

The Ruby Ranch

DECLARATION of COVENANTS, CONDITIONS and RESTRICTIONS
for THE RUBY RANCH SUBDIVISION

Originally approved October, 1979, as amended to August, 1983,
December, 1989, and June, 2000

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DECLARATION of COVENANTS, CONDITIONS and RESTRICTIONS
for THE RUBY RANCH FILINGS NUMBER 1 and 2

THIS DECLARATION, made on the date hereinafter set forth by JMC Co and the Shirley Company, hereinafter referred to as “Declarant”.

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the County of Summit, State of Colorado, which is more particularly described as: The Ruby Ranch Filings Number 1 and 2. Such property shall hereafter be referred to as “The Ruby Ranch”.

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

ARTICLE 1 - PURPOSE OF COVENANTS

Section 1. General Requirements. It is the intention of the Declarant expressed by its execution of this instrument, that the lands within the subdivision be developed and maintained as a highly desirable rural residential area. It is the purpose of these covenants that the present natural beauty, the natural growth and native setting and surroundings of the subdivision shall always be protected insofar as it is possible in connection with the uses and structures permitted by this instrument. It is of primary intent that the seclusion of each home site in the subdivision from neighboring home sites shall be protected insofar as is possible.

ARTICLE II - DEFINITIONS

“Association” shall mean and refer to the Ruby Ranch Owners Association, its successors and assigns.

“Owner” shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

“Property” initially shall mean and refer to Filings 1 and 2 of The Ruby Ranch, Summit County, Colorado, and shall mean, refer to and include any additional filings of The Ruby Ranch as may be annexed pursuant to Article XII, Section 5 hereof, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

“Common Area” shall mean all real property, except roads (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners. Tracts “A”

through “U” shall be conveyed to the Association at such time as a minimum of 75% of the lots in the subdivision have been sold.

“Lot” shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property with the exception of the Common Area tracts.

“Declarant” shall mean and refer to JMC Co and the Shirley Company, their successors and assigns.

ARTICLE III - PROPERTY RIGHTS

Section 1. Platted Roads are Private. All platted roads in the subdivision are owned by the Association and are private roads for access to all lots within the subdivision by owners and their guests and emergency vehicles of public agencies. All costs of construction shall be paid by the Declarant so long as a Class B membership exists and all maintenance including snowplowing shall be performed by the Willow Brook Metropolitan District. No costs of road maintenance shall be borne by Summit County. The only exceptions to the above are those portions of Willowbrook Road and North Ruby Road (extended) that may, in the future, provide public access to abutting National Forest lands.

Section 2. Owners’ Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area tracts which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) Common area tracts identified by letter shall remain in ownership of the declarant until 75% of the lots in the subdivision as platted and recorded are deeded to private owners. At such time the common area tracts shall be deeded by the Declarant to the Association.
- (b) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.
- (c) The right of the Association to suspend the voting rights and right to use the recreational facilities by an owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations.
- (d) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds of each class of members has been recorded.
- (e) The right of the Association to enter into written contracts allowing certain

equestrian activities on the common area designated Track K which, in the opinion of the Board of Directors of the Association, enhance the concept of The Ruby Ranch subdivision remaining a working Ranch. By way of illustration, but not limitation, such activities might include grazing horses, recreational activities like barbeques, temporary meeting tents, baseball or horseshoe games, family reunion parties, sleigh and hay rides, and guided horseback rides. Each contract so entered into by the Association may not exceed three years duration; however, each contract would be subject to renewal of an additional term at the discretion of the Board of Directors of the Association.

Section 3. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 4. Stockponds West Access Easement. Owners of property in the Willowbrook Meadows Subdivision and the Stockponds Subdivision, a 67.4-acre tract annexed to the Town of Silverthorne by whatever name it becomes known as, and owners of The Ruby Ranch subdivision shall have an access easement into the area known as the Stockponds West, a 50.1-acre tract north of The Ruby Ranch as provided and limited by the Easement Deed granted and recorded by JMC Co. Said access for the Willowbrook Meadows Subdivision and the Stockponds Subdivision shall be along routes to be designated and marked by JMC Co from those subdivisions. Owners of property in The Ruby Ranch subdivision shall have access to this easement only by way of a trail located in Tract R. The owners of lots 42R, 46, 47, and 52, Filing 2, shall also have access to the Stockponds Open Easement at any point along the contiguous property line with said easement on the northerly boundary of said lots. Said access for owners of property in any of the three subdivisions shall be limited to pedestrian traffic only and specifically excludes any motorized or other vehicles (such as mountain bikes) of any type. Horses may be permitted only on a specific route designed for such use and only if signs designating such horse route are placed by JMC Co or its successor. Dogs may be permitted only if they are on a leash no longer than six (6) feet. Guests of owners of any of the three subdivisions shall be permitted only if accompanied by a member of the immediate family of an owner in one of the subdivisions and may be required to produce reasonable evidence of such ownership. Any owner who does not cooperate with the limitations and identification procedures may be denied access to said easement. The Association for each subdivision, or a future similar entity designated for the Stockponds Subdivision, shall have the burden of restoring any damage done through use of the easement.

