

**AMENDED AND RESTATED  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE  
PEACEFUL VALLEY HOMEOWNERS ASSOCIATION  
A COLORADO NONPROFIT CORPORATION**

THIS AMENDED AND RESTATED DECLARATION is made effective upon recording.

RECITALS

- A. A Declaration of Covenants, Conditions and Restrictions of the Peaceful Valley Homeowners Association were recorded in the real property records of El Paso County, Colorado, on March 21, 1973, at Reception No. 987477 and any amendments thereto, including the Amendment recorded on July 13, 2000, at Reception No. 200081385 and the Amendment recorded on October 25, 2004 at Reception No. 204176891 (collectively, the Original Declaration), subjecting the real estate described therein to the terms and conditions set forth in the Original Declaration;
- B. The Owners and the Association desire to amend and restate all provisions of the Original Declaration, as amended and supplemented, by virtue of this Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Peaceful Valley Homeowners Association (“Declaration”) and intend, upon the recording of this Declaration, that all prior recorded declarations, amendments and supplements thereto shall be superseded and replaced by this Declaration;
- C. The Original Declaration provides for and allows for this Amended and Restated Declaration in Article X, Section 3 per the Amendment recorded on July 13, 2000, at Reception No. 200081385.
- D. All Owners are aware of the provisions of the Original Declaration allowing for amendment, by virtue of the record notice of the Original Declaration, by acts and disclosures, newsletters or notices of the Association and by other means;
- E. The amendments within this Declaration have been prepared and determined by the Association and by the Owners that have approved this Declaration to be reasonable and not burdensome;
- F. The purpose of the Association as provided in the Declaration is to preserve the value and desirability of the Community and the Lots and to further the interests of the residents of the Community and Members of the Association; and
- G. Owners representing at least sixty percent (60%) of the Owners have approved this Declaration, or alternatively, a Court Order entered by the District Court for Douglas County, Colorado pursuant to C.R.S. Section 38-33.3-217(7), has been entered approving this Declaration.

NOW THEREFORE, the Original Declaration is amended and restated as follows:

**ARTICLE ONE**  
**DEFINED TERMS**

Section 1.1 “**Act**” means the Colorado Common Interest Ownership Act (CCIOA), C.R.S. §33-33.3-101, et seq., as amended.

Section 1.2 “**Allocated Interest**” means the Common Expense Liability and votes in the Association allocated to each Lot. The Allocated interest of each Lot shall be equal to a fraction, the numerator of which is one (1) and the denominator of which is the total number of Lots within this Planned Community from time to time.

Section 1.3 “**Assessment**” or “Common Expense Assessment” shall include all expense assessments levied annually against Lots pursuant to this Declaration, including interest, late fees, attorney fees, fines and costs.

Section 1.4 “**Association**” shall mean and refer to the Peaceful Valley Homeowners Association, its successors and assigns.

Section 1.5 “**Board**” or “Board of Directors” means the body, regardless of name, designated in this Declaration to act on behalf of the Association.

Section 1.6 “**Bylaws**” means the Bylaws of this Association, and any other instruments, however denominated, which are adopted by the Association for the regulation and management of the Association, including any amendments to those instruments.

Section 1.7 “**Common Expense Liability**” means the liability for Common Expenses allocated to each Lot based on its Allocated Interest.

Section 1.8 “**Common Expense**” shall mean any expenditure made or liabilities incurred by or on behalf of the Association.

Section 1.9 “**Community,**” “**Common Interest Community**” or “**Planned Community**” shall mean the planned community known as Peaceful Valley Country Club Estates, Filing #1 and the real property subject to this Declaration, and as further defined by the recorded Plat and the legal descriptions contained therein, and any amendment thereto, as well as the Members comprising the Association.

Section 1.10 “**Declaration**” shall mean and refer to this Restated and Amended Declaration of Covenants, Conditions and Restrictions for the Peaceful Valley Country Club Estates, Filing #1 recorded in the office of the Clerk and Recorder of El Paso County, State of Colorado, including any amendments thereto, and also including, but not limited to, any Plats and Maps related thereto.

Section 1.11 “**Dwelling Unit**” shall mean a residential building designed for occupancy by a single family on a Lot, including an attached garage, but excluding any Accessory Structure.

