lots.
(ii) Declarant reserves the right to expand the Project to a maximum number of Lots; provided, however, the Declarant reserves the right to subdivide Lots (and thereby create additional Lots up to the maximum number allowed by any governmental entity having jurisdiction over the Property, i.e. the “Maximum Lots”) and to combine Lots, all as more particularly set forth in this Declaration.

2. PROPERTY OWNERS ASSOCIATION

2.1. Rights, Duties, Privileges, Powers, and Obligations. Eagle Moon Ranch Association, Inc., a Colorado nonprofit corporation, shall exercise all of the rights, duties, privileges, powers, and obligations as set forth in this Declaration and the Articles of Incorporation, Bylaws, Design Guidelines, and Rules and Regulations of the Association (herein referred to as the “Association Documents”).

2.1.1. General Purposes and Powers. The Association through the Executive Board (also referred to as “Board of Directors” or “Board”) shall perform functions and hold and manage property as provided in this Declaration so as to further the interests of Owners of Lots in the Project. The Association shall have all the powers necessary or desirable to effectuate such purposes.

2.1.2. Membership and Voting. The Owner of a Lot shall automatically be a member of the Association. Said membership is appurtenant to the Lot of said Owner, and title to the ownership of the membership for that Lot shall automatically pass with fee simple title to the Lot. If the fee simple title to a Lot is held by more than one person, the membership as to such Lot shall be joint, and a single membership for such Lot shall be issued in the names of all Owners, and they shall designate to the Association in writing the name of one natural person 18 years of age or older who shall have the power to vote said membership at any meeting of members. Membership in the Association shall be limited to Owners of Lots in the Project, and each Lot shall be entitled to the voting rights allocated to that Lot in the Bylaws.

2.1.3. Executive Board. The affairs of the Association shall be managed by an Executive Board which may by resolution delegate any portion of its authority to an Executive Committee or to a Managing Agent for the Association. There shall be no fewer than three Members of the Executive Board, the specific number to be set forth from time to time in the Bylaws, all of whom shall be Owners of a Lot, except Members appointed by the Declarant.

2.1.4. Bylaws and Articles. The purposes and powers of the Association and the rights and obligations with respect to Owners set forth in this Declaration may and shall be amplified by provisions of the Articles and Bylaws of the Association.
2.2. **Declarant Control of the Association.**

2.2.1. There shall be a period of Declarant control of the Association, during which Declarant, or Persons designated by the Declarant, may appoint and remove the officers of the Association and Members of the Executive Board. The period of Declarant control shall terminate no later than the earlier of:

(i) Sixty (60) days after conveyance of seventy-five percent (75%) of the Lots that may be created in the Common Interest Community to Lot Owners other than Declarant; or

(ii) Two (2) years after the last conveyance of a Lot by the Declarant in the ordinary course of business.

2.2.2. Declarant may voluntarily surrender the right to appoint and remove officers of the Association and Members of the Executive Board before termination of the period described above. In that event, the Declarant may require, for the duration of the period of Declarant control, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

2.2.3. 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 Executive Board shall be elected by Lot Owners other than the Declarant. Not later than 60 days after conveyance of 50 percent of the Lots that may be created to Lot Owners other than a Declarant, not less than 33-1/3 percent of the Members of the Executive Board must be elected by Lot Owners other than the Declarant.

2.2.4. Not later than the termination of any period of Declarant control, the Lot Owners shall elect an Executive Board of at least three Members, at least a majority of whom shall be Lot Owners. The Executive Board shall elect the officers. The Executive Board Members and officers shall take office upon election.

2.2.5. Notwithstanding any provision of this Declaration or the Bylaws to the contrary, following notice under C.R.S., § 38-33.3-308, the Lot Owners, by a vote of 67 percent of all Lot Owners present and entitled to vote at a meeting of the Lot Owners at which a quorum is present may remove a Member of the Executive Board with or without cause other than a member appointed by the Declarant.

2.2.6. Declarant reserves the right to expand the Project to a maximum number of Lots; provided, however, the Declarant reserves the right to subdivide Lots (and thereby create additional Lots up to the maximum number allowed by any governmental entity having jurisdiction over the Property, i.e. the “Maximum Lots”) and to combine Lots,
all as more particularly set forth in this Declaration.

2.3. **Purpose of Association.** The purpose of the Association is to use its authority, as given in the Bylaws:

2.3.1. To enforce the protective covenants.

2.3.2. To assess Lot Owners annual assessments.

2.3.3. To provide upkeep and improvements to all non-county roads and common ownership lands in the Property and to maintain fire cisterns and other facilities on the Property.

2.3.4. To represent all Lot Owners in matters of mutual interest.

2.3.5. To manage and administer the common open space lands.

2.4. **Assessments.** The purposes of the assessments shall include, but not be limited to:

2.4.1. Repairs, maintenance, snow removal for non-public roads and cisterns within the Property;

2.4.2. Expenses of management of the Association and its activities;

2.4.3. Taxes and special assessments upon the Associations' real and personal property owned in common.

2.4.4. Premiums for all insurance which the Association is required or permitted to maintain;

2.4.5. Common services to Lot Owners as approved by the Board;

2.4.6. Wages for Association employees and payments to Association contractors;

2.4.7. Legal and accounting fees for the Association;

2.4.8. Any deficit remaining from a previous Assessment year;

2.4.9. The creation of reasonable contingency reserves for future road maintenance expenses and administrative expenses; and
2.4.10. Cleaning, maintenance and repair of all bridges and/or abutments crossing the Missouri Park and North Fork Ditches within Eagle Moon Ranch Subdivision so that the water flows under or through such bridges and abutments is not impeded in any way.

2.4.11. Such other expenses that benefit Lot Owners in common.

2.5. Common Areas

2.5.1. General Common Areas shall include Lot A, all roads, and cisterns shown on the Plat. Lot A shall be for the use and enjoyment of all the Owners for the limited purposes set forth herein. The remainder of Lot A shall be maintained as open space. Structures shall be prohibited. Recreational use must be permitted by the Board. Grazing shall be prohibited.

2.5.2. Dedication of General Common Areas. All General Common Areas within Eagle Moon Ranch Subdivision are intended for the common use and enjoyment by the Owners within Eagle Moon Ranch Subdivision. The General Common Areas are hereby dedicated to the above and foregoing uses for the Owners, their families, tenants, employees, guests, and invitees under the terms and conditions contained in the Association Documents.

2.5.3. Management of General Common Areas. The Association shall be responsible for the management and control of the General Common Areas and all improvements thereon, and shall keep them in a good, clean, attractive and pleasant condition and shall maintain and repair the same consistent with the purposes and uses of the General Common Areas as set forth in the Association Documents.

2.5.4. Eagle Moon Ranch Subdivision roads are subject to an easement for access and utilities for the benefit of adjoining property as identified on the Plat and herein as Expansion Property.

3. DESIGN REVIEW COMMITTEE

3.1. Guidelines. The Board of Directors shall establish an architectural control policy and guidelines ("Design Guidelines"). The Board may amend, repeal, and augment the Design Guidelines from time to time, in the Board’s sole discretion. The Design Guidelines will be binding on all Owners and other persons governed by this Declaration. The Design Guidelines may include, among other things, those restrictions and limitations set forth below.
3.1.1. Procedures for making application to the Design Review Committee for design review approval, including the documents to be submitted and the time limits in which the Committee must act to approve or disapprove any submission.

3.1.2. Time limitations for the completion, within specified periods after approval, of the Improvements for which approval is required under the Design Guidelines.

3.1.3. Designation of the Building Site on a Lot or Tract.

3.1.4. Minimum and maximum square foot areas of living space that may be developed on any Lot.

3.1.5. Landscaping regulations, with limitations and restrictions prohibiting the removal or requiring the replacement of existing trees, the use of plants indigenous to the locale, and other practices benefiting the protection of the environment, aesthetics and architectural harmony of Eagle Moon Ranch Subdivision.