ARTICLE IV - THE RUBY RANCH OWNERS ASSOCIATION MEMBERSHIP and VOTING RIGHTS

Section 1. Formation of the Ruby Ranch Owners Association. Prior to the conveyance of any lot in the subdivision the Association shall be formed as a Colorado corporation not for profit, as provided by the Statutes of the State of Colorado. Articles of Incorporation are recorded in the records of Summit County, Colorado, are presently in effect, and shall be filed with the Secretary of State. They may be amended from time to time and such amendments shall

be recorded in Summit County, Colorado records. A Board of Directors shall be established in accordance with the Articles, and the Association shall establish by-laws for each separate tract.

Section 2. Membership in the Association. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment. The owners of separate tracts containing attached or detached residential units shall each be considered full members of the Association and subject to full assessment for each separate tract.

Section 3. Voting Rights of Members of the Association . The Association shall have two classes of voting membership:

Class A. Class A member(s) shall be all owners, with the exception of the Declarant, and shall be entitled to two votes for each lot (as originally platted by Declarant) owned. When more than one person holds an interest in any such lot, all such persons shall be members. The vote for such lot shall be exercised as they determine but in no event shall more than two votes be cast with respect to any such lot. At such time as any lot (as originally platted by Declarant) is resubdivided into two lots, then each of the two resubdivided lots shall be entitled to one vote.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to six (6) votes for each lot (as originally platted by Declarant) owned. At such time as any lot (as originally platted by Declarant) is resubdivided into two lots, then each of the two resubdivided lots shall be entitled to one vote. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) One December 31, 1987.

Section 4. Notice and Quorum for Meetings. Written notice of any annual or special meeting shall be sent to all members not less than 15 days nor more than 50 days in advance of the meeting. The presence of members or of proxies entitled to cast one-tenth (1/10) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, or represented at the meeting, the members entitled to vote thereat shall have power to adjourn the meeting without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

ARTICLE V - COVENANT for MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each lot owned within the Property, hereby covenants, and each owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to

covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for the capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Such lien may be foreclosed in the manner provided for foreclosure of mortgages on real estate by the law and court rules then in effect in the State of Colorado. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Property and for the improvement and maintenance of the platted private roads and the Common Area.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment shall be One Hundred Twenty Dollars (\$120.00) per lot. From and after January 1 of the year immediately following the conveyance of the first lot and an owner, the annual assessment shall be set by the Board of Directors as provided herein in such amount as is adequate to maintain the roads and provide for such other needs of the Association's properties as determined by the Board of Directors.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Uniform Rate of Assessment. Both annual and special assessments must be fixed according to the acreage per lot or the original selling price or such other criteria as may be determined by the Board of Directors provided the system used is uniform and fair and applies equally to all private lots. All assessments may be collected on a monthly basis.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance. No lot may be assessed unless and

until it is a part of a plat properly approved and recorded with the Summit County Clerk and Recorder.

Section 7. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 18 percent per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot. In the event an action at law or foreclosure is necessary to collect the assessment, the Association may collect its costs of collection, including reasonable attorney's fees and court costs.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such a sale or transfer. No sale or transfer shall relieve such lot owner from liability for any assessments thereafter becoming due or from the lien thereof.

Section 9. Special Services District. Upon vote of membership of the Association, the Association may convey to a special services district, such as a water and sanitation district or a metropolitan services district, the responsibility for water and other utility services, road construction and maintenance and such recreational facilities and other functions as permitted by statute and approved by the board of directors of said district.

ARTICLE VI - ARCHITECTURAL COMMITTEE

Section 1. Architectural Committee. The Architectural Committee shall mean three persons with specific experience in mountain home planning and building appointed by the Board of Directors of the Association, a Colorado corporation not for profit, as presently constituted and shall be constituted from duties, and responsibilities set out in this instrument.