Section 1.12 “**Governing Documents**” shall mean the Articles of Incorporation, the

Bylaws, the Declaration of Covenants, Conditions and Restrictions, and the Rules and Regulations of the Peaceful Valley Homeowners Association, as they may be adopted by the Membership and Board of Directors of said Association, or as thereafter amended.

Section 1.13 “**Improvements**” means all exterior improvements, structures and any appurtenances thereto or components thereof of every type or kind, and all landscaping features including, but not limited to, buildings, outbuildings, swimming pools, tennis courts, carports and fences.

Section 1.14 “**Lot**” shall mean and refer to any plot of land shown upon any recorded subdivision Plat or Map of the Properties with the exception of Common Areas, if any.

Section 1.15 “**Member**” shall mean any Owner. The terms “Member” and “Owner” may be used interchangeably.

Section 1.16 “**Owner**” shall mean the Owner of record title to any Lot which is part of the Property (whether one or more persons or entities), including contract sellers, but, excluding those having an interest resulting from the retention of a security interest for the performance of an obligation.

Section 1.17 “**Person**” means a natural born person, a corporation, a partnership, an association, a trust, or any other entity or any combination thereof.

Section 1.18 “**Plat**” or “**Map**” shall mean and refer to the plat(s) and/or map(s) of the Property and Improvements that are subject to this Declaration and which are designated as the plat for the Peaceful Valley Country Club Estates, Filing #1 recorded in the records of the Office of the Clerk and Recorder of El Paso County. More than one plat, map or supplement thereto may be recorded, and, if so, then the term “Plat” or “Map” shall collectively mean and refer to all of such plats, maps and supplements thereto.

Section 1.19 “**Properties**” or “**Property**” shall mean and refer to all of the real property described in the Plat recorded in the County of El Paso, State of Colorado, the use of which is controlled by this Declaration of Covenants, Conditions and Restrictions, and subject to the Governing Documents of the Peaceful Valley Homeowners Association

Section 1.20 “**Real Estate**” means any estate or interest in, over or under the land, including structures, fixtures, air space, water rights, if any, and other improvements, that by customary usage or law, pass with a conveyance of land even though said interest is not described in the contract of sale or instrument of conveyance.

Section 1.21 “**Rules and Regulations**” shall mean any instruments, however denominated, which are adopted by this Association for the regulation and management of the Community, including any amendment to those instruments.

Section 1.22 “**Security Interest**” means an interest in real estate or personal property created by contract or conveyance which secures payment for the performance of any obligation. The term includes a lien created by a mortgage, deed of trust, security deed, contract for deed, land sales contract, lease intended as security, assignment of lease or rents intended as security, pledge of an ownership interest in the Association, and any other consensual lien

or title retention contract intended as security for the payment or performance of an obligation.

Section 1.23 “**Security Interest Holder**” means any Person named as a mortgagee or beneficiary, or in a similar capacity, under any Security Interest.

Section 1.24 “**Special Assessment**” shall include all expense assessments levied from time to time as necessary against Lots pursuant to this Declaration, including interest, late fees, attorney fees, fines and costs.

## **ARTICLE TWO**

### **NAMES AND DESCRIPTIONS OF REAL ESTATE/EASEMENTS**

Section 2.1 Name and Type: The type of Common Interest Community is a Planned Community. The name of the Planned Community is "Peaceful Valley Country Club Estates, Filing #1." The name of the Association is "Peaceful Valley Homeowners Association."

Section 2.2 Property: The Planned Community is located in El Paso County, State of Colorado. The Property of the Planned Community is described in Exhibit A. Easements for utilities and other purposes over and across the Lots are as shown upon any recorded Plat or Map of the Planned Community, and as may be established or amended from time to time pursuant to the provisions of this Declaration.

## **ARTICLE THREE**

### **THE ASSOCIATION AND BOARD OF DIRECTORS**

Section 3.1 Membership: Every person who is a record Owner of a fee in any Lot which is subject to this Declaration shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of a Lot or parcel of real estate contained in the Subdivision shall be the sole qualification for such membership. Where more than one person holds an interest in any Lot, all such persons collectively shall comprise one (1) ownership interest.

