

PAID: \$36.00
302984

302984 01/18/1996 03:28P B: 556 P: 130
Gay Cappie, County Clerk, San Miguel County, CO

**GENERAL DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTIONS FOR
GURLEY LAKE RANCHES, UNIT 1
SAN MIGUEL COUNTY, COLORADO**

This Declaration is made this 18th day of Jan, 1996 by Gurley Lake Land and Cattle Company, a Colorado General Partnership.

ARTICLE 1 - DECLARATION - PURPOSES - LOT OWNERS' ASSOCIATION

a. *Declaration.* The Gurley Lake Land and Cattle Company, a Colorado General Partnership, the Declarant, is the owner, in fee simple, of certain real property located in San Miguel County, Colorado, and shown as Gurley Lake Ranches Unit 1, Lots 1, 2 and 3 on that certain plat of survey (the Plat) on file in the records of San Miguel County in Plat Book 1 at Page 1982 (the Property). For purpose of enhancing and protecting the value, attractiveness and desirability of each of the Lots constituting the Property (including individually a "Lot" or collectively "Lots"), Declarant hereby declares that the Property, and each part thereof, shall be held, sold and conveyed subject to the following easements, covenants, conditions and restrictions (referred to as the "CC & R's"), which CC & R's shall together constitute covenants running with the Property and shall be binding on all parties owning any right, title or interest in or to any portion of the Property as well as their heirs, successors, and assigns and shall similarly enure to the benefit of each of such owners, their heirs, successors and assigns. To further these general purposes, Declarant, for itself, its successors and assigns, hereby declares that all real property described above shall, at all times, be owned held, used and occupied subject to the provisions of these CC & R's and any amendments or supplements which may be adopted.

b. *Lot Owners' Association.* Declarant intends to form a Colorado non-profit Corporation to be known as the Gurley Lake Ranches Lot Owners' Association ("Association") to perform certain functions and to hold and manage certain property which may, at some time in the future, be designated for the common benefit of all Lot owners. The Association may perform all tasks and functions whether or not specifically set forth herein, or in its organizational documents, which it deems necessary to foster and preserve the health, safety and welfare of the owners of Lots and to preserve property, property rights and property values within the Property. Declarant reserves the right to assign to the Association any or all of the rights or privileges reserved herein to the Declarant. By accepting ownership of a Lot, each Lot Owner agrees to become a member of the Association and thereby to enjoy the benefits of ownership and be subject to the Articles, Bylaws, rules and regulations of the Association.

c. *Other Land.* Declarant owns or controls Other Land which it also intends to develop. The Other Land may be subjected to these CC & R's and the owner or owners of such Other Land may become members of the

Association provided that such membership shall carry with it the same rights, privileges, benefits and obligations as does membership associated with the Property.

ARTICLE II - EASEMENTS

a. *Establishment of Easements.* There are hereby established perpetual, reciprocal, appurtenant roadway and utility easements ("Easements") in the locations shown on the Plat for use and benefit of every Lot and all Other Land owned or in the future owned or designated by Declarant or its successors, even though such Other Land may not be a part of the Gurley Lake Ranch. Such Easements shall be appurtenant to and shall pass, with title, to the Lots and Other Land subject to the restrictions and rights set forth below.

b. *Restrictions on Use of Easements.* Within the Road and Utility Easements, no landscaping, fencing or other material shall be placed or permitted to remain which may damage or interfere with the uses specified herein. No dwelling unit or other structure of any kind shall be built, erected or maintained on any Easement and such Easement, shall, at all times, be kept open and accessible to (1) Public and quasi public utility corporations, their employees and contracts and (2) Declarant and its successors, designees and assignees, each of whom shall have the right and privilege of doing whatever may be necessary in, on, under, over and above such easements so as to carry on any of the purposes for which such Easements are reserved. The foregoing notwithstanding, the use of crawler tractors upon the Road Easements is expressly prohibited and there shall be no imprudent or unsafe use of any roads on the Property.

c. *Reservation of rights by Declarant.* Declarant reserves the right, on behalf of itself and those to whom it may specifically assign the right, to use the Easements for the benefit of Other Property for which such easements may be necessary or convenient. Declarant further reserves the right to impose the terms of these or other CC & R's on Other Property owned or controlled by Declarant which may make use of the easements hereby reserved.