Section 2. Approval by Architectural Committee. No improvements of any kind, including but not limited to dwelling houses, barns, stables, out-buildings, swimming pools, tennis courts, ponds, access roads, parking areas, fences, walls, garages, drives, antennas, flagpoles, curbs and walks, shall be ever constructed or altered on any lands within the subdivision, nor may any vegetation be altered or destroyed nor any landscaping performed on any tract, unless the complete architectural plans for such construction or alteration or landscaping are approved in writing as to the harmony of external design and location in relation to topography, tree cover and buildings on surrounding lots, by the Architectural Committee prior to the commencement of such work.

All buildings must be located substantially within buildable areas assigned to each lot as shown on a development guide map provided for each lot.

The Architectural Committee may establish guidelines and policies for specific design criteria from time to time as needed to insure the architectural integrity of the subdivision. In the event the Architectural Committee fails to take any action within 30 days after complete architectural plans for such work have been submitted to it, then all of such submitted architectural plans shall be deemed to be approved. In the event the Architectural Committee shall disapprove any architectural plans, the person or association submitting such architectural plans may appeal the matter to the next annual or special meeting of the members of the Association, where a vote of at least two-thirds of the votes entitled to be cast at said meeting shall be required to change the decision of the Architectural Committee.

Section 3. Variance. Where circumstances, such as topography, location of property lines, location of trees and brush, or other matters require, the Architectural Committee may recommend reasonable variances in writing as to any of the covenants contained in this instrument, on such terms and conditions as it shall determine to be appropriate, to the Board of Directors of the Association. If the Board of Directors does not disapprove the recommendation, in writing, within 30 days of receipt of same, it shall be deemed granted and approved by the Board of Directors.

Section 4. General Requirements. The Architectural Committee shall exercise its best judgement to see that all improvements, construction, landscaping and alterations on the lands within the subdivision conform and harmonize with the natural surroundings and with existing structures as to external design, materials, color, siting, height, topography, grade, and finished ground elevation. The Architectural Committee shall protect the seclusion of each home site from other home sites insofar as possible.

Section 5. Preliminary Approvals. Person or associations who anticipate construction improvements on lands within the subdivision whether they already own lands in The Ruby Ranch or are contemplating the purchase of such lands, may submit preliminary sketches of such improvements to the Architectural Committee for informal and preliminary approval or disapproval, but the Architectural Committee shall never be finally committed or bound by any preliminary or informal approval or disapproval until such time as complete architectural plans are submitted and approved or disapproved.

Section 6. Architectural Plans. The Architectural Committee shall disapprove any architectural plans submitted to it which are not sufficient for it to exercise the judgment required of it by these covenants.

Section 7. Architectural Committee Not Liable. The Architectural Committee shall not be liable in damages to any person or association submitting any architectural plans for approval, or to any owner or owners of land within The Ruby Ranch, by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove, with regard to such architectural plans. Any person or association acquiring title to any property in the subdivision, or any person or association submitting plans to the Architectural Committee for approval, by so doing does agree and covenant that he or it will not bring any action or suit to recover damages against the Architectural Committee, its members as individuals, or its advisors, employees, or agents.

Section 8. Written Records. The Architectural Committee shall keep and safeguard for at least five years complete permanent written records of all applications for approval submitted to it (including one set of all architectural plans so submitted) and of all actions of approval or disapproval and all other actions taken by it under the provisions of this instrument.

ARTICLE VII - GENERAL RESTRICTIONS on ALL TRACTS

Section 1. Zoning Regulations. No lands within the subdivision shall ever be occupied or used for any structure or purpose or in any manner which is contrary to either the zoning regulations of Summit County, Colorado, or the approved Master Plan for The Ruby Ranch.

Section 2. No Mining, Drilling or Quarrying. No mining, quarrying, tunneling, excavating, or drilling for any substances within the earth, including oil, gas, minerals, gravel, sand, rock and earth, shall ever be permitted within the limits of the subdivision, except for drilling for water for domestic use when such drilling is done by a duly constituted water and sanitation or metropolitan services district.

Section 3. Home Office/Business. Individual lots within the subdivision may be used for a home office/business which is defined as a commercial enterprise conducted by a person in his residence. No other commercial enterprise or business shall be allowed. In order for a commercial activity to be considered as a home office/business within the meaning of this section, the following criteria shall be met:

(a) The activity shall be located on the same lot as the residence of the person conducting the home office/business, and the activity shall be entirely contained within the person's residence. The location of the home office/business shall not interfere with the provision of required parking spaces.

