

886 452

**DECLARATION OF PROTECTIVE COVENANTS  
OF NORTH FORK RANCH**

This Declaration of Covenants is made as of the 8<sup>th</sup> day of April, 1992 by Continental Divide Properties of Colorado, a Delaware Corporation (hereinafter called the "Declarant").

Declarant is the owner of North Fork Ranch situated in Las Animas County, Colorado, particularly described in Exhibit A hereto:

Declarant does hereby declare that the above-described North Fork Ranch shall be subject to the following easements, covenants, conditions and protective restrictions that will bind the grantees, heirs, successors, and assigns of the owners and future owners.

**Section 1. Definitions**

1.1 "Lot" shall mean those individual lots resulting from any division or divisions of the above-described real property filed or to be filed in the office of the county clerk and recorder.

1.2 "Lot Owner" The owner of record including successors and assigns, of any Lot located on the above-described North Fork Ranch.

1.3 "Common Easement" Roads leading into and within North Fork Ranch.

1.4 "Real Property" Real Property shall mean and refer to that certain real property described above made subject by Declarant to these covenants, conditions and protective restrictions.

1.5 "Landowners' Association" Landowners' Association shall mean and refer to the North Fork Ranch Landowners' Association, Inc., a Colorado non-profit corporation which is being formed for the purpose of and enforcing and carrying out the purposes of these covenants, conditions, and protective restrictions.

**Section 2. Common Easements**

2.1 Access Roads. Declarant is reserving and granting and conveying a 60-foot wide easement for general ingress and egress to each Lot for general ingress and egress and a general easement for public utilities across the real property to each Lot. Public utilities will follow access roads where practical. The easement shall be 30 foot on each side of the centerline of the road system to be constructed by Declarant during the calendar years 1992, 1993 and 1994. Declarant reserves the right to attach to this document exhibits that show the approximate location of the access roads, as they are built.

2.2 Obstructions on Common Easements. No gates or obstructions will be placed upon or block any access road unless the access road terminates on the Lot Owner's property. However, a Lot Owner may place, at its expense, a cattle guard on the common easement if

the cattle guard is constructed to county road specifications and has a gate on one side of the cattle guard for use by vehicles, livestock, horses, or persons otherwise using the road.

2.3 Maintenance of Common Easements. All Common Easements shall be maintained by the Landowners' Association.

### Section 3. Grazing Rights

\* 3.1 Contracting for Grazing Rights. The Landowners' Association is empowered hereby to lease the North Fork Ranch for grazing rights subject to each Landowner's right to fence his property. \*The proceeds from such leases will be used by the Landowner's Association in an equitable manner to offset the assessment of the Lot Owners not fencing off their property.

3.2 Fences. Declarant and the Lot Owners are not 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 he can get his neighbor to voluntarily cooperate in that fence. The expenses of maintaining such fences are the sole responsibility of the Lot Owners constructing them or their heirs, successors or assigns.

3.3 Fencing Out Livestock. No owner may bring an action for trespass of livestock unless that owner has a legal and adequate fence around the perimeters of the owner's Lot.

### Section 4. General Provisions

4.1 Owner's Livestock. Any animals kept by a Lot Owner must be fenced within the boundaries of the Lot. No Lot Owner will be permitted to operate a hog farm, or feedlot on any Lot.

4.2 Water and Sewer. A Lot Owner assumes the responsibility of supplying and developing water and sewage facilities for his own Lot. Wells, water systems, and septic systems must be drilled, installed and maintained at all times in accordance with the applicable rules and regulations of public agencies having jurisdiction.

4.3 Signs. No signs or advertisements shall be placed on the property except for a sign designating the Lot Owner or occupant's name, Lot number or address. This restriction shall not preclude the Declarant from placing "For Sale" signs near roadways for the sole purpose of selling remaining Lots.

4.4 Refuse and Junk Prohibited. No Lot Owner will dump refuse or garbage on any Lot nor will an owner build, maintain, operate or construct, or in any way cause to be placed within one hundred feet of the boundary line on their property, any structure or condition that will cause the accumulation or existence of animal waste, junk, or a condition causing an obnoxious odor.

4.5 Restriction Against Subdivision. No Lot may be further subdivided except by Declarant.

4.6 Number of Dwellings Per Lot. No more than one residence and accompanying outbuildings may be allowed per Lot. Each residence may also have a guest house. No building may be built within 30 feet of any Lot boundary.

4.7 Temporary Residence. A pick-up camper, camp trailer, motor home, or tent may occupy a parcel for recreational purposes only, and shall not become a permanent dwelling. Mobile homes may be placed on the premises for a period not to exceed 12 months during construction of a permanent dwelling, and only after, obtaining a building permit.

4.8 Completion of Construction. Construction of any building on a Lot must be completed within 12 months from the date of construction and must be in accordance with applicable rules and regulations of public agencies having jurisdiction.