d. *Road Easements.* Those portions of the Easements designated for roadway uses (the "Road Easements") may be used for ingress and egress to and from individual Lots by the owners, guests, invitees, utilities, governmental and quasi public agencies and businesses or persons engaged by the Lot Owners or owners of Other Property and such use shall be subject to the restrictions set forth herein.

e. *Utility Easements.* Those Easements designated for utility uses (the Utility Easements) may be used for installation and maintenance of public utilities, including but not limited to, natural gas, electricity, telephone and cable television and shall be subject to the restrictions on use set forth herein and such other restrictions as may be imposed by Declarant or Declarant's designated successor.

f. Lake Access Easement. All Gurley Lake Ranch Lot Owners and owners of Other Property, and guests and permittees, shall have an easement for pedestrian, horse back riding, snowmobiling and bicycling, but not for use of motorized vehicles except snowmobiles on the "Lake Access Easement," as shown on the Plat.

g. Duration of Easements. The provisions of these CC & R's establishing Easements shall be deemed perpetual and shall not be subject to expiration or revocation in the manner set forth below. In addition, the provisions of this Article shall be subject to amendment only in the case of the consent of all Lot Owners and the owners of all Other Property benefiting from the Easements. To be effective, such consent shall be evidenced by a document, executed by all such Owners and holders of encumbrances on all affected property recorded in the records of San Miguel County, Colorado.

ARTICLE III - RESTRICTIONS

The Property shall be subject to the following restrictions.

a. Dwellings. One single family primary dwelling with at least 2,200 heated square feet of floor space shall be permitted on each Lot. In addition, one caretaker/guest house with a minimum of 1,000 heated square feet but not larger than 50% of the heated square footage of the main house, may be located on each Lot. Some portion of the caretaker house must be within fifty (50) feet of some portion of the main house. All dwellings, guest houses and out buildings shall be constructed in a rustic style and of rustic materials to blend with the ranch and mountain environment. Roofs may be constructed of non-reflective metal, shakes, or dimensional shingles. The primary dwelling must be constructed prior to or in conjunction with the caretaker house. The caretaker house may not be occupied until a certificate of occupancy has been issued by applicable authorities on the primary dwelling. Each Lot or parcel shall be used for residential purposes only but may be used to maintain horses, cattle or other animals consistent with the other terms of these CC & R's.

b. Subdivision of Lots. Lots in Unit 1 must be thirty-five (35) acres or larger. No Lot may be re-subdivided or re-configured, except in order to correct technical errors in Lot lines or descriptions or by Declarant before the initial sale of the affected Lot or Lots. Lots in Other Property which may become subject to the CC & R's need not be thirty-five (35) acres in size.

c. Set Backs. The minimum front setback from the access road for all structures shall be two hundred (200) feet. The minimum rear setback for all structures from the high water line of Gurley Lake as shown on the Plat shall be two hundred and fifty (250) feet. The minimum side setback from the side lot lines for all dwellings shall be one hundred fifty (150) feet and for all other buildings fifty (50) feet.

d. Trees and Landscaping. Existing trees shall be disturbed as little as possible to accommodate house site and view. Landscaping shall be of native

species and blend with the ranch environment.

e. *Utilities.* All utilities shall be underground.

f. *Fences and Livestock.* No Lot Owner, (including Declarant) may be required to participate in the construction of partition fences between Lots. Any Lot Owner who wishes to fence his land must bear the expense of fencing unless the neighbor voluntarily cooperates. The expenses in maintaining fences are the sole responsibility of the Lot Owner or the Owner constructing them. No action shall lie for the trespass of livestock unless a Lot owner has established a Legal Fence (as defined in the laws of the State of Colorado) upon or around the perimeters of a Lot. Any animal kept by a Lot owner must be contained by a Legal Fence within the boundaries of the Lot. No Lot owner shall be permitted to operate a hog farm or a feed lot on any Lot.