(b) The activity is carried on by the person(s) who reside(s) at this location

(c) The activity is incidental and secondary to the use of the property for residential purposes. The amount of space used for the activity does not exceed 20% of the total building square footage contained on the property or 1000 square feet, whichever is less.

(d) The activity does not result in any objectionable noise, fumes, dust or electrical disturbance, nor does it increase traffic volumes or the amount of parking in the immediate neighborhood.

(e) The activity does not include any window or outdoor display of goods, stock in trade, or other commodities, and does not include any retail sales on the premises. A dwelling unit where a home office/business is located shall not be used as a point for customer visits, pick-ups or deliveries. The outdoor storage of goods, stock in trade and other commodities shall be prohibited.

(f) In no event shall any sign advertising the office/business be allowed.

(g) Prior to opening the home office/business, the person desiring to open the home office/business shall have notified the Association and requested approval of the home office/business. The home office/business may not be conducted without the approval of the Board of Directors of the Association. The Board of Directors of the Association has the authority to determine whether or not a particular enterprise qualifies as a home office/business and meets the requirements of these covenants.

(h) Certain businesses and commercial enterprises are specifically excluded from the criteria for a home office/business. The specific businesses which shall be excluded are by way of illustration, but not limitation: no store of any kind, no hospital, sanatorium, or other place for the care of treatment of the sick or disabled, physically or mentally; nor any public theater, bar, restaurant, or other public place of entertainment; nor any church; no children's daycare, or any residential building housing more than two families shall ever be construed, opened, or permitted to remain within the subdivision.

Section 4. Signs. No advertising signs, billboards, unsightly objects, or nuisances shall be erected, altered, or permitted to remain on any lot or tract in the subdivision with the exception of one "availability" (for sale or rent) shall be allowed. (See Sections 3 and 4.1)

Section 4.1 Driveway Signs. Each lot owner will be required to install a standard uniform sign post in a style which has been approved by the Architectural Review Committee at the driveway access to every residence. The cost for the uniform post and sign shall be assessed at the time of approval of the site plan. Installation shall be the responsibility of the owner and shall be subject to the inspection and approval of the Architectural Review Committee. Each sign and post shall contain a metal plate and reflective numerals showing the address assigned by Summit County. In the event the owner wishes to sell or rent, an "availability" sign may be installed to hang on the uniform post. Such signs will conform to the size and criteria set by the Architectural Review Committee. Any availability signs shall be paid for by the owner prior to installation and may utilize the listing company's logo and name. Owners may use additional signage to designate their residence so long as the proposed additional signage is approved by the Architectural Review Committee. It shall be the owner's responsibility to keep the post and signage in good repair. Signs may be removed by an agent of the Architectural Review Committee for reason of disrepair or outdated listings.

Section 5. Domestic Pets. No animal shall be kept on any lands in the subdivision except ordinary household pets and horses (see Article VII, Section 6, below) belonging to the household. No more than two dogs and two cats per unit may be kept on any residential lot. Owners shall not allow their dogs and/or cats to disturb the peace and quiet of any neighbor by barking, fighting, howling, crying or by emitting any other similar sound. All dogs and cats must be under direct control of their owners at all times and must not be allowed to roam off the owner's residential lot. All dogs and cats and other household pets shall be subject to all control provisions for such animals as enacted by Summit County from time to time and enforced by it. Owners may construct dog runs using chain link fence material, so long as the chain link fence is

screed with natural materials and is not visible from the road or the neighboring lots. Placement of the dog run and materials used to construct and/or screen the dog run must be approved by the Architectural Review Committee prior to construction.

Section 6. Horses. The number of horses allowed on any residential lot shall not exceed four (4) and must be owned or leased by the lot owner or other members of the lot owner's household. The Board of Directors of the Association may approve additional horses upon request from a lot owner only if all adjoining lot owners affirmatively agree to permit the additional horses. Owners must provide supplementary feed so that meadows on residential lots will not be overgrazed. Horses must be kept within a permanent enclosed area which must be kept clean, sanitary, and reasonably free of refuse, insects, and waste at all times. The design and location of the enclosed area must be approved by the Architectural Review Committee prior to construction. Any owner who desires to pasture horses on their lot outside of the permanent enclosed area must present a grazing plan that must be approved by the Architectural Review Committee prior to implementation. Grazing plan approval will be required on an annual basis in order to ensure compatibility with irrigation procedures and future construction on adjacent property. Every owner who desires to graze horses outside of the permanent enclosed area is required to prevent a condition of over grazing of the meadows on his lot. In the event any area become denuded as a result of overgrazing, said owner shall be required to reseed that area to bring the ground cover back to a natural condition such as existed prior to the overgrazing. Failure to reestablish ground cover can result in the withdrawal by the Association of the right to maintain horses on a lot.