4.9 Timber. Timber growing on a Lot may be used by an owner for the owner's personal firewood, fence, or for construction of buildings located on Lot. No Lot Owner shall sell timber for any commercial purpose or for sale or use off the Lot without first obtaining the written permission of the Landowners' Association.

4.10 Maintenance of Lot. Notwithstanding any other provision of this Declaration, each Lot Owner shall, to the best of his ability, maintain his Lot in good repair and appearance at all times.

#### Section 5. Enforcement and Miscellaneous Provisions

5.1 Declaration Attaches to the Land. These Protective Covenants shall run with the land and shall be binding upon the present Lot Owners and all subsequent Lot Owners of any Lot within or on a portion of North Fork Ranch, unless amended by an instrument executed by the persons owning in the aggregate 80 percent of the acreage subject to this Original Declaration. Such amendment shall be effective when duly recorded in Las Animas County, Colorado. No amendment of these covenants may change or increase the obligations of Declarant without its express written consent. No amendment of these covenants may diminish a Lot Owner's right of ingress and egress as set forth herein.

5.2 Powers and Enforcement. In furtherance of its purposes, but not otherwise, the Landowner's Association shall have the following powers:

A. All of the powers conferred upon nonprofit corporations by the common law and the statutes of the State of Colorado in effect from time to time.

B. All of the powers necessary or desirable to perform the obligations and duties and exercise the rights and powers of the Landowner's Association under the Declaration, including, without limitation, the following powers:

1. To make and collect assessments against members for the purpose of defraying the costs, expenses, and any losses of the Landowner's Association, or of exercising its powers or of performing its functions, including the right to enforce such assessments through the use of liens on delinquent Lot Owner's Lots.

2. To manage, control, maintain, repair, improve and enlarge common easements, as defined in Declaration.

3. To enforce covenants, restrictions, or conditions affecting any property to the extent the Association may be authorized under any such covenants, restrictions, or conditions, and to make and enforce rules and regulations for use of the Common Easement.

4. To engage in activities which will actively foster, promote, and advance the common ownership interest of the Lot Owners within the Development.

5. To buy or otherwise acquire, sell, or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal with an in, real, personal, and mixed property of all kinds, and any right or interest therein, for any purpose of the Landowner's Association.

6. To borrow money for any purpose of the Landowner's Association, limited in amount or in other respects as may be provided in the Bylaws of Landowner's Association.

7. To enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Landowner's Association, with or in association with any person, firm, association, corporation, or other entity or agency, public or private.

9. To adopt, alter, and amend or repeal such Bylaws as may be necessary or desirable for the proper management of the affairs of the Landowner's Association; provided, however, that such Bylaws may not be inconsistent with or contrary to any provisions of the Declaration.

10. The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now and hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Section 5.2 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provisions of this Section 5.2.

C. The provisions of the Declaration, or any lawful amendments, may be enforced by the North Fork Ranch Landowner's Association, Inc. or any Lot Owner, by either an action for damages arising out of a violation, or by an action to abate a nuisance, or an action to restrain a threatened or prospective violation or restrain a continuing violation or any other matter permitted by law or equity. In any action of any kind for the enforcement of these Protective Covenants, if the relief prayed for is granted in whole or in part, the applicant for relief shall be entitled to receive necessary court costs for the action, including reasonable attorneys' fees.

5.3 Severability. Should any provision of this Declaration be void or become invalid or unenforceable in law or equity by judgment or court order, the remaining provisions hereof shall be and remain in full force and effect.

AMENDMENT TO THE DECLARATION OF PROTECTIVE COVENANTS  
OF NORTH FORK RANCH

This is an amendment to the Declaration of Protective Covenants of North Fork Ranch made April 8, 1992, and recorded April 10, 1992, at Reception No. 595681, Book 886, Page 462 of the Records of the Las Animas County, Colorado, Clerk and Recorder (the "Declaration"), and related to that certain property located in Las Animas County, Colorado, and more particularly described on Exhibit A attached hereto (the "Property").

The undersigned are owners in the aggregate of more than 80% of the Property and are amending the Declaration pursuant to Article 5.1 of the Declaration. The Declaration is hereby amended to replace Section 2.2 in its entirety with the following:

Section 2.2 Obstructions on Common Easements.

No gates or obstructions will be placed upon or block any access road unless the access road terminates on the Lot Owner's property. However, a Lot Owner may place, at his expense a cattle guard on the common easement if the cattle guard is constructed to county road specifications and has a gate on one side of the cattle guard for use by vehicles, livestock, horses, or persons otherwise using the road. Also, a gate may be placed at the entrance to the North Fork Ranch roads where the Ranch road intersects with the County road.

This amendment is being executed in counterparts.

IN WITNESS WHEREOF, the undersigned Landowner of property on North Fork Ranch has approved this Amendment to the Declaration of Protective Covenants of North Fork Ranch on the date set forth in the acknowledgement.