Section 3.2 Voting: The Association shall have the right to suspend an Owner’s voting rights any period during which any assessment against the Owner’s Lot is delinquent. Except when the Association has suspended an Owner’s right to vote due to delinquent assessments, Owners shall be entitled to vote on all matters submitted to a vote of the Members of the Association. Each Lot shall be allocated one (1) vote which shall be cast as a single vote and shall not be subject to fractional voting. Voting by mail shall be allowed in the manner provided in the Colorado Nonprofit Corporation Act. Votes by mail shall have the same effect as votes by written proxy.

Section 3.3 General Purposes and Powers of the Association: The Association shall have all power necessary or desirable to effectuate the purposes for which the association is formed. The Association shall exercise said authority through its Board of Directors and shall manage the Peaceful Valley Country Club Estates, Filing #1 Planned Community as provided in this Declaration so as to protect the value and desirability of the Peaceful Valley Country Club Estates, Filing #1 Planned Community and the Lots therein contained, and to further the interests of the Owners, tenants and invitees of the Peaceful Valley Country Club Estates, Filing #1 Planned Community and Members of the Peaceful Valley Homeowners Association.

Any purchaser of a Lot shall be deemed to have assented to, ratified, and approved the authority of the Board of Directors to exercise or delegate all management functions.

Section 3.4 Colorado Common Interest Ownership Act: The Association shall be governed by the Colorado Common Interest Ownership Act (CCIOA), this Declaration of Covenants, Conditions and Restrictions, the Plat, any Map, its Articles of Incorporation and Bylaws, and any responsible governance policies, Rules and Regulations promulgated by the Board of Directors. Pursuant to the CCIOA, the Board of Directors may, by written resolution, delegate authority to a manager or managing agent for the Association, provided no such delegation shall relieve the Board of final responsibility.

Section 3.5 Budget: Within thirty (30) days after adoption of any proposed budget for the Common Interest Community by the Board of Directors, the Board or its designee shall mail, by ordinary first-class mail, or otherwise deliver, including posting the proposed budget on the association's website and/or, if the Owner has provided the Association with the Owner's electronic mail (e-mail) address, the Association may provide notice to that Owners by electronic mail (e-mail), a summary of the budget to all the Owners, and shall set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen (14) nor more than sixty (60) days after mailing or other delivery of the summary. Unless at that meeting the vote of sixty percent (60%) of the Allocated Interests rejects the budget, the budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the Owners shall be continued until the Owners ratify a subsequent budget proposed by the Board of Directors.

Section 3.6 Association Management Agreements: Any agreement for professional management of the Peaceful Valley Homeowners Association may not exceed three years. Any such agreement must provide for termination by either party without cause and without payment of a termination fee or penalty upon forty-five (45) days prior written notice.

#### **ARTICLE FOUR** **COVENANT FOR COMMON EXPENSE ASSESSMENTS**

Section 4.1 Creation of Association Lien and Personal Obligation to Pay Common Expense Assessments: Each Lot, and each Owner, by acceptance of a deed for a Lot, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay on a current basis to the Association annual Common Expense Assessments and Special Assessments as imposed by the Association through its Board of Directors. Such Assessments, including fees, costs, charges, late charges, attorney fees, fines and interest charged by the Association shall be the personal obligation of the Owner of such Lot or real estate parcel at the time when the Assessment or other charges become due, and shall be paid in such installments as the Board of Directors shall from time to time direct. The Association's annual Common Expense Assessments and such other Assessments as imposed by the Board of Directors, including fees, costs, charges, late charges, attorney fees, fines and interest charged by the Association, shall be a charge on each Lot and shall be a continuing lien upon the Lot against which each such Assessment or charge is made. If any Assessment is payable in installments, the full amount of the Assessment is a lien from the time the first installment becomes due. The personal obligation to pay any past-due sums to the Association shall not pass to a successor in title unless expressly assumed by them. No owner

may become exempt from liability for payment of the amounts due by waiver of the use or enjoyment of the Common Area, if any, or by abandonment of the Lot against which the Common Expense Assessments are made. All Assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reduction thereof shall be permitted for any reason including, without limitation, any claim that the Association or the Board of Directors is not properly exercising its duties and powers under this Declaration.

Section 4.2 Purpose of Assessments: The assessments levied by the Board of Directors shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Lots, and for all of those purposes and activities which may be required of the Association or which the Association may be empowered to pursue pursuant to this Declaration or the Articles of Incorporation or Bylaws of this Association, or by law.