Section 7. Hay Meadows. The Declarant initially and, after assignment, the Association, owns all of the hay in the irrigated hay meadows of the subdivision, whether platted in open tracts, access easements or private lots. It is the responsibility of the Association to provide for the irrigation of the meadows, and fertilization, cutting and harvesting of the hay each season. The hay harvest yield, after any share provided to those who irrigate and cut and otherwise harvest the hay, shall be sold first to the owners of property in The Ruby Ranch and then to others at a price and at such timing priority as determined by the Board of Directors of the Association. No horses shall be allowed to graze or roam unrestricted in the irrigated meadows in the open area tracts or other open areas unless specifically authorized by the Board of Directors.

Section 8. Fences. All fences on any residential lot shall be constructed of wood or poles and of a design and in a location approved by the Architectural Committee. No fences except single strand non-barbed wire electric fences are permitted in the irrigated meadows. Any such electric fence must be removed by June 1 of each year to facilitate irrigation and harvesting of the hay and may be re-installed after the hay is cut and removed from the meadows. No fence may be constructed where it will limit access to or from any easement for ditches, utilities, green belts, open meadows or access to National Forest lands.

Section 9. Hunting and Firearms. No hunting or discharge of firearms shall be permitted anywhere within The Ruby Ranch subdivision.

Section 10. Forestry Maintenance. The Declarant or the Association shall have the right to enter upon any residential lot or tract to remove any dead or dying trees or other forest growth which may endanger other forest trees or growth because of disease, insect infestation, or other such causes. The cost of such treatment or removal shall be the obligation of the owner of the residential lot or tract where the subject trees or forest material is located.

Section 11. No Resubdivision. **After June 1, 2000**, no lot described on the recorded plat of the subdivision shall ever be resubdivided into smaller tracts or lots nor conveyed nor encumbered in any less than the full original dimensions as shown on said recorded plat.

Section 12. Combining Lots. If two or more contiguous residential lots are owned by the same owner or owners, they must be combined into one or more larger residential lots by means of a written document executed and acknowledged by all of the owners thereof, approved by the Architectural Committee, and recorded in the real property records of Summit County, Colorado. Any vacation of lot lines or easements is subject to the approval by the Summit County Board of Commissioners.

Section 13. Service Yards and Trash. All cloth lines, equipment, service yards, woodpiles or storage piles on any lot or tract in the subdivision shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring lots or tracts and streets and access roads. All abandoned vehicles, rubbish and trash shall be removed from all lots and tracts in the subdivision, shall not be allowed to accumulate and shall not be burned thereon. No trailer automobile or other vehicle or boat shall be constructed, reconstructed, or repaired upon any private area in such a manner than such construction, reconstruction or repair is visible from neighboring property or roads.

Section 14. Underground Utility Lines. All utility lines within the limits of the subdivision must be buried underground and may not be carried on overhead poles nor above the surface of the ground. Such lines include, but are not limited to, water, gas, electric, telephone, intercoms and television.

Section 15. Reseed Disturbed Surface Area. All natural surface areas disturbed for road or building construction shall be resurfaced with natural topsoil and reseeded or treed to its natural condition, consistent with the improvement constructed, as soon after construction as possible and in no case longer than 12 months after the completion of the construction.

Section 16. No Recreational Vehicles. No motorized recreational vehicles such as trail bikes or snowmobiles or unlicensed motorcycles or all-terrain vehicles shall be operated on any roads, private lots or common area tracts anywhere within the subdivision unless specifically authorized by the Board of Directors of the Association at a meeting open to all members preceded by notice of the intent to consider waiver of the prohibition.

Section 17. Rental. Owners shall have the right to periodically rent their residence so long as the rental activity does not result in any objectionable noise, fumes, dust, or electrical disturbance, nor does it increase traffic volumes or amount of parking within the property and so

long as such rental conforms with the single-family residential character of the subdivision.