NORTH FORK RANCH LANDOWNERS ASSOCIATION

By: \_\_\_\_\_ Owner of: Lot # \_\_\_\_\_  
\_\_\_\_\_ CoOwner Lot # \_\_\_\_\_  
Lot # \_\_\_\_\_

STATE OF Colorado

COUNTY OF Las Animas

Subscribed and sworn to before me by Wilfred E. Morrissey  
on the 14 day of APRIL, 1999.

WITNESS MY HAND AND OFFICIAL SEAL

My Commission expires

3/6/2002  
Rita M. Medina  
Notary Public



Each Owner must sign in the event of tenants in common or joint tenancy.

AS APPEARED BEFORE ME ON APRIL 14 1999, ONE KNOWN AS WILFRED MORRISSEY, AN ELECTED OFFICER, (VICE PRESIDENT/TREASURER), OF THE NORTH FORK RANCH LANDOWNERS ASSOCIATION. PERSON ATTESTS THAT HE HAS POSSESSION OF MORE THAN THE REQUIRED 80% OF MEMBER SIGNED, NOTARIZED, AMENDMENTS, AS REQUIRED BY COVENANT ARTICLE 5.1.

THE ABOVE AMENDMENT AMENDS THE ORIGINAL COVENANTS OF THE NORTH FORK RANCH, AS ORIGINALLY RECORDED ON APRIL 10, 1992, AT RECEPTION 595681, BOOK 886, PAGE 462, OF THE RECORDS OF THE LAS ANIMAS COUNTY, COLORADO, CLERK AND RECORDER.

VITAL INFORMATION SHEET

The following information is being provided by the Customer Service Department of Continental Divide Properties of Colorado, Inc., 2993 Broadmoor Valley Road, Suite 204, Colorado Springs, CO 80906, and relates to the North Fork Ranch Subdivision located in Las Animas County, Colorado. This document provides important information concerning the subdivision, the lots being sold, and the rights and responsibilities of purchasers of the property. It should be carefully read with the Standard Sales Agreement before signing it.

THE STATE OF COLORADO HAS NOT PREPARED OR ISSUED THIS DOCUMENT NOR HAS IT PASSED ON THE MERITS OF THE SUBDIVISION DESCRIBED HEREIN.

1. You will receive a fee interest in your lot through a warranty deed. Your interest will be free and clear of liens and encumbrances except for any lien created by you in connection with financing your purchase of the lot. Installment land contracts are not used.
2. The lots being offered in the subdivision are being developed in conformance with local codes and standards. Each lot may have on it no more than one residence and accompanying outbuildings. There may be no further subdivision of the parcel and it may not be used for commercial use.
3. Any exceptions to clear title on the lot being purchased will be stated in the title insurance commitment for your lot. Among the exceptions to title are a sixty foot road easement enabling access to all lots.
4. Lots being sold will have no amenities or improvements other than access roads. Water must be provided by wells drilled on individual lots. The exact depth of the water table can only be determined by drilling. The estimated cost to drill and case a well is \$12.00 per foot. The average approximate depth would be 200 to 400 feet. The cost for a standard in ground septic system can be expected to range from \$2,500 to \$3,500 up depending on the location and the number of bedrooms. Again, you are encouraged to seek estimates on your own as to water wells and septic systems.
5. The future value of the lots is uncertain and dependent upon many factors and should be purchased for your personal recreational and residential use and not for purposes of a speculative investment.
6. Taxes on your lot based on 1991 assessments are expected to equal 29 percent of the market price times the mill levy of .064310. This will be the taxes for unimproved lots.
7. The Protective Covenants provide for the formation of a landowners association which will, among other things, maintain the common roads and enforce the covenants. Membership in the landowners association is mandatory and occurs as a result of your purchase of a lot in the subdivision. Landowners association assessments are estimated to be \$100.00 per lot per year until changed by a vote of majority vote of the landowners. Currently, Continental Divide Properties of Colorado, Inc. has control of the landowners association and will have such control until such time as it no longer owns a majority of the

lots and calls a meeting of landowners to elect a new board of directors. It will be responsible for assessments on all unsold lots. Continental Divide Properties of Colorado, Inc. has no continuing financial interest in, nor will it derive any income or profit from, the landowners association and does not have the right to borrow or authorize borrowing from the association.

8. There are no metropolitan or developer special districts existing or planned. The lots are not subject to any special assessments.

9. All sales of lots within the subdivision will be made by brokers and salesmen licensed by the state of Colorado. PLCC Realty, Inc. is the broker acting on behalf of Continental Divide Properties of Colorado, Inc..

10. There are no judgments or administrative orders that have been issued against Continental Divide Properties of Colorado, Inc., North Fork Ranch Landowners' Association, Inc., the homeowners' association, PLCC Realty, Inc. or any other person or entity associated with North Fork Ranch Subdivision, which are material to the subdivision plan.