3.1.6. General instructions for the construction, reconstruction, refinishing or alteration of any Improvement, including any plan to excavate, fill or make any other temporary or permanent change in the natural or existing surface contour or drainage or any installation of utility lines or conduits on the Property, addressing matters such as loading areas, waste storage, trash removal, equipment and material storage, grading, transformers, utility meters, and propane tanks.

3.2. Committee. There is hereby established a Design Review Committee, which will be responsible for the administration of Design Guidelines to facilitate the purposes and intent of this Declaration.

3.2.1. Committee Membership. The Board of Directors shall appoint the Design Review Committee (also referred to herein as “Committee”) to administer the architectural approvals required pursuant to the Declaration. It shall consist always of either three (3) or five (5) members. Absent a specific appointment by the Board, the members of the Board shall be the members of the Design Review Committee. The Board may reduce the number of members of the Design Review Committee to three and increase it to five as often as it wishes. Members of the Design Review Committee may be removed at any time without cause by the Board of Directors. From among the members of the Design Review Committee, the Board may appoint a Chairman of the Design Review Committee who shall coordinate the operation of the Design Review Committee.

3.2.2. Purpose and General Authority. The Committee will review, study and either approve or reject proposed Improvements on the Property, all in compliance with this Declaration and as further set forth in the Design Guidelines and such rules and

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS FOR EAGLE MOON RANCH SUBDIVISION
Page 9 of 32
regulations as the Committee may establish from time to time to govern its proceedings. No Improvement will be erected, placed, reconstructed, replaced, repaired or otherwise altered, nor will any construction, repair or reconstruction be commenced until plans for the Improvements shall have been approved by the Committee; provided, however, that Improvements that are completely within a Building may be undertaken without such approval. All Improvements will be constructed only in accordance with approved plans.

3.2.3. **Committee Discretion.** The Committee will exercise its best judgment to see that all Improvements conform and harmonize with any existing structures as to external design, quality and type of construction, seals, materials, color, location on the Building Site, height, grade and finished ground elevation, and the schemes and aesthetic considerations of Eagle Moon Ranch Subdivision. The Committee, in its sole discretion, may excuse compliance with such requirements as are not necessary or appropriate in specific situations and may permit compliance with different or alternative requirements.

3.3. **Organization and Operation of Committee.**

3.3.1. **Term.** The term of office of each member of the Committee, subject to Section 3.2.1., will be two (2) years, and continuing until his successor shall have been appointed. Should a Committee member die, retire, or become incapacitated, or in the event of a temporary absence of a member, a successor may be appointed as provided in Section 3.2.

3.3.2. **Operations.** The Committee chairman will take charge of and conduct all meetings and will provide for reasonable notice to each member of the Committee prior to any meeting. The notice will set forth the time and place of the meeting, and notice may be waived by any member.

3.3.3. **Voting.** The affirmative vote of a majority of the members of the Committee will govern its actions and be the act of the Committee.

3.3.5. **Expert Consultation.** The Committee may avail itself of technical and professional advice and consultants as it deems appropriate, and the Committee may delegate its plan review responsibilities, except final review and approval, to one or more of its members or to consultants retained by the Committee. Upon that delegation, the approval or disapproval of plans and specifications by such member or consultant will be equivalent to approval or disapproval by the entire Committee.

3.4. **Expenses.** Except as provided in this section below, all expenses of the Committee will be paid by Eagle Moon Ranch Association, Inc. and will constitute a Common Expense.
3.5. **Other Requirements.** Compliance with Eagle Moon Ranch Association, Inc. design review process is not a substitute for compliance with Chaffee County building, zoning, and subdivision regulations, and any other applicable state, federal, or local code or regulation. Each Owner is responsible for obtaining all approvals, licenses, and permits as may be required prior to commencing construction.

Further, the establishment of the Design Review Committee and procedures for architectural review will not be construed as changing any rights or restrictions upon Owners to maintain and repair their Lots and Improvements as otherwise required under the Eagle Moon Ranch Association Documents.

3.6. **Limitation of Liability.** The Committee will use reasonable judgment in accepting or disapproving all plans and specifications submitted to it. Neither the Committee nor any individual Committee member will be liable to any person for any official act of the Committee in connection with submitted plans and specifications. Approval by the Committee does not necessarily assure approval by the appropriate governmental board or commission for Chaffee County. Notwithstanding that the Committee has approved plans and specifications, neither the Committee nor any of its members will be responsible or liable to any Owner, developer or contractor with respect to any loss, liability, claim, or expense which may arise by reason of such approval or denial of the construction of the Improvements. Neither the Board, the Design Review Committee, nor any agent thereof, nor Declarant, nor any of its partners, employees, agents, or consultants will be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the provisions of the Eagle Moon Ranch Association Documents, nor for any structural or other defects in any work done according to such plans and specifications. In all events the Committee will be defended and indemnified by Eagle Moon Ranch Association, Inc. in any such suit or proceeding which may arise by reason of the Committee’s decision.

3.7. **Enforcement.**

3.7.1. **Inspection.** Any member or authorized consultant of the Design Review Committee, or any authorized officer, Director, employee or agent of Eagle Moon Ranch Association, Inc. may enter upon any Lot at any reasonable time after notice to the Owner, without being deemed guilty of trespass, in order to inspect Improvements constructed or under construction on the Lot to determine whether the Improvements have been or are being built in compliance with the Eagle Moon Ranch Association Documents and the plans and specifications approved by the Design Review Committee.

3.7.2. **Completion of Construction.** Before any Improvements on a Lot may be occupied, the Owner of the Lot will be required to obtain a temporary certificate of compliance issued by the Design Review Committee indicating substantial completion of the Improvements in accordance with the plans and specifications approved by the Committee, and imposing such conditions for issuance of a final certificate of compliance.
issued by the Design Review Committee as the Committee may determine appropriate in its reasonable discretion. Without limiting the generality of the preceding sentence, the Committee may require that the Owner deposit with the committee such sums as may be necessary to complete the construction and landscaping on the Lot by a specified date. If the construction and landscaping is not completed as scheduled, the Committee may apply the deposit to cover the cost of completing the work and enforce such other remedies as are available to Eagle Moon Ranch Association, Inc. for the failure of the Owner to comply with these covenants, including without limitation the remedies set forth in Section 3.7.4.

3.7.3. Certificate of Compliance. Upon completion of construction, the Committee will issue an acknowledged certificate of compliance setting forth generally whether, to the best of the Committee’s knowledge, the Improvements on a particular Lot are in compliance with the terms and conditions of the Design Guidelines.

3.7.4. Deemed Nuisances. 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.

(i) Fines for Violations. The Board may adopt a schedule of fines for failure to abide by the Committee rules and the Design Guidelines, including fines for failure to obtain any required approval from the Committee.

(ii) Removal of Nonconforming Improvements. Eagle Moon Ranch Association, Inc., upon request of the Committee and 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 Eagle Moon Ranch Association, Inc. for all expenses incurred in connection with such removal.

3.8. Continuity of Construction. All Improvements commenced on the Lot will be prosecuted diligently to completion and will be completed within eighteen (18) months after commencement, unless an exception is granted in writing by the Committee. If an Improvement is commenced and construction is then abandoned for more than ninety (90) days, or if construction is not completed within the required 18-month period, then after notice and opportunity for hearing, Eagle Moon Ranch Association, Inc. may impose a fine of not less than $100.00 per day (or such other reasonable amount as Eagle Moon Ranch Association, Inc. may set) to be charged against the Owner of the Lot until construction is resumed, or the Improvement is completed, as applicable, unless the Owner can prove to the satisfaction of the Board of Directors that such abandonment is for circumstances beyond the Owner’s control.
4. PROPERTY USE RESTRICTIONS

4.1. **General Restriction.** The Property will be used only for the purposes set forth in these Covenants, 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 Eagle Moon Ranch Association Documents or other specific recorded covenants affecting all or any part of the Property.