ARTICLE VIII - RESTRICTIONS on RESIDENTIAL LOTS

Section 1. Number and Location of Buildings. No buildings or structures shall be placed, erected, altered, or permitted to remain on any residential lot other than:

- (1) One detached single-family dwelling house containing a minimum of 2000 sq. ft. of finished living area and one smaller apartment-type residential unit **not to exceed 1000 sq. ft. of finished living area** as an integral part **of the dwelling house or of the garage**; and
- (2) One attached or detached garage per unit; and
- (3) One barn or stable or other non-residential out-building.

No dwelling house or other structure shall be placed, erected, altered, or permitted to remain on any residential lot at any site or location other than substantially that indicated on the development guide of the subdivision.

Section 2. Dwelling House to be Constructed First. No garage, barn, stable, or other out-building shall be constructed on any residential lot until after commencement of construction of the dwelling house on the same residential lot. All construction and alteration work shall be pursued diligently and each building, structure, or improvement which is commenced on any residential lot shall be entirely completed within 18 months after commencement of construction.

Section 3. Towers and Antennas. No towers or radio or television antennas higher than three feet above the highest roof line of the dwelling house shall be erected on any residential lot, and all such towers and antennas must be structurally attached to the dwelling unit. All such towers or antennas must be submitted for approval by the Architectural Committee pursuant to Article VI of these covenants.

Section 4. Trees and Landscaping. No trees or brush growing on any residential lot shall be felled or trimmed nor shall any natural areas be cleared, or formal lawn areas constructed, or landscaping performed on any residential lot without the prior written permission of the Architectural Committee.

Section 5. Tanks. No elevated tanks of any kind shall be erected, placed, or permitted upon any residential lot. Any tank used in connection with any dwelling unit or other structure on any residential lot, including tanks for storage of gas, fuel oil, gasoline, oil, or water shall be buried or if located above ground the location and screening shall be as determined by the Architectural Committee.

Section 6. Used or Temporary Structure. No used or previously erected or temporary

house, structure, house trailer, or non-permanent out-building shall ever be placed, erected, or allowed to remain on any residential lot, except during construction periods, and no dwelling unit shall be occupied in any manner prior to its completion. Pickup campers, camping trailers, recreational vehicles and any other such equipment may be stored on private property provided it is thoroughly screened from view from the road and adjoining residential lots and common area tracts.

Section 7. Exterior Lighting. All exterior lights and light standards on residential lots shall be approved by the Architectural Committee for harmonious development and the prevention of lighting nuisances to other lands in the subdivision.

Section 8. Off-Street Parking. No dwelling unit shall be constructed on any residential lot unless there is concurrently constructed on the same lot adequate off-street parking area for at least four automobiles per residential unit.

Section 9. Garbage Disposal and Sanitary Systems. Each dwelling unit or other structure containing a kitchen constructed on any residential lot in the subdivision shall be equipped with a garbage grinder or garbage disposal unit of a type approved by the Architectural Committee. No sewerage disposal system, sanitary system, cesspool, or septic tank shall be constructed, altered, or allowed to remain or be used on any lot or tract unless fully approved as to design, capacity, location, and construction by all proper public health agencies of the State of Colorado and the County of Summit, and by the Architectural Committee.

ARTICLE IX - RESTRICTIONS on COMMON TRACTS

Section 1. Improvements. No improvements of any kind or nature shall be constructed, altered, or allowed to remain on any common tract except private roads giving access to other lots and tracts in the subdivision, noncommercial stables or barns, training tracks, jumping courses, polo fields, meadows, clubhouses, swimming pools, tennis courts, golf courses, lakes and ponds, recreational facilities, bridle paths or similar improvements for the benefit of or use of all the member of the Association. All such improvements shall be approved by the Architectural Committee as elsewhere provided, and shall conform and harmonize in appearance, siting, and cost with existing structures on and the overall development plans for the subdivision.

ARTICLE X - EASEMENTS RESERVED

Section 1. Utility Easements Reserved. Declarant hereby reserves to itself, its successors and assigns, perpetual easements ten feet in width on each side of the boundary line along the entire perimeter of each lot and tract described on the recorded plats of The Ruby Ranch subdivision, for the purpose of constructing, maintaining, operating, replacing, enlarging, and repairing electric, telephone, television, water, irrigation, sewer, gas and similar utility lines, including all pipes, wires, ditches, conduits, culverts, walking trails and riding trails.