11. The customer service number for questions or problems regarding your lot is 1-800-383-0583. For questions regarding mortgages and mortgage-related questions, call 1-800-877-1367.

12. YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT, WHICH CANNOT BE WAIVED, BY GIVING NOTICE TO CONTINENTAL DIVIDE PROPERTIES OF COLORADO, INC. WITHIN FIVE (5) CALENDAR DAYS OF THE EXECUTION OF THIS AGREEMENT.

I (we) have read and understand the above information.

Dated: 7-26-92

\_\_\_\_\_  
Purchaser

Amy E. Stauder  
Purchaser

#### SALES REPRESENTATIVE CERTIFICATION

I certify that I have made no statements which are contrary to the above information.

Dated: 7-26-92

[Signature]  
Sales Representative



BYLAWS  
OF  
NORTH FORK RANCH LANDOWNERS ASSOCIATION, INC.

The name of the corporation shall be North Fork Ranch Landowners Association, Inc., a Colorado corporation (hereinafter referred to as the "Association").

ARTICLE I

Object and Definitions

I.1. Purpose. The business, objectives, and purposes for which the corporation is formed are as follows:

A. To be and constitute the Association to which reference is made in the Declaration of Protective Covenants (hereinafter referred to as the "Declaration") recorded in the office of the County Clerk and Recorder of the County of Las Animas, Colorado, on April 10, 1992 at Reception No. 595681 relating to a land subdivision project (hereinafter referred to as the "Development") in the County of Las Animas, Colorado (more particularly described on Exhibit A attached hereto and incorporated herein by this reference), and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association, as specified herein.

B. To provide an entity for the furtherance of the interest of the owners of the individual lots within the Development ("Lot Owners").

I.2. Assent. All present or future owners and tenants are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any one of the subdivided 35-acre tracts of land (hereinafter referred to as "Lot") of the Development or the mere act of occupancy of the Lot shall constitute ratification of and consent to be governed by, these Bylaws.

I.3. Definitions. Unless otherwise specified, the following terms shall have the same meaning in these Bylaws as such terms shall have in the Declaration and/or Articles of Incorporation of North Fork Ranch Landowners Association, Inc.: Lot, Common Easements, Development, Owners, Lot Owners, Members, membership, designate and Managers.

ARTICLE II

Membership, Voting  
Majority of Owners, Quorum, Proxies

II.1. Membership. This corporation shall be a membership corporation without certificates or shares of stock. There shall be one class of membership and there shall be one membership in the corporation for each Lot within the Development as defined in the

II.4. Majority of Lot Memberships. As used in these bylaws, the term "majority of Members" shall mean and refer to Members representing more than fifty percent (50%) of the total number of memberships.

II.5. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of more than twenty-five percent (25%) of the membership shall constitute a quorum. An affirmative vote of a majority of Members entitled to vote at a meeting, determined by the presence of the voters or by proxy, shall be required to transact business.

II.6. Proxies. Votes may be cast in person or by proxy. Proxies shall be in writing and the signatures must be witnessed or acknowledged. Proxies must be filed with the Secretary before the appointed time of each meeting. Such proxy shall be effective and remain in force unless voluntarily revoked or amended by notice to the Secretary of the corporation or sooner terminated by operation of law.

II.7. Voting by Mail. The Board of Managers may decide that voting of the members shall be by mail with respect to any properly noticed matter or to any particular election of Managers or with respect to adoption of any proposed amendment to the Articles of Incorporation, or adoption of any proposed plan of merger, consolidation, or dissolution.

In case of election of Managers by mail, the existing Board of Managers shall nominate candidates and shall advise the Secretary in writing of the names of nominated Managers sufficient to constitute a full Board of Managers and of the date at least fifty (50) days after such advice is given by which all votes are to be received. The Secretary, within five (5) days after such advice is given, shall give written notice of the number of Managers to be elected and of the names of the nominees to all Members. The notice shall state that any such Member may nominate an additional candidate or candidates, not to exceed the number of Managers to be elected, by notice in writing to the Secretary at the specified address of the principal office of the Association, to be received on or before a specified date fifteen (15) days from the date the notice is given by the Secretary. Within five (5) days after such specified date, the Secretary shall give written notice to all Members, stating the number of Managers to be elected, stating the names of all persons nominated by the Board of Managers and by the members on or before said specified date, stating that each Members or its proxy of record may cast a vote by mail and stating the date established by the Board of Managers by which such votes must be received by the Secretary at the address of the principal office of the Association, which shall be specified in the notice. Votes received after that date shall not be effective. All persons elected as Managers pursuant to such an election by mail by receipt of the number of votes required by applicable law shall take office effective on the date specified in the notice for receipt of such votes.