4.2. **Residential Use of Lots.**

4.2.1. Lots and improvements located thereon may only be used for residential purposes, except that Declarant may conduct sales and construction activities. No event shall there be constructed more than one principal single-family dwelling unit per tract. The maximum height for any building constructed within the building envelope at a building site upon such lot as designated by the Design Review Committee per Section 3.1.3 of this Declaration, shall not exceed thirty (30) feet in height from the lowest point above ground to the highest point of the building, with the exception of Lots 9, 24, 25, 26, and 27. On said Lots 9, 24, 25, 26, and 27, the maximum height for any building constructed within the building envelope area at a site designated by the Design Review Committee pursuant to Section 3.1.3, shall not exceed twenty (20) feet in height, from the lowest point above ground to the highest point of the building, and any such building shall be a single story building, with a walk-out basement being permitted at the front of said building. All such structures located on a Lot shall be of similar design and construction so that their appearance is reasonably uniform within the Lot. Any construction of a single-family dwelling, or other structure permitted herein, shall be completed within eighteen (18) months of the initiating of on-site construction. This paragraph may not be modified or amended without written consent of the Declarant. Further, the restriction contained in this paragraph may be waived only upon written consent of the Declarant and the majority of all Lot owners. The Design Review Committee shall interpret and enforce these restrictions.

4.2.2. Subject to Board approval on an annual basis, residential purposes may include home occupations and long term rentals (for a lease term of no less than twelve (12) months) of Lot improvements for residential purposes, so long as such activity does not: create excessive vehicular traffic to and from such Lot; employ persons for home occupation purposes at such Lot other than those residing at such Lot; require storage of any significant materials, machinery, inventory or other items at such Lot; require processing of materials and the finish of products or the assembly of parts produced off-site; require additional parking at such Lot, whether for customers, delivery or otherwise; or otherwise violate any provision of this Declaration or violate any County regulation governing home occupations. There shall be no exterior signage or advertising on the Lots in conjunction with any use of the Lot. This restriction shall be interpreted and enforced by the Committee.
4.2.3. No exterior surface of any house, or structure, constructed on any Lot may be of metal construction, except for roofs, which may be metal, but may not be "barn tin".

4.2.4. No mobile home, portable home, or modular home shall be permitted to be placed on any Lot.

4.3. **Building Envelope Area.** All Lots shall be subject to a building envelope area as shown on the plat of Eagle Moon Ranch (a Subdivision). Except for one driveway, not to exceed fourteen (14) feet in width from the roadways designated below for each Lot, any roadway, driveway, access of any kind, buildings and structures shall be limited to said building envelope area, with said driveway to intersect the designated roadway at a ninety (90) degree angle. Each Lot of the Eagle Moon Ranch Subdivision shall be permitted one (1) driveway from the below designated roadways of the subdivision as follows:

a. Lots 1, 2, and 3 shall have their driveway access from Eagle Meadows Trail;

b. Lots 4, 5, 6, 7, 8, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, and 27 shall have their driveway access from Antlers Trail.

c. Lots 9, 10, 11, 12, and 13 shall have their driveway access from Bald Eagle Lane;

d. Where so indicated on the Final Plat, any driveway access to a particular lot shall be limited to the "access area" so indicated on the Final Plat.

Except as provided in Section 4.2. and 4.3 of this Declaration, the remainder of any Lot within the Subdivision outside of a building envelope area shall remain free from any development, subdivision, construction of roadways, driveways or access, buildings and structures of any kind. As used in this paragraph, "development" shall mean any manmade change to improved or unimproved real estate including, but not limited to buildings or other structures, removal of trees, mining, dredging, filling, grading, paving, excavation, digging or any other form of construction activity. Within the building envelope area, no tree or planted material shall be removed or disturbed except for those trees or planted material necessary for the construction of a single-family dwelling unit or other structures reasonably incidental to the permitted uses of the Lots as provided herein, or necessary for control of diseased trees or other planted material. In the event a Lot owner determines that fencing of the building envelope area shall occur, any such fencing shall not exceed forty-two (42) inches in height, and have a minimum of sixteen (16) inches of clearance at the bottom. Smooth wire shall be used on any wire fencing installed. This paragraph may not be modified or amended without written consent of the Declarant. Further, the restriction contained in this paragraph may be waived only upon
written consent of the Declarant and the majority of all Lot owners. The Design Review Committee shall interpret and enforce these restrictions.

4.4. No Partition or Subdivision. No action shall be brought for partition or subdivision of a Lot between or among the Owners thereof. Each Owner hereby expressly waives any and all such rights of partition or subdivision he may have by virtue of his ownership of a Lot. Nothing in this subsection shall prohibit Declarant or an Owner from subdividing a Lot for the sole purpose of annexing all subdivided portions of such Lot to other adjacent Lots, in which event, the share of the Common Expenses of such subdivided Lot shall be added proportionally to the Lots receiving all or a portion of such subdivided Lot.

4.5. Combining Lots. If an Owner combines two or more Lots with the intent of creating one Lot therefrom, such resulting Lot shall continue to have the full share of Common Expenses originally assigned to the Lots so combined.

4.6. Motorized Vehicles. No trucks, motorized trail bikes, recreational vehicles, motor homes, motor coaches, snowmobiles, campers, trailers, boats or boat trailers or similar vehicles other than passenger automobiles or pickup or utility trucks with a capacity of one ton or less or any other motorized vehicles will be parked, stored or in any manner kept or placed on any portion of the Lot except in an enclosed garage. Notwithstanding this restriction, the Design Committee may grant exception(s) where it is deemed that the vehicle is in harmony with its surroundings.

4.7. Electrical, Television and Telephone Service. All electrical, television and telephone service installations will be placed underground.

4.8. Animals and Pets. No animals, livestock, or poultry of any kind will be kept, raised, or bred on any portion of the Lot, except dogs, cats or other household pets (the kind and number of which may by regulated as permitted from time to time by the Eagle Moon Ranch Association Rules). No animals shall be kept within the Subdivision which bother or constitute a nuisance to any other Lot owner, Declarant, or adjoining land owner.

4.9. Drainage. No Owner will do or permit any work, place any landscaping or install any other Improvements or suffer the existence of any condition whatsoever which will alter or interfere with the drainage pattern for the Lot, except to the extent such alteration and drainage pattern is approved in writing by the Committee or the Board of Directors, and except for the rights reserved to Declarant to alter or change drainage patterns.

4.10. Trash. No trash, ashes, garbage construction materials or other refuse will be thrown or dumped on any land or area within the Property. Eagle Moon Ranch Association, Inc. will cooperate in and encourage programs to recycle trash and other

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS FOR EAGLE MOON RANCH SUBDIVISION
Page 15 of 32
refuse. There will be no burning or other disposal of refuse out of doors. Each Owner will provide suitable receptacles for the temporary storage and collection of refuse, and all such receptacles will be screened from the public view and from the wind and protected from the wind and protected from animal and other disturbance.

4.11. Outside Clotheslines. Laundry or wash dried or hung outside any Building will be screened from the road(s) and public’s view.

4.12. Parking and Auto Repair. Lot Owners will not park motor vehicles on any road within the subdivision overnight. Lot Owners will park all vehicles in garages, carports, or designated parking areas overnight. No work on automobiles or any other vehicles other than routine maintenance will be performed in any visible or exposed portion of the subdivision, specifically including the rebuilding or restoration of such vehicles.

4.13. Abandoned, Inoperable, or Oversized Vehicles. No abandoned or inoperable vehicles of any kind will be stored or parked on any portion of the Lot, except as provided below. “Abandoned or inoperable vehicle” is defined as any vehicle which has not been driven under its own propulsion for a period of three (3) weeks or longer; provided, however, this will not include vehicles parked by Owners while on vacation or residing away from Eagle Moon Ranch Subdivision. A written notice describing the “abandoned or inoperable vehicle” and requesting its removal may be personally served upon the Owner or posted on the unused vehicle. If such vehicle has not been removed with seventy-two (72) hours after notice has been given, the Association will have the right to remove the vehicle without liability, and the expense of removal will be charged against the Owner. All unsightly or oversized vehicles, snow removal equipment, garden maintenance equipment, and all other unsightly equipment and machinery may be required by Declarant or the Board of Directors to be stored at a designated location or locations. “Oversized” vehicles, for purposes of this Section, will be vehicles which are too high to clear the entrance to a residential garage.