Section 4.3 Common Expense/Annual Assessment: The Common Expense Assessment may be made on an annual basis against all Lots, equally, and shall be based upon the Association's advance budget of the cash requirements needed by it to provide for the administration and performance of its duties during such Assessment year. Pursuant to Article 3 above, unless sixty percent (60%) of the Members reject the budget, said budget is ratified, whether or not a quorum is present. Amendments to the budget shall be made pursuant to the ratification procedures described in this Section. Assessments shall be based on a budget adopted by the Association as provided in this Declaration, which shall be done no less frequently than annually. Any Owner purchasing a Lot between installment due dates shall pay a pro rata share of all amounts of the Annual Assessment due, including fees, late charges, fines, interest, costs, and attorneys fees with regard to said Lot. Common Expense/Annual Assessments shall be due and payable in monthly, quarterly, or annual installments, or in any manner, as determined by the Board of Directors.

Section 4.4 Special Assessment: In addition to the annual Common Expense assessments authorized in this Article, the Board of Directors may at any time, and from time to time, levy a Special Assessment against the Lots which is not contained in an annual budget prepared by the Board of Directors, and which may be submitted to Owners for approval, provided however, any additional or special Assessments shall be approved by an affirmative majority vote of the Members of the Association. Special Assessments may also be approved by a vote by mail so long as votes totaling a majority of the Members are returned and approve the proposed additional or special Assessment. The procedures for ratification of a budget set forth in Article 3 do not apply to Special Assessments.

Section 4.5 Surplus Funds: Any surplus funds of the Association, including but not limited to, working capital funds remaining after the payment of, or provision for, the payment of Common Expenses, and any prepayment of Common Expenses.

Section 4.6 Apportionment of Common Expenses, Costs, Fees, Charges, and Special Assessments: The liability of each Lot or parcel real estate Owner, with respect to Common Expenses, costs of operation the Association, fees, charges, Special Assessments and all other costs incurred by the Association in the management and improvement of the Peaceful Valley Country Club Estates, Filing #1 shall be allocated equally between each Lot or real estate Owner. If Lots are added to, or withdrawn from, the Peaceful Valley Country Club Estates, Filing #1, pursuant to the provisions of this Declaration and Act, the formulas set forth above

shall be used to reallocate the Allocated Interests. The Association now has eighty-six (86) total Lots. Common expense liabilities are allocated among only eighty-six (86) Lots. All rights and obligations in the Association that are allocated among the Members and/or Lots are allocated in shares of a one/eighty-sixth share per Lot/Member. This Amendment does not add any limited common elements or common elements to the Association.

Section 4.7 Effect of Non-Payment of Assessments: Any Assessment, fees, costs, attorneys fees, interest or charges established by this Declaration, the Bylaws, or the Rules and Regulations of this Homeowners Association, together with any installment thereof, which is not fully paid within fifteen (15) days after the due date thereof, shall bear interest at the rate of eighteen percent (18%), on a per annum basis from the due date, and the Association may assess a reasonable late charge on any outstanding balance as determined by the Board of Directors. Further, the Board of Directors may levy a fine or other penalty against an Owner for non-compliance with any provision of this Declaration and Covenant, the Bylaws of this Association, or any Rules and Regulations promulgated by the Board of Directors of the Association. Said fine or penalty shall be due and payable in accordance with the provisions of the Board of Directors provided in the written notice by the Board of Directors to the Owner.

Failure to make payment within sixty (60) days of the due date thereof shall accelerate the obligation of the Owner to pay immediately the remainder of all amounts due for the fiscal year, plus any fees, charges, interest, attorney fees, late fees, fines and penalties levied against the Owner, all at the option of the Board. Further, the Association may bring an action at law or in equity, or both, against any Owner personally obligated to pay such overdue Assessments, charges or fees, or other installments thereof, and may also proceed to foreclose the Association's lien against such Owner's Lot. An action at law or in equity by the Association against an Owner to recover a money judgment for unpaid Assessments, charges or fees, interest, attorney costs, interest, fines or penalties, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien therefor. Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing its lien for any subsequent Assessment, charges or fees, or other installments thereof, which are not fully paid when due. The Association shall have the power and right to bid on or purchase any Lot at foreclosure or other legal sale, and to acquire and hold, lease, mortgage, and vote the Association votes appurtenant to ownership thereof, or convey or otherwise deal with the same. If a foreclosure action is filed to foreclose any Assessment lien, and an Owner abandons or leaves vacant his or her Lot, the Board may take possession and rent said Lot or apply for the appointment of a receiver for the Lot without prior notice to the Owner.