In the case of a vote by mail relating to any properly noticed matter or to any proposed amendment to the Articles of Incorporation or adoption of a proposed plan of merger, consolidation, or dissolution, the Secretary shall give notice to all Members and shall further give notice to all first mortgagees of Lots within the Development of record, which notices shall include a proposed written resolution setting forth the description of the proposed action, and shall state that such persons are entitled to vote by mail for or against such proposal and stating a date not less than twenty (20) days after the date such notice shall have been given on or before which all votes must be received and stating that they must be sent to the

specified address of the principal office of the corporation. Votes received after that date shall not be effective. Any such proposal shall be adopted if approved by the affirmative vote of not less than fifty percent (50%) of the votes entitled to be cast on the question.

Delivery of a vote in writing to the principal office of the Association shall be equivalent to receipt of a vote by mail at such address for the purposes of this Section II.7.

### ARTICLE III

#### Administration, Meetings of Members

III.1. Association Responsibilities. The Owners of the Lots will constitute the Association, who will have the responsibility of administering the Development through a Board of Managers.

III.2. Place of Meetings. Meetings of the Association shall be held at such place as the Board of Managers may determine.

III.3. Annual Meeting. The annual meeting of the Association shall be held within one hundred and twenty (120) days following the end of the Association's fiscal year, as such fiscal year is determined by the Board of Managers. At each annual meeting there shall be elected by ballot of the Members, Managers in accordance with the requirements of Section IV.5 of these Bylaws. The Members may also transact such other business of the Association as may properly come before them.

III.4. Special Meetings. The President shall call a special meeting of the Members when so directed by resolution of the Board of Managers or upon presentation to the Secretary of a petition signed by at least ten percent (10%) of the Members. No business shall be transacted at a special meeting except as stated in the notice unless by consent of twenty-five percent (25%) of the membership interests either in person or by proxy.

III.5. Notices. Notices of annual and special meetings shall be given by the President or Secretary of the Association by regular mail addressed to the registered address of the Members at least five (5) days prior to the date set for such meeting. Any such notice shall state the date, time and place of the meeting, and if the meeting is a special meeting, the purposes thereof. Waiver of notice, either in person or by proxy, and signed either before, at or after any meeting, shall be a valid substitute for service. The certificate of the President or Secretary that notice was duly given shall be prima facie evidence thereof.

III.6. Adjourned Meeting. If any meeting of the Members cannot be organized because a quorum has not attended, the Members who are present either in person or by proxy may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

III.7. Order of Business. The order of business at all annual meetings of the Members shall be as follows:

A. Roll call

- B. Proof of notice of meeting or waiver of notice
- C. Reading of minutes of preceding meeting
- D. Reports of officers
- E. Reports of committees
- F. Election of Managers
- G. Unfinished business
- H. New business

The order of business at all special meetings of the Members shall be stated in the notice of special meeting pursuant to Section III.4 above.

#### ARTICLE IV

##### Board of Managers (Powers of Meetings)

IV.1. Number and Qualification. The affairs of this Association shall be governed by a Board of Managers composed of not less than three persons selected by the members as provided herein. The initial Board shall consist of three persons, all acting as agents for Continental Divide Properties of Colorado, Inc., who shall act in such capacity and shall manage the affairs of the Association until their successors are elected.

IV.2. Powers and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Development.

IV.3. Other Powers and Duties. The Board of Managers shall be empowered and shall have the following duties:

A. To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, and all other provisions set forth in the Declaration referred to in Section I.1.

B. To establish, make and enforce compliance with such reasonable rules and regulations as may be necessary for the operation of the Common Easements with the right to amend same from time to time.

C. To keep, or cause to be kept, in good order, condition and repairs all of the Common Easements and all items of common personal property, if any.

D. To fix, determine, levy and collect monthly or other prorated installments of annual assessments to be paid by each of the Owners towards the gross expenses of the Common Easements, and by majority vote of the Board of Managers to adjust, decrease or increase the amount of the assessments or installments thereof. The

Board of Managers, or its agent, may establish any reasonable system for collection periodically of common expenses, in advance or arrears as deemed desirable. Initially, assessments for the estimated common expenses on an annual basis shall be made by the Board of Managers and shall be payable in equal monthly installments in advance on the first day of each calendar month. At the end of each calendar year the Board of Managers shall determine actual expenses and either assess each Owner or credit against future assessments, as the case may be. Assessments made shall be based upon the estimated cash requirements deemed to be such aggregate sum as the Board of Managers shall, from time to time, determine to be paid by all of the Owners. Estimated expenses include the costs of maintenance and operation of the Common Easements, expenses of management, taxes and special assessments unless separately assessed, insurance premiums for insurance coverage as deemed desirable or necessary by the Board of Managers, landscaping and care of grounds, common lighting, repairs and renovations, wages, common water and utility charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Board of Managers, or City Officer or Managing Agent under or by reason of the Declaration and these Bylaws, payment of any deficit remaining from a previous assessment period, the creation of a reasonable contingency or other reserve or surplus fund, as well as other costs and expenses relating to the Common Easements and the purposes and powers of this Association. All assessments shall be in itemized statement form, shall be set forth in reasonable detail the various expenses for which the assessments are being made, and shall be mailed to the registered mailing address of each Owner not later than fifteen (15) days prior to the date such assessment is payable.