4.14. Antennae. No towers or exposed radio, television, or other electronic antennae (including satellite dishes) shall be allowed on any parcel, except any satellite dish or similar antennae which when installed is less than thirty-six (36) inches in diameter which is directly attached to the exterior of the residence.

4.15. Lighting. All exterior lights and light standards, and all exterior sound generating or emitting systems on parcels shall be subject to approval by the Design Review Committee for harmonious development and the prevention of lighting and sound nuisances to other parcels within the Property. No light shall be emitted from any location within the subdivision which is unreasonably bright or causes unreasonable glare. All exterior lights shall be fully shielded from above, and directed downward only, to reduce excessive glare and light trespass to adjoining property. The Design Review Committee shall interpret and enforce this paragraph.
4.16. **Water Supply.** The water supply for each Lot shall be provided by a well located upon that parcel. Each well shall be augmented through shares in the Upper Arkansas Water Conservancy District which have been purchased by the Declarant. Application for one share for each parcel has been submitted based upon the shares obtained from the Arkansas Water Conservancy District. The Owner of each Lot shall be able to obtain a well permit for a “limited domestic well” use of groundwater, which allows for use of water outside to irrigate fourteen hundred (1400) square feet of lawn or garden.

4.17. **House Numbers.** Each Dwelling Unit will have a house number with a design and location established by the Committee.

4.18. **Nuisance.** No activity shall be conducted which generates noises which are excessively loud, odors which are offensive, nor any activity be conducted which is or may become a nuisance or cause significant disturbance or annoyance to others. No activity shall be conducted within the Subdivision and no improvements may be constructed within the Subdivision which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no hunting shall be allowed within the Subdivision, and no firearms shall be discharged within the Subdivision; and no open fire shall be lighted or permitted within the Subdivision except (i) in a contained barbecue unit while attended in such unit and used for cooking purposes, or (ii) within a safe and well designed interior stove or fireplace, or exterior patio fireplace or stove. No owner of any Lot shall cause, permit, or allow anything which will increase the rate charged for or cause the cancellation of any insurance maintained by Declarant, or any activity which would violate any law.

4.19. **Mining.** No portion of the Subdivision shall be used for purposes of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals, rocks, stones, gravel, or earth.

4.20. **Buried Tanks.** No buried tanks of any kind, except septic tanks and fire cisterns, shall be placed or permitted on any Lot. Any such septic tank or fire cistern shall be placed on said Lot at an area designated by the Design Review Committee, within the building envelope area. Any elevated tanks must be concealed from view from any roads or adjoining properties. Any propane tanks installed shall be painted in a tan color so as to blend into the natural surroundings.

5. **OWNERS’ OBLIGATIONS FOR MAINTENANCE**

5.1. **Owner’s Responsibility for Lot.** Except as provided in the Eagle Moon Ranch Association Documents or by written agreement with Eagle Moon Ranch Association, Inc., all maintenance of a Lot and the Improvements located on it will be the sole responsibility of the Owner of the Lot. Each Owner will maintain his Lot in

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS FOR EAGLE MOON RANCH SUBDIVISION
Page 17 of 32
accordance with the community wide standard of Eagle Moon Ranch Subdivision. Eagle Moon Ranch Association, Inc. will, at the discretion of the Board, assume the maintenance responsibilities of such Owner if, in the opinion of the Board, the level and quality of maintenance being provided by such Owner does not satisfy such standard. Before assuming the maintenance responsibilities, the Board will notify the Owner in writing of its intention to do so, and if the Owner has not commenced and diligently pursued remedial action within thirty (30) days after the mailing of such written notice, then Eagle Moon Ranch Association, Inc. will proceed. The expenses of the maintenance by the Board will be reimbursed within the thirty (30) day period that follows the Board’s action.

6. ASSESSMENTS

6.1. Personal Obligation for Assessments. Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot, by accepting a deed for a Lot, are deemed to covenant to pay to Eagle Moon Ranch Association, Inc. (1) the Annual Assessments imposed by the Board of Directors as necessary to fund the maintenance of the Common Areas (as shown on the plat of Eagle Moon Ranch Subdivision) and to generally carry out the functions of Eagle Moon Ranch Association, Inc.; (2) Special Assessments for capital improvements and other purposes as stated in this Declaration; and (3) Default Assessments which may be assessed against a Lot pursuant to the Eagle Moon Ranch Association Documents for the Owner’s failure to perform an obligation under the Eagle Moon Ranch Association Documents or because Eagle Moon Ranch Association, Inc. has incurred an expense on behalf of the Owner under the Eagle Moon Ranch Association Documents.


6.2.1. Calculation of Annual Assessments. The Board of Directors shall prepare a budget prior to the beginning of each fiscal year of the Association, and not less than ninety (90) days prior to the commencement of each fiscal year, the Board shall adopt a final budget and shall determine, levy, and assess the Association’s Assessments for the following year in accordance with the Colorado Common Interest Ownership Act as now existing or as the same may be amended, modified, or changed. Annual Assessments for Common Expenses will be based upon the estimated net cash flow requirements of Eagle Moon Ranch Association, Inc. to cover items including, without limitation, the cost of routine maintenance, repair and operation of the private roads and Common Areas; expenses of management; and premiums for insurance coverage as deemed desirable or necessary by Eagle Moon Ranch Association, Inc.; snow removal, landscaping, care of grounds and common lighting within the Common Areas; routine renovations within the Eagle Moon Ranch Subdivision roads and Common Areas; wages; common water and utility charges for the Common Areas; legal and accounting fees; management fees; expenses and liabilities incurred by Eagle Moon Ranch Association, Inc. under or by reason of this Declaration; payment of any deficit remaining from a
previous Assessment period; and the supplementing of the reserve fund for general, routine maintenance, repairs and replacement of improvements within the Common Areas on a periodic basis.

6.2.2. Apportionment of Annual Assessments. Each Owner will be responsible for that Owner's share of the common Expenses, which will be divided equally among the Lots included in the Project under this Declaration from time to time. Accordingly, at any given time, an Owner's share of Common Expenses will be determined as a fraction, the numerator of which is the number of Lots owned by the Owner, and the denominator of which is the number of Lots then platted and incorporated in the Project.

6.2.3. Collection. Annual Assessments will be collected as the Board may determine from time to time, but until the Board directs otherwise, they will be payable annually within thirty (30) days of mailing of assessment notice.

6.3. Special Assessments.

6.3.1. Determination by Board. The Board of Directors may levy in any fiscal year one or more Special Assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of a described capital improvement upon the Common Areas and private roads, including the necessary fixtures and personal property related thereto, or after adopting and submitting a revised budget to Eagle Moon Ranch Association, Inc. as may be required by the Act, to make up any shortfall in the current year's budget.

6.3.2. Notice. Notice of the amount and due dates for such Special Assessments must be sent to each Owner at least 30 days prior to the due date.

7. ENFORCEMENT OF ASSESSMENTS

7.1. Nonpayment of Assessments. Any Assessment, whether Regular, Special, or Default Assessment, which is not paid within thirty (30) days of the due date shall be deemed delinquent. In the event that any Assessment becomes delinquent, the Association, in its sole discretion, may take any or all of the following actions:

7.1.1. Assess a late charge of not more than five percent (5%) of the amount due and owing per each delinquency.

7.1.2. Assess an interest rate charge from the date of delinquency at the rate of one and one-half percent (1.5%) per month, or such other rate as shall be established by the Board of Directors.
7.1.3. Suspend the voting rights of the Owner during any period of delinquency.