Section 4.8 Cumulative Remedies: If any Owner fails to pay any assessment when due, the Association shall be entitled to all of the rights and remedies provided in this Declaration, or at law, or in equity. Each remedy provided in this Declaration is distinct, separate, and cumulative to all other rights or remedies under this Declaration or afforded by law or equity, and may be exercised concurrently, independently, or successively, in any order whatsoever.

Section 4.9 Lien Priority: The lien of the Association under this section is prior and superior to all other liens and encumbrances on a Lot except: (1) liens and encumbrances recorded before the recordation of this Original Declaration; (2) a first lien Security Interest on the Lot (except as allowed by the Act with regard to the limited lien priority allowed to the

Association pursuant to Section 38-33.3-316 of CCIOA); and (3) liens for real estate taxes and other governmental assessments or charges against the Lot. This section does not affect the priority of mechanics' or materialmen's liens. The lien of the Association under this Article is not subject to the provision of any homestead exemption as allowed under state and federal law. Sale or transfer of any Lot shall not affect the lien for said Assessments or charges, fees, attorney fees or interest thereafter becoming due, nor from the lien of the Association as provided in this Declaration, the Bylaws or the Articles of Incorporation of this Association.

Section 4.10 Receiver: In any action by the Association to collect assessments or to foreclose a lien for unpaid assessments, the court may appoint a receiver for the Owner to collect all sums alleged to be due from the Owner prior to or during the pendency of the court action. The court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the court action to the extent of the Association's Common Expense assessments or Special Assessments.

**ARTICLE FIVE**  
**COVENANTS AND RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY**

Section 5.1 Applicability/Acknowledgement: All provisions of these Governing Documents shall apply to Owners and their guests, tenants, invitees, licensees, and their tenant's invitees and licensees. Owners and their successors and assigns, by ownership of their Lot, acknowledge that they have been given notice, that the ability of each owner to use his or her Lot(s) is limited by the provisions in the Governing Documents.

**ARTICLE SIX**  
**INSURANCE/CONDEMNATION**

Section 6.1 Insurance to be Maintained by Owner: Unless otherwise expressly provided in this Declaration, an insurance policy issued to the Association does not obviate the need for each Owner to obtain insurance to protect and conserve their real estate and all improvements thereon, and therein contained, for their own benefit. Further, each Owner is advised to obtain and maintain adequate hazard and liability insurance covering loss, damage or destruction by fire, peril or any other casualty to the Improvements, installed or made to their Lot, the other property of that Owner, and any bodily injuries occurring to persons while on a Lot, including death and personal injury.

Section 6.2 Insurance for the Association:

- (a) Fidelity Insurance. In the discretion of the Board of Directors, the Association may obtain fidelity coverage or fidelity bonds to protect against dishonest acts on the parts of its officers, directors, trustees and employees and on the part of all others who handle or are responsible for handling the funds of the Association, including persons who serve the Association with or without compensation. The fidelity coverage or bonds should be in an amount sufficient to cover the maximum funds that will be in the control of the Association, its officers, directors, trustees and employees.
- (b) Association Worker's Compensation and Employer's Liability Insurance: The Association shall obtain worker's compensation and employer's liability insurance and



all other similar insurance with respect to employees, if any, in the amounts and forms as may now or hereafter be required by law.

- (c) Officers' and Directors' Personal Liability Insurance: In the discretion of the Board of Directors, the Association may obtain, to the extent reasonably available, Officers' and Directors' personal liability insurance to protect the officers and directors from personal liability in relation to their duties and responsibilities in acting as Officers and Directors on behalf of the Association.
- (d) Other Association Insurance: The Association may obtain insurance against such other risks, of similar or dissimilar, as it shall deem appropriate with respect to the Association's responsibilities and duties.
- (e) Insurance Premium: Insurance premiums for insurance provided by the Association shall be a Common Expense to be included as a part of the annual budget Assessments levied by the Association.

Section 6.3 Adjustments by the Association: Any loss covered by an insurance policy described above shall be adjusted by the Association, and the insurance proceeds for that loss shall be payable to the Association and not to any holder of a first lien Security Interest. The Association shall hold any insurance proceeds in trust for the Association.