E. To collect delinquent assessments or installments thereof by suit, foreclosure or otherwise and to enjoin and seek damages from an Owner as is provided in the Declaration and these Bylaws.

F. To protect and defend the Association from loss and damage by suit or otherwise.

G. To borrow funds and to execute all such instruments evidencing such indebtedness. Any such indebtedness shall be the several obligation of all of the Owners only in the same proportion as their interest in the Common Easements.

H. To enter into contracts within the scope of their duties and powers.

I. To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Managers.

J. To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof by the Owners or their mortgagees at convenient weekday business hours.

K. To prepare and deliver annually to each Owner a statement showing in at least summary form all receipts, expenses or disbursements since the last such statement.

L. To meet at least semi-annually.

M. To designate and remove personnel necessary for the maintenance, operation, repair and replacement of the Common Easements.

N. On ten (10) days' notice and for receipt of a reasonable fee not to exceed Fifty and No/100 Dollars (\$50.00) from the requesting party to furnish a certificate of the Owner's account setting forth the amount of any unpaid amounts or other charges due and owing from such Owner.

O. In general, to carry on the administration of this Association and to do all of those things necessary and reasonable in order to carry out the communal aspect of Lot ownership.

IV.4. Management Agent. The Board of Managers may employ for the Association a management agent or manager at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section IV.3 hereof. The employment and designation of a Manager or management agent ("Managing Agent") shall not relieve the Board of Managers from its responsibility herein pursuant to the Declaration.

Any contracts entered into by the Association dealing with the management of the project shall be for a term not to exceed three (3) years, and may be renewable by agreement of the parties for successive one (1) year periods, and must contain a provision allowing the contract to be terminable by the Association for cause upon thirty (30) days' written notice, and a further provision allowing either party to cancel the contract with or without cause and without the payment of a termination fee or penalty upon ninety (90) days' prior written notice. Any management contract entered into by Declarant must be for a period not to exceed five (5) year(s). Further, and in connection with the Association's right to contract for management and personnel, whether on site or off site in nature, the Association shall have the right to limit the use of portions of the Common Easements as shown on the map for purposes of the housing of Association personnel, maintenance and storage facilities, and other such purposes as deemed desirable and necessary by the Association for the purposes of the management and maintenance of the Development.

IV.5. Election and Term of Office. The Managers shall be elected annually at the annual meeting of Members by a vote of the Members present in person or by proxy.

IV.6. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a Manager by a vote of the Association shall be filled by the remaining Members.

IV.7. Removal of Managers. Managers may be removed only by approval of Members representing fifty percent (50%) of the membership interests at a regular or special meeting or at any special meeting called for that purpose, and a successor may then and there be elected to fill the vacancy thus created. Any Manager whose removal has been so proposed by the Members shall be given an opportunity to be heard at the meeting.

IV.8. Organization Meeting. The first meeting of a newly elected Board of Managers shall be held immediately following the annual meeting of Members and no notice shall be necessary to the newly elected managers in order legally to constitute such a meeting.

IV.9. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined, from time to time, by a majority of the managers, but at least two such meetings shall be held during each fiscal year and one such meeting shall be held immediately following the annual meeting of Members. Notice of regular meetings of the Board of Managers shall be given to each Manager, personally or by mail, telephone, or telegraph, at least three (3) days prior to the day named for such meeting.

IV.10. Special Meetings. Special meetings of the Board of Managers may be called by the President on three (3) days' notice to each Manager, given personally, or by mail, telephone, or telegraph, which notice shall state the time, place (as hereinabove provided), and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on notice on the written request of a Manager.

IV.11. Waiver of Notice. Before, at, or after any meeting of the Board of Managers, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Manager at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

IV.12. Quorum. At all meetings of the Board of Managers, a majority thereof shall constitute a quorum for the transaction of business, and the acts of the majority of the Managers present at a meeting at which a quorum is present shall be the acts of the board of Managers. If, at any meeting of the Board of Managers, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

IV.13. Manager's Fees. Each Manager shall receive transportation expenses for attendance at any regular or special meeting of the Board of Managers, such expenses to be deemed common expenses.

## ARTICLE V

### OFFICERS

V.1. Designation. The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Managers.

V.2. Election of Officers. The officers of the Association shall be elected annually by the Board of Managers at the organization meeting of each new Board and shall hold office at the pleasure of the Board. Any person may hold concurrently any two offices, except that the same person may not concurrently hold the offices of President and Secretary. The office of Vice-President need not be filled.