7.1.4. Bring an action against any Owner personally obligated to pay the delinquent Assessment.

7.1.5. File a Statement of Lien with respect to the Lot and foreclose such lien in the manner hereafter set forth. The Association may file a Statement of Lien by recording with the Clerk and Recorder of Chaffee County, Colorado, a written statement with respect to the Lot, setting forth the name of the Owner, the legal description of the Lot, the name of the Association and the amount of the delinquent Assessments then owing, which Statement of Lien shall be signed and acknowledged by the President, Vice President, or Secretary of the Association and which shall be sent by certified mail, postage prepaid, to the Owner of the Lot at the latest address the Association may have in its records as to the Owner. Thirty days following the mailing of such notice, the Association may proceed to foreclose the Statement of Lien in the same manner as provided for the foreclosure of mortgages under the statutes of the State of Colorado. Such Statement of Lien shall secure all Assessments accruing or assessed subsequent to the date of recording of such Statement of Lien until the same have been satisfied and released, together with the Association’s attorneys’ fees and cost incurred in the preparation and recording of such Statement of Lien and any release thereof. In any action for the payment or foreclosure of such Assessment, the Association shall be entitled to recover as part of the action, the interest, costs, and reasonable attorneys’ fees with respect to the action.

7.1.6. The Lien shall be superior to all other liens and encumbrances on such Lot, except only any tax and assessment liens levied by any government entity and the lien of any First Mortgage. Provided, however, at all times the lien of the Association shall have priority and status over any other lien or Mortgage as provided by the Colorado Common Interest Ownership Act, as it now exists and as it may hereafter be amended.

7.2. Successors’ Liability for Assessment. In addition to the personal obligation of each Owner of a Lot to pay all Assessments and the Association’s lien on a Lot for such Assessments, all successors to the ownership of a Lot shall be jointly and severally liable with the prior Owner for any and all unpaid Assessments, interest, costs, expenses, and attorneys’ fees against such Lot.

7.3. Liens for Unpaid Assessments.

7.3.1. The Association has a lien on a Lot for an Assessment levied against the Lot or fines imposed against its Lot Owner from the time the Assessment or fine becomes due. Fees, charges, late charges, fines, and interest charged pursuant to the Act and the Documents are enforceable as assessments under this Section. If an Assessment is payable in installments, each installment is a lien from the time it becomes
due, including the due date set by any valid Association acceleration of installment obligations. Recording of the Declaration constitutes record notice and perfection of the lien. Further recording of a claim of lien for an Assessment is not required.

7.3.2. A lien under this Section is prior to all other liens and encumbrances on a Lot except: (1) liens and encumbrances recorded before the recordation of the Declaration; (2) a first Security Interest on the Lot recorded before the date on which the Assessment sought to be enforced became delinquent; and (3) liens for real estate taxes and other governmental assessments or charges against the Lot. A lien under this Section is also prior to all Security Interests described in subdivision (2) of this subsection to the extent that the Assessments are based on the periodic budget adopted by the Association pursuant to Section 6.3.1 and would have become due in the absence of acceleration, during the six months immediately preceding institution by either the Association or any party holding a lien senior to any part of the Association's lien of an action or a nonjudicial foreclosure either to enforce or extinguish the Association's lien. This subsection does not affect the priority of mechanic's or materialmen's liens or the priority of a lien for other assessments made by the Association. A lien under this Section is not subject to the exemptions provided by Colorado homestead laws, which are specifically waived by a Lot Owner as evidenced by acceptance of a deed to a Lot.

8. INSURANCE AND ASSUMPTION OF RISK

8.1. Authority to Purchase. All insurance policies relating to Eagle Moon Ranch Association, Inc., will be purchased by the Board of Directors or its duly authorized agent. The Board of Directors and Declarant will not be liable for failure to obtain any coverage required by this Article or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverage from reputable insurance companies, or if such coverage is available only at demonstrably unreasonable costs. Notwithstanding the foregoing, if the insurance described in Sections 8.3 and 8.4 below is not reasonably available, or if any policy of such insurance is cancelled or not renewed without a replacement policy having been obtained, Eagle Moon Ranch Association, Inc. promptly will cause notice of that fact to be hand delivered to or otherwise delivered to all Owners and any other parties in interest.

8.2. General Insurance Provisions. All such insurance coverage obtained by the Board of Directors will be governed by the following provisions:

8.2.1. The deductible, if any, on any insurance policy purchased by the Board of Directors may be treated as a Common Expense payable from Annual Assessments or Special Assessments (allocable to all of the Lots or to only some of the Lots, if the claims for damages arise from the negligence of particular Owners, or if the repairs benefit only particular Owners), or as an item to be paid from working capital reserves established by the Board of Directors.
8.3. **Physical Damage Insurance on Common Area.** Eagle Moon Ranch Association, Inc. will obtain insurance for all insurable Common Improvements, if any, in an amount equal to the full replacement value (i.e., 100% of the current "replacement cost" exclusive of land, foundation, excavation, depreciation on personal property, and other items normally excluded from coverage), which will include all building service equipment and the like, common personal property and supplies, and any common fixtures or equipment. In addition, such policy will afford protection against at least the following:

8.3.1. Loss or damage by fire and other hazards covered by the standard extended coverage endorsement with the standard "all-risk" endorsement covering sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm and water damage.

8.3.2. Such other risks as will customarily be covered with respect to projects similar in construction, location, and use to Eagle Moon Ranch Subdivision.

8.4. **Liability Insurance.** Eagle Moon Ranch Association, Inc. will obtain a comprehensive policy of public liability insurance (including libel, slander, false arrest, and invasion of privacy coverage) and property damage insurance with such limits as the Board of Directors may from time to time determine, insuring each member of the Board of Directors, Eagle Moon Ranch Association, Inc. and the respective employees, agents, and all persons acting as agents against any liability to the public or the Owners (and their guests, invitees, tenants, agents, and employees) arising in connection with the ownership, operation, maintenance, or use of the Common Areas and roads within Eagle Moon Ranch Subdivision and any other areas under the control of Eagle Moon Ranch Association, Inc. Declarant will be included in the coverage as an additional insured. The Owners will be included as additional insureds, but only for claims and liabilities arising in connection with the ownership, existence, use or management of the Common Areas.

Such comprehensive policy of public liability insurance will include the following:

8.4.1. Coverage for contractual liability, liability for non-owned and hired automobiles, and, if applicable, host liquor liability, employer's liability, and such other risks as will customarily be covered with respect to developments similar to Eagle Moon Ranch Subdivision in construction, location, and use.

8.4.2. A cross liability endorsement under which the rights of a named insured under the policy will not be prejudiced with respect to an action against another insured.
8.4.3. A "severability of interest" endorsement which will preclude the insurer from denying liability coverage to an Owner because of the negligent act of Eagle Moon Ranch Association, Inc. or another Owner.

The Board of Directors will review the coverage limits at least once every two years, but, generally the Board will carry such amounts of insurance usually required by private institutional mortgage lenders on projects similar to Eagle Moon Ranch Subdivision, and in no event will such coverage be less than $1,000,000.00 for all claims for bodily injury or property damage arising out of one occurrence. Reasonable amounts of “umbrella” liability insurance in excess of the primary limits will also be obtained in an amount not less then $2,000,000.00.

8.5. Provisions Common to Physical Damage Insurance, Liability Insurance, and Fidelity Insurance. Any insurance coverage obtained by Eagle Moon Ranch Association, Inc. under the provisions of this Article above will be subject to the following provisions and limitations:

8.5.1. The named insured under any such policies will include Declarant, until all of the Lots in Eagle Moon Ranch Subdivision have been conveyed, and Eagle Moon Ranch Association, Inc., as attorney-in-fact for the Owners, or the authorized representative of Eagle Moon Ranch Association, Inc. (including any trustee with whom Eagle Moon Ranch Association, Inc. may enter into any insurance trust agreement, or any successor trustee, each of which is sometimes referred to in this Declaration as the Insurance Trustee”), who will have exclusive authority to negotiate losses under such policies.

8.5.2. Each Owner will be an insured person with respect to liability arising out of the Owner's interest in the Common Areas or membership in Eagle Moon Ranch Association, Inc.

8.5.3. In no event will the insurance coverage obtained and maintained pursuant to this Article be brought into contribution with insurance purchased by the Owners or their Mortgagees.