Section 2. Irrigation Easements and Rights Reserved. Declarant hereby reserves to itself, its successors and assigns, until assigned to the Association, perpetual easements 20 feet in width across all of the lands in the subdivision centered along the line of all irrigation ditches and laterals presently in existence or hereafter constructed with the consent of the owners of the lands across which constructed, for the purpose of construction, maintaining, and operating irrigation ditches and laterals for the proper irrigation of all meadow lands in the subdivision located on any lots and tracts therein and covenants that it shall maintain and operate said ditches for proper irrigation of all meadow lands. Declarant similarly reserves to itself, its successors and assigns, the right to, and covenants that it will, irrigate all such meadow lands at all reasonable times, and to go on all lots and tracts in the subdivision for the purpose of irrigating such meadow lands so as to preserve and maintain their natural beauty.

Section 3. Easements for Private Roads. Declarant hereby reserves to itself, its successors and assigns, perpetual easements across all common areas in the subdivision for private roads giving access to the residential lots in the subdivision; provided that no such private road shall ever be constructed or used without the prior written permission of the Architectural Committee.

Section 4. High Pressure Gas Easement. An easement varying in width from 25 to 50 feet dated February 2, 1971, exists on residential lots 5, 11, 12, 13 and 14, and open space Tract B in Filing 1 of The Ruby Ranch as shown on the recorded plat thereof. The Western Slope Gas Company has constructed a high pressure natural gas transmission line in this easement and a license agreement exists with said Gas Company. No fences may be built anywhere within this easement. Contractors and owners of the subject lots should contact the local office of Western Slope Gas Company.

ARTICLE XI - ENFORCEMENT

Section 1. Enforcement Actions. The Association, the Architectural Committee, or any owner shall have the right to prosecute any action to enforce the provisions of all of these covenants by injunctive relief, on behalf of itself and all of part of the owners of lands within the subdivision. They shall have the right to enforce all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, except as provided in Article XII, Section 1. Failure by the Association, the Architectural Committee, or any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

ARTICLE XII - GENERAL PROVISIONS

Section 1. Limitations on Actions. In the event any construction or alteration or landscaping work is commenced upon any of the lands in the subdivision in violation of these covenants and no action is commenced within 60 days thereafter to restrain such violation, then injunctive or equitable relief shall be denied, but an action for damages shall still be available to

any party aggrieved. Said 60-day limitation shall not apply to injunctive or equitable relief against other violations of these covenants.

Section 2. Severability. Invalidation of any one of these covenant provisions or restrictions by judgement or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3. Term and Binding Effect. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date of this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. They shall be a burden on the title to all of the lands in the subdivision, and the benefits thereof shall insure to the owners, heirs, successors, or assigns of all of the lands in the subdivision, and the benefits and burdens of all said covenants shall run with the title to all of the lands within the subdivision.

Section 4. Amendment. The Declaration may be amended during the first twenty (20) year period by an instrument signed by the owners of not less than ninety percent (90%) of the lots, and thereafter by an instrument signed by the owners of not less than seventy-five percent (75%) of the lots. Any amendment must be recorded.

Section 4.1. Execution and Counterparts. Each owner may sign Amendment documents in counterparts and it is understood and agreed that each such signature and notary acknowledgment of owners will be attached to the original amendment documents for recording.

Section 5. Additional Land. Additional adjacent land shown as Filing 3 on the Master Plan approved by the Board of County Commissioners on My 5, 1979, and an enclave of approximately 18 acres located near the northeast portion of the master-planned area may be annexed as additional filings by the Declarant without the consent of members within ten years of the date of this instrument. It is anticipated that the developer will proceed with at least subsequent Filing 3 of the Master Plan as approved by the Board of County Commissioners, but the developer is not bound to proceed with proposed additions. Residential lots in the proposed additions, if made, will become subject to their just share of Association expenses.

Section 6. Paragraph Headings. The paragraph headings in this instrument are for the convenience only and shall not be construed to be a part of the covenants contained herein.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 28th day of December, 1989.

Attest:

Carolyn V. Baker - Secretary

J.M. Lacy - President

The Shirley Company, a Colorado Corporation - Declarant

Julia K. Smith - Secretary

E. Neal Smith - President

EXHIBIT A

LEGAL DESCRIPTION OF FILING 1 SUBDIVISION, THE RUBY RANCH

Know all men by these presents that JMC Co., as owner of the land described as follows:
That tract of land being a portion of the S $\frac{1}{2}$ of Section 2 and the N $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Section 11,
T5S, R78W of the 6th P.M. Summit County, Colorado, being more particularly described as
follows:

Beginning at the northeast corner of the SE quarter of said Section 2; thence N89 degrees 39 minutes 13 seconds W along the north line of said southeast quarter a distance of 1103.55 feet; thence S62 degrees 51 minutes 46 seconds W a distance of 240.16 feet; thence 367.62 feet along the arc of a curve to the left having a central angle of 29 degrees 03 minutes 10 seconds and a radius of 725 feet; thence S33 degrees 48 minutes 36 seconds W a distance of 71.10 feet; thence 236.09 feet along the arc of a curve to the right having a central angle of 60 degrees 07 minutes 13 seconds and a radius of 225.00 feet; thence N86 degrees 04 minutes 11 seconds W a distance of 344.53 feet; thence 326.56 feet along the arc of a curve to the left having a central angle of 61 degrees 43 minutes 18 seconds and a radius of 305.00 feet; thence S32 degrees 12 minutes 31 seconds W a distance of 155.36 feet; thence 195.68 feet along the arc of a curve to the left having a central angle of 17 degrees 56 minutes 20 seconds and a radius of 625.00 feet; thence 24.17 feet along the arc of a curve to the left having a central angle of 06 degrees 54 minutes 00 seconds and a radius of 200.68 feet; thence S48 degrees 55 minutes 47 seconds W a distance of 564.64 feet to a point on the north line of the southeast $\frac{1}{4}$ of the southwest $\frac{1}{4}$ of said Section 2; thence N88 degrees 00 minutes 17 seconds W a distance of 1017.78 feet to the northwest corner of said southeast quarter of the southwest $\frac{1}{4}$; thence S01 degrees 02 minutes 46 seconds E a distance of 1316.64 feet to the southwest corner of said SE $\frac{1}{4}$ of the SW $\frac{1}{4}$; thence S89 degrees 53 minutes 21 seconds E along the south line of said Section 2 and the north line of said Section 11 a distance of 1371.16 feet to the northwest corner of the north $\frac{1}{2}$ of the NE $\frac{1}{4}$ of said Section 11; thence S00 degrees 06 minutes 57 seconds E a distance of 1318.90 feet to the southwest corner of said north $\frac{1}{2}$ of the NE $\frac{1}{4}$; thence S89 degrees 58 minutes 02 seconds E a distance of 2735.62 feet to the southeast corner of said N $\frac{1}{2}$ of the NE $\frac{1}{4}$; thence N00 degrees 03 minutes 00 seconds W a distance of 1324.04 feet to the section corner common to the sections 1, 2, 11 and 12; thence N01 degrees 33 minutes 44 seconds W along the east line of the SE $\frac{1}{4}$ of said Section 2 a distance of 2609.17 feet to the point of beginning; EXCEPTING there from that portion of the Willow Creek Placer M.S. No. 1259 lying in the SE $\frac{1}{4}$ of Section 2, T5S, R78W of the 6th P.M., Summit County, Colorado. Being more particularly described as follows: Commencing at the northeast corner of said SE $\frac{1}{4}$ thence S01 degrees 33 minutes 44 seconds E along the east line of said SE $\frac{1}{4}$ a distance of 1136.49 feet to a point on the 2-3 line of said M.S. No. 1259, said point also being a corner on the west line of that tract of land as described in Book 201 at page 200 in the office of the Summit County Clerk and Recorder, said point also being the true point of beginning; thence N16 degrees 54 minutes 44 seconds W along said 2-3 line a distance of

587.37 feet to corner No. 3 minutes thence N73 degrees 17 minutes 16 seconds E along the 3-4 line of said M.S. No. 1259 a distance of 161.09 feet to said east line of the SE $\frac{1}{4}$; thence S01 degrees 33 minutes 44 seconds E along said east line a distance of 608.54 feet to the true point of beginning containing 2271.170 acres more or less.

NOTICE OF ADDITION OF LAND

PURSUANT to Article XII of Section 5 of the Declaration of Covenants, Conditions and Restrictions for the Ruby Ranch Subdivision (hereinafter referred to as "The Covenants") recorded under Reception No. 197479 in the Summit County records, JMC Co. and The Shirley Company, hereinafter referred to as "Declarant", hereby gives notice of annexation of additional land known as The Ruby Ranch - Filing No. 2.

DECLARANT hereby declares that all of Filing No. 2 shall be held, sold and conveyed subject to The Covenants, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

IN WITNESS WHEREOF, the undersigned being the Declarant herein, has hereunto set its hand and seal this 20th day of May, 1981.

JMC Co. a Colorado corporation
J.M. Lacy - President

The Shirley Company, a Colorado corporation
E. Neal Smith - President

Notarized by
Carolyn Baker on May 20, 1981