V.3.        Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, with or without cause, and his or her successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

V.4.        President. The President shall be the chief executive officer of the Association and shall be elected from among the members of the Board of Managers. The President shall preside at all meetings of the Association and the Board of Managers. The President shall have all of the general powers and duties which are usually vested in the office of the President of a nonprofit corporation including, but not limited to, the power to appoint committees from among the Member from time to time as the President may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

V.5.        Vice-President. A Vice-President shall have all the powers and authority and perform all of the functions and duties of the President in the absence of the President or his or her inability for any reason to exercise such powers and functions or perform such duties.

V.6.        Secretary. The Secretary shall keep the minutes of meetings of the Board of Mangers and minutes of meetings of the Association. The Secretary shall have charge of such books and papers as the Board of Mangers may direct, and shall in general perform all the duties incident to the office of the Association a complete list of Members and their registered mailing addresses. Such list shall also show opposite each Member's name the number or other appropriate designation of the Lot represented by such Member. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

V.7.        Assistant Secretary. The Board of Managers may appoint one or more Assistant Secretaries to perform all of the duties of the Secretary in the absence of the Secretary.

V.8.        Treasurer. The Treasurer shall have responsibility for Association funds and shall be responsible for keeping full and accurate financial records and books of account of the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Managers. The Treasurer may also serve as Secretary in the event the Secretary and all Assistant Secretaries, if any, are absent.

V.9.        Assistant Treasurer. The Board of Managers may appoint one or more Assistant Treasurers to perform all of the duties of the Treasurer in the absence of the Treasurer.



ARTICLE VI  
INDEMNIFICATION OF OFFICERS AND MANAGERS

VI.1. Indemnification. The Association shall indemnify every Manager or officer, and his or her heirs, executors, and administrators against all loss, cost, and expense, including counsel fees, reasonably incurred by him or her in connection with any action, suit, or proceeding to which he or she may be made a party by reason of his or her being or having been a Manager or officer of the Association, except as to matters as to which he or she shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his or her duty as such Manager or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Manager or officer may be entitled. All liability, loss, damage, costs and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses. Nothing contained in this Section VI.1, shall, however, be deemed to obligate the Association to indemnify any member or Owner of a Lot who is or has been a manager or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as a member or Owner of a Lot covered thereby.

ARTICLE VII  
OBLIGATION OF THE OWNERS

VII.1. Assessments. Except as otherwise provided in the Declaration, all Owners shall be obligated to pay the assessments imposed by the Association to meet the common expenses, and other payment of any installments thereof shall be made not later than the 10th day following the due date. The assessments shall be made pro rata according to percentage interest in and to the general Common Easements and installments thereof shall be due monthly in advance. A Member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of Members, within the meaning of these Bylaws, if, and only if, the Owner shall have fully paid all assessments and installments thereof made or levied against such Owner and the Lot owned by such Owner which is represented by such Member.

VII.2. Maintenance and Repair.

A. Except as may be provided in the Declaration, every Owner must perform promptly at such Owner's expense all maintenance and repair work within such Owner's Lot and limited Common Easements which if omitted would affect the development in its entirety or any part belonging to another Owner.

B. An Owner shall be obligated to reimburse the Association or another Owner upon receipt of a statement for any expenditures incurred by the Association or other Lot Owner or both in repairing or restoring any Common Easement or any part of a Lot damaged as a result of negligent or other tortious conduct of such Owner, a member of his or her family, his or her agent, employee, invitee, licensee, or tenant.

VII.3. Mechanic's Lien. Each Owner agrees to indemnify and to hold each of the other Owners harmless from any and all claims of any mechanic's lien filed against other Lots and the appurtenant Common Easements for labor, materials, services, or other products incorporated in the Owner's Lot. In the event suit for foreclosure of a mechanic's lien is commenced, then within 90 days thereafter, such Owner shall be required to deposit with the Association cash or negotiable securities equal to the amount of such claim, plus interest for one year together with the sum of \$100.00. Such sum or securities shall be held by the Association pending final adjudication or settlement of the claim or litigation and shall be returned, with interest, in the event the owner takes the steps necessary to remove said lien of foreclosure. Disbursements of such funds or proceeds shall be made by the Association to insure payment of or on account of such final judgment or settlement. Any deficiency shall be paid forthwith by the subject Owner.

VII.4. General.

A. Each Owner shall comply strictly with the provisions of the Declaration.

B. Each Owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which the Association was established.

VII.5. Use of Common Easements. Each Owner shall use the Common Elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Owners.

VII.6. Right of Entry. An Owner shall permit the Managing Agent or other person authorized by the Board of Mangers the right of access to the Owner's Lot and appurtenant Common Easements from time to time during reasonable hours as may be necessary for the maintenance, and repair, of the Common Easements, or at any time deemed necessary by the Managing Agent or Board of Mangers for the making of emergency repairs or to prevent damage to any of the Common Easements.

VII.7. Destruction or Obsolescence. Each Owner shall, upon becoming an Owner of a Lot, execute a power of attorney in favor of the Association, irrevocably appointing the Association attorney-in-fact to maintain, repair, and improve the Common Easements. The purpose of such execution shall be more fully to evidence such appointment, but failure to execute such power of attorney shall in no way derogate from the appointment in the Declaration. \*Association is in legal control of all roads.