8.5.4. The policies will provide that coverage will not be prejudiced by (i) any act or neglect of any Owner (including an Owner's family, tenants, servants, agents, invitees and guests) when such act or neglect is not within the control of Eagle Moon Ranch Association, Inc., or (ii) any act or neglect or failure of Eagle Moon Ranch Association, Inc. to comply with any warranty or condition with regard to any portion of the Property over which Eagle Moon Ranch Association, Inc. has no control.

8.5.5. The policies will contain the standard mortgagee clause commonly accepted by private institutional mortgage investors in the area in which the Property is located, and provide that coverage may not be cancelled in the middle or at the end of any
policy year or other period of coverage or substantially modified or reduced (including cancellation for nonpayment of premiums) without at least thirty (30) days’ prior written notice mailed to the Association and to each Owner, Mortgagee and ditch owner to whom a certificate or memorandum of insurance has been issued, at their respective last known address.

8.5.6. The policies will contain a waiver by the insurer of any right to claim by way of subrogation against Declarant, the Board of Directors, Eagle Moon Ranch Association, Inc., the Manager, and any Owner and their respective agents, employees, or tenants, and in the case of Owners, members of their households.

8.5.7. The policies described in Sections 8.3 and 8.4 above will provide that any “no other insurance” clause will expressly exclude individual Owners’ policies from its operation so that the physical damage policy or policies purchased by the Board will be deemed primary coverage, and any individual Owners’ policies will be deemed excess coverage.

8.6. Personal Liability Insurance of Officers and Directors. To the extent obtainable at reasonable cost, appropriate officers’ and directors’ personal liability insurance will by obtained by Eagle Moon Ranch Association, Inc. to protect the officers and directors from personal liability in relation to their duties and responsibilities in acting as such officers and directors on behalf of Eagle Moon Ranch Association, Inc.

8.7. Workmen’s Compensation Insurance. Eagle Moon Ranch Association, Inc. will obtain workmen’s compensation or similar insurance with respect to its employees, if any, in the amounts and forms as may now or hereafter be required by law.

8.8. Other Insurance. Eagle Moon Ranch Association, Inc. may obtain insurance against such other risks, of a similar or dissimilar nature, as it deems appropriate with respect to Eagle Moon Ranch Association, Inc.’s responsibilities and duties. Eagle Moon Ranch Association, Inc. shall acquire and maintain comprehensive public liability insurance insuring the owners of the Missouri Park Ditch and the North Fork Ditch against any and all claims for injury or damage to person or property brought by Lot Owner(s), family members, guests, invitees, licensees, and any other persons other than the Ditch owners, their invitees or licensees, arising out of the Missouri Park and North Fork Ditch traversing the Eagle Moon Ranch Subdivision.

8.9. Insurance Obtained by Owners. Each Owner will have the right to obtain insurance for such Owner’s benefit, at such Owner’s expense, covering the Owner’s Lot and Improvements, personal property and personal liability. However, no insurance coverage obtained by an Owner will operate to decrease the amount which the Board of Directors, on behalf of all Owners, may realize under any policy maintained by the Board or otherwise affect any insurance coverage obtained by Eagle Moon Ranch Association, Inc. or cause the diminution or termination of that coverage. Any such insurance
obtained by an Owner will include a waiver of the particular insurance company’s right of subrogation against Eagle Moon Ranch Association, Inc. and other Owners.

8.10. **Assumption of Risk.** As a condition precedent to ownership of a Lot or Lots in Eagle Moon Ranch Subdivision, all Owners must sign an explicit and specific Assumption of Risk Agreement in triplicate, with a copy maintained in each of the files of Eagle Moon Ranch Association, Inc., Missouri Park Ditch and North Fork Ditch.

Each Lot Owner in Eagle Moon Ranch Subdivision for himself, herself, or themselves, as the case may be and for their family members, guests, invitees, and licensees coming upon their Lot (other than Ditch owners, their invitees, or licensees in the performance of their maintenance functions with respect to the ditches) hereby expressly and explicitly assume the risk of any and all injury to person or property occurring in, on, or about the ditch or laterals and ditch and lateral easement areas of the Missouri Park Ditch and North Fork Ditch as shown on the Eagle Moon Ranch Subdivision plat recorded in the land records of Chaffee County, Colorado.

The Lot Owner(s) by signing the Assumption of Risk Agreement acknowledge and covenant that the Assumption of Risk is also set forth in these Declarations of Covenants, Conditions, Restrictions and Easements of Eagle Moon Ranch Association, Inc., to be recorded in the land records of Chaffee County, Colorado and shall be a bar to and an absolute defense to any action brought in law or equity against other Lot Owners, Eagle Moon Ranch Association, Inc., the Missouri Park Ditch and/or the North Fork Ditch and the ditches’ various owners either as individual owners and/or any other form of ownership entity for any injury or damage to person or property other than to Ditch owners, their invitees and/or licensees.

The Assumption of Risk Agreement specifically includes, but is not limited to, any alleged damage to person or property as a result of seepage and/or overflow from either or both Missouri Park Ditch and North Fork Ditch or any laterals running therefrom.

9. **SPECIAL DECLARANT RIGHTS AND ADDITIONAL RESERVED DEVELOPMENT RIGHTS**

9.1. **Addition of Unspecified Real Estate.** Subject to those restrictions set forth in Section 222 of the Act, Declarant reserves the right for itself and any Successor Declarant at any time and from time to time to subject unspecified real property to the provisions of this Declaration.

9.2. **Reserved Development Rights of Expansion.** Declarant reserves the right for itself and any Successor Declarant at any time and from time to time to subject additional phases of the Expansion Property to the provisions of this Declaration to include up to six (6) additional Lots and to expand the Common Areas.
9.2.1. Supplemental Declarations and Supplemental Plats. Such expansion may be accomplished by the filing for record by Declarant in the office of the Clerk and Recorder one or more Supplemental Declarations and Supplemental Plats setting forth the Lots and other real property, if any, to be included in the expansion, together with any covenants, conditions, restrictions and easements particular to such property. The expansion, which shall contain no more than six (6) additional Lots, may be accomplished in stages by successive supplements or in one supplemental expansion. Declarant may exercise such rights for expansion on all or any portion of the Expansion Property in whatever order of development Declarant in its sole discretion determines. All improvements to be constructed on the Expansion Property shall be substantially completed prior to the recording of the Supplemental Declaration and Map adding additional Lots and the improvements shall be consistent with the Lots hereby submitted to the Declaration in structure type and quality of construction. Declarant shall not be obligated to expand the Project beyond the number of Lots initially submitted to this Declaration.

9.2.2. Expansion of Definitions. In the event of such expansion, the definitions used in this Declaration shall be expanded automatically to encompass and refer to the Property subject to this Declaration as so expanded. For example, “Lot” shall mean the Lots as shown on the Map plus any additional Lots added by any Supplemental Declarations and Supplemental Maps, and reference to this Declaration shall mean this Declaration as supplemented. All conveyances of Lots shall be effective to transfer rights in the Property as expanded.

9.2.3. Declaration Operative on Expansion Property. Lot added Supplemental Declarations and Maps shall be subject to all of the terms and conditions of this Declaration and of any Supplemental Declarations, upon recording the Supplemental Map(s) depicting the Expansion Property and Supplemental Declaration(s) with the Clerk and Recorder. In the event that a portion of the Expansion Property (described on Exhibit “B”) is submitted to the provisions of this Declaration, Declarant shall retain the right to, but shall not be obligated to, submit any additional portion of the Expansion Property to the provisions of this Declaration. The rights of the Declarant and any Successor—Declarant, as described herein, shall apply to all Lots which are added to this Declaration in accordance with these provisions relating to enlargement thereof.

No rights obligations of any character of any Owner in Lots in the Expansion Property shall attach until a Supplemental Declaration and Supplemental Map are filed with the Clerk and Recorder annexing the Lots constructed in such area to Eagle Moon Ranch Subdivision.