## **ARTICLE SEVEN** **INDEMNIFICATION**

Section 7.1 For purposes of this Article, the following definitions shall apply:

- (a) **"Association"** means this Association and includes any domestic or foreign successor entity of this Association derived through a merger or other transaction, in which the present Association's existence ceases upon consummation of the transaction.
- (b) **"Director"** means an individual who is, or was, a Director of the Association or an individual who, while a Director of this Association, is or was serving at the Association's request as an Officer, Trustee, Employee or Agent of the Association.
- (c) **"Expenses"** includes all Expenses including attorney's fees.
- (d) **"Liability"** means the obligation to pay a judgment, settlement, penalty, fine or any other reasonable, including attorney's fees expense incurred with respect to a legal Proceeding including attorney's fees.
- (e) **"Official Capacity"** when used with respect to the authority of the Director, the office of a Director in the Association or when used with respect to the authority of an Officer, or the office in the Association held by an Officer or when used with respect to an Employee or Agent other than a Director or Officer, of the Association, "Official Capacity" shall include the employment or agency relationship undertaken by the Employee, Agent, Officer or Director on behalf of the Association. "Official Capacity" shall not include service for any other foreign or domestic corporation or any partnership, joint venture, trust or other

entity or enterprise.

(f) “**The Party**” includes an individual who was, or is threatened to be made a named defendant or respondent in a legal Proceeding.

(g) “**Proceeding**” means any threatened, pending, or completed, legal action, suit or appeal or other Proceeding whether civil, criminal, administrative or investigative or whether formal or informal.

Section 7.2 indemnification: Except as provided in Section 7.3 of this Article, the Association shall indemnify any individual against liability incurred in any Proceeding to which the individual is made a party because he or she is or was a Director, Officer, Employee or Agent of this Association provided that:

- (a) He or she conducted himself or herself in good faith; and,
- (b) He or she reasonably believed:
  - 1. In the case of his or her conduct in his or her Official Capacity with the Association, that his or her conduct was in the Association’s best interests; or,
  - 2. In all other cases, that his or her conduct was at least not opposed to the best interests of the Association; and,
  - 3. In the case of any criminal Proceeding, that he or she had no reasonable cause to believe his or her conduct was unlawful.
- (c) The provisions for Indemnity by the Association shall continue to apply to any Director, Officer, Fiduciary, Employee or Agent of the Association who incurs cost, expenses or other damages whether the act or omission to act on the part of the Employee, Officer or Director which forms the basis for such suit, action or Proceeding occurred before or after the adoption of this Indemnity provision.

Such Indemnification shall not apply:

- 1. With respect to any matter as to which such individual Officer, Agent, Director or Employee shall be finally adjudged in such legal action, suit or Proceeding to have acted in bad faith or in a manner in which he or she reasonably believed was not in the best interests of the Association.
- 2. With respect to any criminal action or Proceeding, such Indemnification shall not apply with respect to any matter as to which such individual had reasonable cause to believe that said action was unlawful.

Note: The termination of a legal Proceeding by virtue of a judgment, order, settlement, conviction or upon the entrance of a plea of *Nolo Contendere* is not in and of itself determinative that the Director, Officer, Employee or Agent did not meet the standards of conduct described in the foregoing Section of this Article.

Section 7.3 Indemnification Disallowed: The Association shall not indemnify the Director, Officer, Employee or Agent of this Association:

A. In connection with a Proceeding by or in the right of the Association in which the Director was adjudged liable to the Association; or

B. In connection with any other Proceeding, in which the Director, Officer, Employee or Agent, was adjudged liable on the basis that personal benefit was improperly received by him or her.

Section 7.4 Expenses Subject to Indemnification: To the extent that a Director, Officer, Employee or Agent of the Association has been successful on the merits in defense of any claim, action, suit or Proceeding to which he or she was made a party because he or she was a Director, Officer, Agent or Employee of the Association, the Association shall indemnify him or her against all expenses actually and reasonably incurred by him or her in connection with such Proceeding, including attorney's fees and costs, except to the extent covered by insurance.