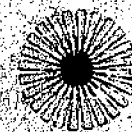
ARTICLE VIII

AMENDMENTS

VIII.1. Amendments. These Bylaws may be amended by the Board of Mangers at a duly constituted meeting for such purpose or at a meeting of Members called for such purpose and approved by Members representing an aggregate interest of at least eighty percent (80%) of the membership interests. The notice of such meeting shall contain a summary of the proposed changes or a copy of such proposed changes. No amendment shall serve to shorten the term of any Manager.

## ARTICLE IX

Proof of  
Ownership



### EVIDENCE OF OWNERSHIP REGISTRATION OF MAILING ADDRESS, AND REQUIRED PROXIES

IX.1. Proof of Ownership. Any person on becoming an Owner of a Lot shall furnish to the Managing agent or Board of Managers a photocopy or a certified copy of the recorded instrument vesting that person or entity with an interest or ownership, which instrument shall remain in the files of the Association. A Member shall not be deemed to be in good standing nor shall he, she, it or they be entitled to be represented and have his membership interest voted at any annual or at a special meeting of Members unless this requirement is first met.

IX.2. Registration of Mailing Address. The Owners of each Lot shall have one and the same registered address to be used by the Association for mailing of monthly statements, notices, demands, and all other communications; and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association, or other legal entity or any combination thereof to be used by the Association. Such registered address of an Owner or Owners shall be furnished by such Owners to the Secretary within five (5) days after transfer of title; such registration shall be in written form and signed by all of the Owners of the Lot or by such persons as are authorized by law to represent the interest of (all of) the Owners thereof. If no such address is registered or if all of the Owners cannot agree, then the address of the Lot shall be their registered address until another registered address is furnished as permitted under this Section. Registered addresses may be changed from time to time by similar designation.

IX.3. Completed Requirement. The requirements contained in this Article shall be first met before an Owner of a Lot shall be deemed in good standing and entitled to be represented and have his membership interest voted at any annual or special meeting of Members.

## ARTICLE X

### RESTRICTIONS

X.1. Nonprofit Corporation. This Association is not organized for profit. No member of the Board of Managers, or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of, any member of the Board of Managers. The foregoing, however, shall neither prevent nor restrict the following: (1) reasonable compensation may be paid to any Member or Manager while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) any Member or Manager may, from time to time, be reimbursed for his or her actual and reasonable expenses incurred in connection with the administration or the affairs of the Association.

ARTICLE XI

FISCAL YEAR

XI.1. Fiscal Year. The fiscal year of the Association shall be as determined from time to time by the Board of Mangers.

IN WITNESS WHEREOF, the undersigned have executed these Bylaws at Denver, Colorado, this \_\_\_\_\_ day of April, 1992.

BOARD OF MANAGERS:

\_\_\_\_\_  
Steven R. King

\_\_\_\_\_  
Herb Williams

\_\_\_\_\_  
Herbert H. Davis III

The undersigned, Secretary of The North Fork Ranch Landowners Association, Inc., a Colorado nonprofit corporation, does hereby certify that the above and foregoing Bylaws were duly adopted by the Board of Mangers as the Bylaws of said corporation on the \_\_\_\_\_ day of April, 1992 and that they do now constitute the Bylaws of said corporation.

Dated this \_\_\_\_\_ day of April, 1992.

\_\_\_\_\_

**EXHIBIT A**

Together with all historical rights-of-way for ingress and egress to the above-described real property.

## **Approved Bylaw Change**

### **ARTICLE III.3**

**Approved reading:** Section III.3 Annual meeting of the Association shall be held once a year at any time during the year. At each annual meeting there shall be elected by ballot of the Members, Managers in accordance with the requirements of Section IV.5. Members may also transact such other business of the Association as may properly come before them.

**Previously read:** Section III.3 Annual meeting of the Association shall be held within 120 days following the end of the fiscal year, as such fiscal year is determined by the Board of Directors. At each annual meeting there shall be elected by ballot of the Members, Managers in accordance with the requirements of Section IV.5. Members may also transact such other business of the Association as may properly come before them.

**AMENDMENT TO BYLAWS  
OF  
NORTH FORK RANCH LANDOWNERS ASSOCIATION, INC.**

**June 1, 1997**

Article IV.3.E. has been amended by affirmative vote of 54% of the current landowners to allow the Association to contract with a bill collector to collect overdue assessments, and to charge late fees.

The amended section now reads:

"IV.3.E. To collect delinquent assessments or installments thereof by contracting the services of a bill collector, by suit, foreclosure or otherwise and to enjoin and seek late fees and/or damages from an Owner as is provided in the Declaration and these Bylaws."

This amendment should be filed with the landowner's copy of the NFRLA by-laws.