9.2.4. Notwithstanding any inclusion of additional Lots under this Declaration, each Owner (regardless of whether such Owner is the owner of a Lot shown on the original Map or is the Owner of a Lot constructed in the Expansion Property and
included by a Supplemental Declaration and Map) shall remain fully liable with respect to his obligation for the payment of the Common Expenses of the Association, including the expenses for such new Common Area, costs and fees, if any. The recording of a Supplemental Declaration or Supplemental Plat shall not alter the amount of the Common Expenses assessed to a Lot prior to such recording.

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

9.4. Other Reserved Rights. Declarant reserves the right for itself and any Successor Declarant at any time and from time to time to: (a) complete improvements indicated on the Plats and Maps, (b) maintain and relocate sales offices, management offices, signs advertising the Project and models, of any size, within one or more Lots and within the General Common Elements so long as Declarant or Successor Declarant continues to be an Owner of a Lot or, if earlier, five (5) years from the recording of this Declaration with the Clerk and Recorder, (c) to subject the project to a master association, (d) to make merge or consolidate the Project with a common interest community of the same form of ownership, (e) to appoint or remove any officer of the association or any Executive Board member during the period of Declarant control set forth in Article 2 above.

9.5. Termination of Rights Reserved. Except as otherwise expressly reserved in this Declaration, all rights reserved by and to the Declarant terminate seven (7) years after the date upon which this Declaration is recorded or upon the sale of all Lots which are within the Project up to the maximum number of Lots, whichever shall first occur; provided, however, such reserved rights may be: (i) reinstated or extended by the Association, subject to whatever terms, conditions, and limitations the Executive Board may impose; (ii) extended as allowed by law; or (iii) terminated in whole or in part by a written instrument executed by the Declarant in such manner as provided in the Act.

9.6. Utility Easements. Limited to underground utilities only, there is hereby created a general easement upon, across, in, and under the Property for ingress and egress and for installation, replacement, replat, and maintenance of all utilities, including but not limited to water, sewer, gas, telephone, electrical, television and a master communications system. By virtue of this easement, it will be expressly permissible and proper for the companies providing electrical, television, telephone and other communication services to install and maintain necessary equipment on the property and to affix and maintain electrical, television, communications, and telephone wires, circuits, and conduits under the Property. Any utility company using this general easement will use its best efforts to install and maintain the utilities provided for without disturbing the uses of the Owners, Eagle Moon Ranch Association, Inc. and Declarant; will prosecute its
installation and maintenance activities as promptly and expeditiously as reasonably possible; and will restore the surface to its original condition as soon as possible after completion of its work. Should any utility company furnishing a service covered by the general easement request a specific easement by separate recordable document, either Declarant or Eagle Moon Ranch Association, Inc. will have, and are hereby given, the right and authority to grant such easement upon, across, or under any part or all of the Property without conflicting with the terms of this Declaration. This general easement will in no way affect, avoid, extinguish, or modify any other recorded easement on the Property.

9.7. **Maintenance Easement.** An easement is hereby reserved to Declarant for itself and its successors and assigns and granted to Eagle Moon Ranch Association, Inc., and any member of the Board of Directors, and their respective officers, agents, employees and assigns, upon, across, over, in and under the Property and a right to make such use of the Property as may be necessary or appropriate to make emergency repairs to perform the duties and functions which Eagle Moon Ranch Association, Inc. is obligated or permitted to perform pursuant to the Eagle Moon Ranch Documents, including the right to enter upon any Lot for the purpose of performing maintenance to the landscaping or the exterior of Improvements to such Lot, as required by the Eagle Moon Ranch Documents.

9.8. **Drainage Easement.** An easement is hereby reserved to Declarant for itself and its successors and assigns and granted to Eagle Moon Ranch Association, Inc., its officers, agents, employees, successors and assigns to enter upon, across, over, in, and under any portion of the Property for the purpose of changing, correcting, or otherwise modifying the trade or drainage channels of the Property so as to improve the drainage of water. Reasonable efforts will be made to use this easement so as not to disturb the uses of the Owners, Eagle Moon Ranch Association, Inc. and Declarant, as applicable, to the extent possible; to prosecute such drainage work promptly and expeditiously; and to restore any areas affected by such work to a sightly and usable condition as soon as reasonably possible following such work. Declarant, or its officers, agents, employees, successors and assigns must inform and obtain the approval of the Board of Directors prior to undertaking such drainage work, which approval will not be unreasonably withheld.

9.9. **Emergency Access Easement.** A general easement is hereby granted to all police, sheriff, fire protection, ambulance, and all other similar emergency agencies or persons to enter upon all roads and upon the Property in the proper performance of their duties.

9.10. **Easements.** Each Lot within Eagle Moon Ranch Subdivision shall be encumbered by perpetual non-exclusive easements as shown or described on the plat. Easements for installation or maintenance of utilities and irrigation ditches, known as the Missouri Park Ditch and the North Fork Ditch and the dedicated laterals are reserved as
shown on the recorded plat. Within these easements and irrigation ditches no structures, planting, or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of the ditches or lateral, or which may change the directional flow of irrigation ditches in the easement, or may obstruct or retard the flow of water through the irrigation ditches, and or the easement. The easement area of each parcel and all improvements in it shall be maintained continuously by the Owner of the parcel, except for those improvements for which a public authority or utility company is responsible. The shareholders of the Missouri Park Ditch and the North Folk Ditch have the right to ingress and egress in the designated access points to inspect, maintain, and improve their irrigation ditches, as well as an easement over Eagle Meadows Trail and Antlers Trail for access and egress to their irrigation ditches as described on the plat. Each Lot Owner shall comply with the recorded Ditch Agreements between the Declarant and the Missouri Park Ditch and the North Fork Ditch.

9.11. Fire Cistern Maintenance. Five (5) six thousand gallon (6,000) cisterns are located on the plat to be used as deemed necessary by the South Arkansas Fire Protection District in case a structure fire or wild fire occurs in the area of Eagle Moon Ranch Subdivision. Maintenance of these cisterns will be the responsibility of Eagle Moon Ranch Association, Inc. as a common expense.

10. ENFORCEMENT

10.1. Violation Deemed a Nuisance. Every violation of this Declaration for the Eagle Moon Ranch Subdivision, the Articles and Bylaws of the Association, Design Guidelines or any Rules and Regulations adopted by the Association shall be deemed to be a nuisance and is subject to all the remedies provided for the abatement thereof.

10.2. Failure to Comply. The failure to comply with this Declaration, the Design Guidelines, or any Rules and Regulations adopted by the Board of Directors or the Design Review Committee shall be grounds for an action to recover damages, or for injunctive relief or for specific performance, or any of them under the following terms and conditions:

10.2.1. Written notice of any violation or failure to comply with this Declaration, the Design Guidelines, or any Rules and Regulations adopted by the Board of Directors or the Design Review Committee shall first be given to any Owner or person as to such violation or failure to comply.

10.2.2. Such Owner or person shall be given ten (10) days from the date of such notice to correct such violation or failure to comply.

10.2.3. In the event that any Owner or person believes that he or she is not in violation or failure to comply, he or she may request an opportunity for a hearing by

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS FOR EAGLE MOON RANCH SUBDIVISION
Page 29 of 32
the Board of Directors prior to the Association taking further action or commencing any legal proceeding against such Owner or person.

10.2.4. Any action by the Association as against any such Owner or person shall be by resolution of the Board of Directors following notice as above provided and granting to such Owner or person an opportunity to be heard before the Board of Directors.

10.3. **Who May Enforce.** Any action to enforce any violation of any provision of this Declaration may be brought as follows:

10.3.1. By the Association in name of the Association and on behalf of the Owners.

10.3.2. By the Owner of any Lot.

10.4. **No Waiver.** The failure of the Board, the Association, or any Owner to enforce or obtain compliance as to any violation, shall not be deemed a waiver of the right to do so for any subsequent violation or the right to enforce any part of such documents.

10.5. **Attorneys' Fees.** If any legal action is commenced or maintained in court, whether in law or in equity, as to the interpretation, enforcement, construction, or the determination of the rights and duties of the parties to this Declaration for Eagle Moon Ranch Subdivision or any provision of the Association Documents provided herein, the prevailing party in any such action shall be entitled to reasonable attorneys' fees together with all reasonable costs and expenses incurred in such action.