g. *Outside Lights.* No street light type of outdoor lighting shall be permitted unless the lighting is down directed, shielded and designed not to extend beyond the boundaries of the Lot upon which the light is located.

h. *Temporary Residence/Mobile Homes.* No pickup camper, camper trailer, motor home or tent may occupy a parcel for recreational purposes only and shall not become a permanent dwelling. No mobile homes will be permitted on any Lot.

i. *Animal Restrictions.* No dogs shall be allowed to run at large. Four or fewer horses may be kept for use on the Lot but not for rent, hire or breeding purposes.

j. *Destruction of Improvements.* No improvement which has been partially or totally destroyed by fire, earthquake or shall otherwise, shall be allowed to remain in such state for more than six (6) months from the date of such destruction.

k. *Maintenance of Property.* All property, including all improvements on any site or on any Lot, shall be kept and maintained by the owner thereof in a clean, safe, attractive and sightly condition and in good repair.

l. *No Noxious or Offensive Activity.* No loud, noxious or offensive activity shall be carried on upon or within the property nor shall anything be done or placed within the property which is or may become a nuisance or cause any significant embarrassment, disturbance or annoyance to others.

m. *No Annoying Sounds or Odors.* No sounds or odors shall be emitted from any location within the property which is unreasonably loud or annoying, and no odor shall be emitted from any location within the Property which is noxious or offensive to others.

n. *Storage of Trash or Debris.* No storage of trash, debris, junk automobiles, refuse or garbage other than that which is kept in covered

containers designed for such storage shall be permitted within the Property.

ARTICLE IV - ARCHITECTURAL CONTROL AND REVIEW

a. *Establishment.* There is hereby established an Architectural Control Committee (the "Committee") which shall initially consist of three persons appointed by Declarant. The Declarant reserves the right to appoint the members of the Committee until five (5) years after the last of the three (3) Lots is sold by Declarant. Thereafter in the event Declarant develops Other Land, the Owners of which become members of the Lot Owners Association, the Declarant reserves the right to appoint the members of the Committee until the last of the Lots and such Other Land has been sold. In no case shall the Declarant have the right to appoint the members of the Committee for more than ten (10) years after these CC & R's have been recorded in the records of San Miguel County, Colorado. Upon expiration of Declarant's right to appoint the members of the Committee, the Board of Directors of the Association shall have the right to appoint the membership. Each member shall be appointed for a period of three (3) years with staggered terms so that the Committee shall have one new member each year. After the Board of Directors of the Association commences appointment of the members of the Committee, each member must, at all times, be a Lot owner of the Property or Other Land or a person appointed by a Lot Owner. A majority of the Committee may designate a representative to act for it for any purpose. In the event of the death or resignation of any Committee member, the appointing authority shall appoint and install a successor (who shall also be a Lot owner or a duly appointed representative) to fill the unexpired term. Except in the case of death or resignation, each member of the Committee shall continue to serve until the election and installation of a successor. Neither the members of the Committee, nor their designated representatives, shall be entitled to any compensation for services performed pursuant to this Declaration.

b. *Functions.* Subject to the provisions of this Article, no structure, including, without limitation, any buildings, out buildings, walls or fences shall be erected or placed or altered until the Lot owner shall have submitted to the Committee the building plans, specifications and plot plan, showing the location of such structure on the Lot, and said plan specifications and plot plan shall have been approved, in writing, by the Committee. Submittal of any applications shall occur a minimum of forty-five (45) days prior to the need for approval of the application. The Committee shall have the right to request additional information of the applicant after review of the submittal. The application shall address (1) the design of the structure, (2) location of the structure with respect to topography and site impacts, (3) finished ground elevation, (4) proximity and visibility to home sites to adjacent lots, (5) trees which will be disturbed, and (6) such other matters as the Committee shall deem proper to protect the value and integrity of the Property. If the Committee fails to approve, disapprove or approve with conditions, in writing, an application within forty-five (45) days after all requested or required material has been submitted to the Committee, the application shall be deemed to have been approved. Any applicant may have decisions of the Committee overruled

by obtaining written consent of the majority of the then Lot owners (including the owners of lots within Other Land if applicable). No charge shall be imposed by the Committee for consideration of the submitted plans.