Indemnification under this Section of this Article is limited to the reasonable expenses incurred in connection with a legal Proceeding. Nothing in this Article shall limit the power of the Association to pay or reimburse an Officer, Director, Employee or Agent of this Association with respect to his or her reasonable expenses incurred in connection with his or her appearance as a witness in a legal Proceeding at a time when he or she has not been made or named a Party or respondent in the Proceeding.

Section 7.5 Authorization to Indemnify: The Association shall not indemnify a Director, Officer, Agent or Employee of this Homeowners Association unless authorized in a specific case after determination has been made by the Board of Directors that an Indemnification of the Director, Officer, Agent or Employee of the Association is permissible in the circumstances because he or she has met the standards of care and conduct set forth in this Article.

A. The determination shall be made:

i. By the Board of Directors by a majority vote of a quorum consisting of the Directors who are not at the time Parties to the particular Proceeding for which Indemnification is sought; or,

ii. If a quorum, of the Board of Directors, cannot be obtained, by a majority vote of the committee duly designated by the Board of Directors which committee shall consist of two or more Directors who are not Parties to the Proceeding for which Indemnification is sought.

iii. By independent legal counsel:

a. Selected by the Board of Directors

iv. By the Members of the Association, by majority vote, excluding the interested Director, Officer, Agent or Employee who is an Owner as the same as defined in these Articles of Incorporation.

Section 7.6 Advancement of Expenses:

A. The Association may pay for or reimburse the reasonable expenses incurred by a Director, Officer, Agent or Employee of this Association who is a Party to a Proceeding in advance of the final disposition of the Proceeding if:

i. The Director furnishes the Association with a written affirmation of his or her good faith belief that he or she has met the standards of conduct and care described in this Article; and,

ii. The Director, Officer, Agent or Employee furnishes the Association with a written statement executed personally to repay the advance if it is ultimately determined that he or she did not meet the standards of care and conduct required under this Article. This written undertaking required by this Section of this Article shall be an unlimited general obligation and warranty of the Director but need not be secured; and,

iii. A determination by the Board of Directors that the facts support the advancement.

Section 7.7 Court Ordered Indemnification: A Director, Officer or Employee who is or was a party to a legal Proceeding may apply for Indemnification to the court of record conducting the Proceeding or to another court of competent jurisdiction. Upon receipt of an application or petition, the court, after giving any notice that the court considers necessary, may order Indemnification if:

The Director, Officer, Employee or Agent of the Association is entitled to a mandatory Indemnification under these Articles of Incorporation in which case the court shall order Indemnification and shall also order that the Association pay the Director's, Officer's, Agent's or Employee's reasonable expenses and attorney's fees incurred in order to obtain the court ordered Indemnification; or,

That the Director, Officer, Employee or Agent is fairly and reasonably entitled to Indemnification in view of all of the relevant circumstances whether or not the Director, Officer, Employee or Agent met the standards of care and conduct set forth in this Article in which case, the court may order such Indemnification as the court deems proper. However, in such case, the court shall limit the award for those expenses incurred in the original Proceeding, but not the Proceeding sought by the Director, Officer, Employee or Agent to obtain the court ordered Indemnification.

Section 7.8 Purchase of Insurance: The Association may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, Employee, Fiduciary or Agent of the Association or who is or was serving at the request of the Association as a Director, Officer, Trustee, Employee, Fiduciary or Agent. Said insurance shall insure any Officer, Director, Employee, Fiduciary or Agent against any liability asserted against him or her or incurred by him or her while serving in such capacity or arising out of his or her status as a Director, Officer, Employee or Agent of the Association.

Section 7.9 Report to Members: Any Indemnification of or advance of expenses to a Director, Officer, Agent or Employee of the Association in accordance with this Article shall

be reported in writing to the Members of the Association at the next Members' meeting.

The provisions of this Article shall continue to apply to any and all persons that have served in the capacity of a Director, Officer, Agent or Employee but who have ceased to be a Director, Officer, Agent, Employee or Fiduciary of the Association. Such Indemnification shall also inure to the benefit of the respective heirs, personal representatives, successor and assignee.