11. **DURATION OF THESE COVENANTS AND AMENDMENT**

11.1. **Amendment.** Subject to amendment at any time as set forth herein, 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 (10) 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 and 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. After the transfer of the first Lot as provided herein, this Declaration may be amended, at any time, by an instrument signed by the Owners of seventy-five percent (75%) of all Lots. If an Owner consents to any amendment to this Declaration, it will be conclusively presumed that such
Owner has the authority to so consent and that there is no contrary provision in any mortgage or contract between Owner and a third party that will affect the validity of such consent.

11.2. Declarant’s Approval. Notwithstanding the provisions of Section 10.1, no termination, extension, modification or amendment of this Declaration will be effective in any event during the Period of Declarant Control unless the written approval of Declarant is first obtained.

11.3. Notice of Amendment. No amendment or revocation of this Declaration will be effective unless a written notice of the proposed amendment is sent to every Owner reasonably in advance of any action taken or purported to be taken and such Owner has been given the opportunity to vote or give its consent thereto.

11.4. Effective on Recording. Any modification, amendment or revocation will be immediately effective upon recording in Chaffee County, Colorado, a copy of such amendment, modification, or revocation executed and acknowledged by the necessary number of Owners (and by Declarant, as required).

12. MISCELLANEOUS PROVISIONS

12.1. Severability. Any provision of this Declaration found to be prohibited by law or unenforceable will be ineffective to the extent of such prohibition or unenforceability without invalidating any other part hereof.

12.2. Limitation of Liability. Neither Eagle Moon Ranch Association, Inc. 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 Eagle Moon Ranch Association Documents if the action or failure to act was made in good faith. Eagle Moon Ranch Association, Inc. 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 and by law and in the Articles of Incorporation and Bylaws.

12.3. Conflicts Between Documents. In case of conflict between this Declaration and the Articles of Incorporation or the Bylaws, this Declaration will control. In case of conflict between the Articles of Incorporation and the Bylaws, the Articles of Incorporation will control.

12.4. Assignment. Subject to the requirement and limitation of the Colorado Common Interest Ownership Act, Declarant may assign all of any part of the Special Declarant Rights or any of Declarant’s other rights and reservations hereunder to any successor who takes title to all or part of the Property in a bulk purchase for the purpose of development and sale. Such successor will be identified, the particular rights being assigned will be specified, and, to the extent required, concomitant obligations will be
expressly assumed by such successor, all in a written instrument duly recorded in the records of the Clerk and Recorder of Chaffee County, Colorado.

RED-TAILED HAWK, INC.:

By: ____________________________
    Mark Anderson
    Its: Vice-President

STATE OF COLORADO )
    ss.
COUNTY OF CHAFFEE )

The foregoing instrument was acknowledged before me this 27th day of August, 2004, as Vice-President of RED-TAILED HAWK, INC., a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

Notary Public

EXHIBIT A

PARCEL A:
The Northwest Quarter of the Northeast Quarter (NEI/4 NEI/4), and all that portion of the Southwest Quarter of the Northeast Quarter (SWI/4 NEI/4), lying Northernly of the centerline of the Missouri Park Ditch, all in Section 32, Township 50 North, Range 8 East of the New Mexico Principal Meridian, Chaffee County, Colorado, described as follows:
Beginning at the northeast corner of said SEI/4 NEI/4 of Section 32 being a steel monument marked as the C-C N.1/16-Sec. 32;
thence South 00°15'25" West along the east boundary of the SEI/4 NEI/4 a distance of 1138.51 feet to the center of the Missouri Park Ditch;
thence along the centerline of the said ditch, first South 66°24'53" West 233.64 feet;
thence South 66°10'01" West 223.31 feet to the south boundary of the said SEI/4 NEI/4;
thence North 84°28'54" West along said south boundary 550.14 feet to the easterly right-of-way of Chaffee County Road No. 250;
thence along said easterly right-of-way boundary of Chaffee County Road No. 250, said right-of-way being located 30.70 feet East of the centerline of the existing traveled roadway;
thence North 42°30'36" East 315.43 feet;
thence North 06°07'32" East 251.29 feet;
thence North 20°12'42" East 84.46 feet;
thence North 03°40'53" East 455.66 feet;
thence North 12°10'57" West 214.05 feet;
thence North 24°10'07" West 154.44 feet to the north boundary of the said SEI/4 NEI/4;
thence South 84°39'13" East along said north boundary 658.71 feet to the point of beginning.

PARCEL B:
A tract of land located in the Southeast Quarter of the Northeast Quarter (SEI/4 NEI/4) of Section 32, Township 50 North, Range 8 East of the New Mexico Principal Meridian, Chaffee County, Colorado, being more particularly described as follows:
Beginning at the corner (rebar with 2 1/2" aluminum cap stamped '6753') of the said SEI/4 NEI/4, proceeding around the tract South 00°29'21" West along the east boundary of said Section 32, a distance of 584.45 feet;
thence North 50°06'56" West 469.0 feet to a point on a curve to the right, said curve having a central angle of 46°41'26", a radius of 550.0 feet and a chord which bears South 88°10'46" West 82.14 feet;
thence along the arc of said curve a distance of 42.82 to the beginning of a curve to the left, said curve having a central angle of 46°34'03", a radius of 250.0 feet and a chord which bears North 66°45'31" West 19.16 feet;
thence along the arc of said curve a distance 20.32 feet to the end of said curve;
thence South 84°57'26" West 144.04 feet;
thence South 19°51'46" West 151.02 feet to the west boundary of the said SEI/4 NEI/4;
thence North 00°22'34" East along said west boundary 303.46 feet to the northwest corner of said SEI/4 NEI/4;
thence South 84°25'14" East along the north boundary of said SEI/4 NEI/4 1330.64 feet to the point of beginning.
Containing 86 Acres, more or less.

SUBJECT TO an easement of 50.00 feet in width for a gas transmission line as owned by Western Gas Supply Company.

SUBJECT TO the North Fork Ditch.

SUBJECT TO the Missouri Park Ditch.
EXHIBIT B

EAGLE MOON, LLC TRACT:
The Northeast Quarter of the Southeast Quarter (NE{4} SE{4}) of Section 32, Township 50 North, Range 6 East of the New Mexico Principal Meridian, Chaffee County, Colorado.

AND

A tract of land located in the Southeast Quarter of the Northeast Quarter (SE{4} NE{4}) of Section 32, Township 50 North, Range 6 East of the New Mexico Principal Meridian, Chaffee County, Colorado, being more particularly described as follows:

Beginning at the East 1/4 Corner (rebar with 2 1/2" aluminum cap stamped '6753') of said Section 32; thence proceeding around the tract North 84°31'26" West 1328.06 feet to the Southwest corner of the said SE{4} NE{4};

thence North 00°22'34" East along the west boundary of said SE{4} NE{4} a distance of 1026.56 feet;

thence North 79°51'46" East 151.02 feet;

thence North 89°57'28" East 741.09 feet to the beginning of curve to the right, said curve having a central angle of 46°34'03", a radius of 25.0 and a chord which bears South 66°45'51" East 19.76 feet;

thence along the arc of said curve a distance of 20.32 feet to the beginning of a curve to the left, said curve having a central angle of 96°41'28", a radius of 55.0 feet and a chord which bears North 86°10'46" East 82.19 feet;

thence along the arc of said curve a distance of 92.82 feet;

thence South 50°09'58" East 488.0 feet to the east boundary of said Section 32, from whence the Northeast corner (rebar with 2 1/2" aluminum cap stamped '6753') of the said SE{4} NE{4} bears North 00°29'21" East 584.45 feet;

thence continuing around said tract South 00°29'21" West along said east section boundary 735.12 feet to the point of beginning.

Containing 70.7 Acres, more or less.

Subject to the rights of others to operate, maintain, inspect and repair the irrigation ditch laterals crossing the above describe tract pursuant to the laws of the State of Colorado pertaining to ditch rights.