ARTICLE V - ASSESSMENTS

a. *Purpose of Assessments.* Subject to the limitation set forth below, the Lot Owners' Association may assess any amounts necessary to pay any expenses of any nature that it may incur in performing any actions permitted or required under this declaration or its Articles of Incorporation, Bylaws or Rules and Regulations, including but not limited to, operating expenses and the capital costs of performing its functions.

b. *Obligations for Assessments.* Declarant, for each site it owns, and for each Lot it owns and for each Lot contained within other property which carries with it membership in the Lot Owners Association, hereby covenants for itself and its successors to pay to the Lot Owners Association all assessments and the charges, fines, liquidated damages, penalties or other amounts, to be levied, fixed, established and collected as set forth in these C C & R's, the Articles of Incorporation, Bylaws and Rules and Regulations of the Association, as from time to time are in force and effect.

c. *Amount of Regular Assessments.* The regular assessments for each Lot and each Lot contained within Other Land which may carry with it membership within the Association shall be equal. The amount shall be determined by the Board of Directors annually and shall be due on a date determined by the Board of Directors.

d. *Amount of Extraordinary Assessments.* Extraordinary assessments may be imposed by the Board of Directors only with the written approval of the Owners of 2/3 of the Lots affected by such assessments.

e. *Collection.* If any amount shall not be paid within ten (10) days after it shall it have become due and payable, then the Board of Directors may assess a "late charge" thereon in an amount not exceeding \$100.00 to cover the extra expenses involved in handling such delinquent payment. In addition, each such amount shall bear interest at the rate of 18% per annum from the date it becomes due and payable if not paid within ten (10) days after such date. In addition, any such amount shall become a lien against the Lot, subject only to liens for real property taxes and recorded encumbrances. The lien may be foreclosed in the manner for foreclosing of either (1) mechanics or materialmen liens or (2) judicial mortgage foreclosure in the State of Colorado, and the owner shall be required to pay the cost and expenses of such proceedings including, but not limited to, reasonable attorney's fees and court costs.

ARTICLE VI - SUBORDINATION

No breach of any of the conditions shall defeat or render invalid the lien

of any mortgage or deed of trust made in good faith and for value as to the property or any Lot therein, provided, however, that such conditions shall be binding on any Lot owner whose title is acquired by foreclosure, trustee sale or otherwise.

ARTICLE VII - ENFORCEMENT

Declarant, any Lot owner or the Lot Owners' Association may undertake enforcement of any restriction or condition and, in the event it is determined by a court of competent jurisdiction that a breach exists, the enforcing party shall be entitled to recover all costs and expenses including reasonable attorney's fees.

ARTICLE VIII - AMENDMENT

Except as otherwise stated above, Declarant reserves the right to amend these CC & R's until five (5) years after it has sold the last of the Lots, by duly recording an instrument executed and acknowledged on behalf of Declarant in the public records of San Miguel County. If the Declarant has developed Other Land whose Lot Owners are entitled to membership in the Lot Owners' Association, the Declarant reserves the right to amend these CC & R's only until one (1) year following the sale of the last of those Lots, but under no circumstances, for a period of more than ten (10) years following the recordation of these present CC & R's. Thereafter, these CC & R's may be amended only by recording an instrument executed and acknowledged by the Owners of not less than two thirds of the Lots and the Lots contained within Other Land the Owners of which are members of the Lot Owners' Association. Any amendment shall be effective only upon recordation of an instrument executed and acknowledged by the Owners of the required number of Lots in the public records of San Miguel County.

ARTICLE IX - SEVERABILITY

Invalidation of any one or more of the Covenants or Restrictions contained within these CC & R's shall in no way affect any other provisions, which shall remain in full force and effect.

Gurley Lake Land and Cattle Company, a Colorado General Partner

By: Vaye Scott
General Partner

STATE OF Colorado)
COUNTY OF San Miguel) ss.



My Commission Expires 5/30/96
124 E. Pacific
Telluride, CO 81435

This instrument was acknowledged before me this 18 day of May 1996, by Gurley Lake Land and Cattle Company, a Colorado General Partner.
Notary Public [Signature]
My commission expires 5-30-96