Section 7.10 Limitations on Director's and Officer's Liability: Subject to the provisions of Section 38-33.3-303(2) of the Colorado Revised States as amended, the personal liability of an Officer or a Director of the Association to its Members, if any, for monetary damages for breach of a Fiduciary duty is hereby eliminated; except that such provision shall not eliminate or limit the liability of an Officer or Director to the Association or to its Members for monetary damages incurred by reason of:

- A) Any breach of the Officer or Director's duty of loyalty to the Association or to its Members;
- B) Acts or omissions to act not in good faith or which involve intentional misconduct or a knowing violation of the law;
- C) Acts specified as being prohibited in Section 7-24-110 of the Colorado Revised Statutes as amended, or any successor provision thereof; or,
- D) Any transaction from which the Officer or Director derived an improper personal benefit.

## **ARTICLE EIGHT** **ARCHITECTURAL REVIEW**

Section 8.1 Required Approval. No structures, including residences, outbuildings, accessory buildings, tennis courts, swimming pools, fences, or any other improvements shall be constructed, erected, relocated, removed or installed on a Lot, nor shall any alteration or change to the exterior of the improvements, the exterior of a residence, to a Lot or to any structure or any attachment to the exterior of a residence be commenced unless complete plans and specifications shall have been first submitted to and approved in writing by the Architectural Review Committee ("Committee") as may be outlined in the Rules and Regulations. Painting a Dwelling Unit the same color does not require prior approval from the Association or Committee. Awnings, shutters, solar panels, and any other devices or structures that are considered Renewable Energy Generation Devices or Energy Efficiency Measures, as defined by Colorado law, are permitted subject to reasonable aesthetic regulations adopted by the Committee. The Committee may require that applications of Owners and their plans and specifications show exterior design, height, materials, color, location of the structure or addition to the structure or proposed improvement (plotted horizontally and vertically), location and size of driveways, walls, windbreaks and grading plan, as well as such other materials and information as may be required by the Committee.

Section 8.2 Acknowledgment of Owners. Owners acknowledge, accept and agree to the following:

(a) Owners will not commence construction or installation of an improvement until they have submitted improvement plans and specifications and received written approval from the Committee;

(b) Owners shall immediately comply with any request by the Association for additional information relating to an improvement prior to the Committee's approval of a request and/or prior to the completion of an improvement. Failure to comply with such a request by an Owner shall result in the withdrawal of Committee approval, if previously granted;

(c) Committee approval does not constitute approval of the local building or zoning department, drainage design or structural soundness;

(d) Owners shall notify the Committee of completion of the improvement's installation or construction within five days of such completion;

(e) Upon completion of an improvement, Owners authorize the Committee or its representative(s) to enter onto the Lot for exterior inspection;

(f) Failure of an Owner to notify the Committee of completion of an approved improvement and to allow inspection may result in the withdrawal of the Committee's approval;

(g) If the improvement as built does not conform to the improvement as approved by the Committee, the Committee's approval will be deemed withdrawn, and upon written request of the Committee, Owners shall, at their own expense and cost, promptly bring the improvement into compliance with the submitted and approved plans and specifications;

(h) In the event of withdrawal of Committee approval for any reason(s) cited in this Section, and upon written request from the Committee, the Owner, at his or her expense and cost, shall promptly restore the Lot to substantially the same condition as it existed prior to commencement of the improvement's installation or construction, and such withdrawal will be deemed to toll the statute of limitations as it pertains to the improvement until such time as the improvement is brought into compliance.

Section 8.3 Failure to Act. In the event that an improvement is completed without Committee approval and no suit or arbitration to enjoin the improvement has been commenced within 365 days from the original notification to the Owner or within 365 days after completion of the improvement, whichever is earlier, then approval will not be required and the improvement will be deemed to be in compliance with this Declaration. The Board shall establish the effective date of completion after consultation with the affected Owner, the manager, the Committee, and neighbors.

Section 8.4 Architectural Criteria. The Committee shall exercise its reasonable judgment to the end that all attachments, improvements, construction, and alterations to improvements on a Lot shall comply with the requirements set forth in this Declaration. No Dwelling Unit

shall be permitted on any Lot in which the finished living area of the main structure exclusive of basements, open porches and garages shall be less than the following:

1,450 total square feet in a one-story house

1,450 square feet in each of two floors of a bi-level house

1,800 total square feet in a tri-level or a two-story house.

The approval or consent of the Committee on matters properly coming before it shall not be unreasonably withheld, and actions taken shall not be arbitrary or capricious. Approval shall be based upon, but not limited to, conformity and harmony of the exterior appearance of structures with neighboring structures, preservation of aesthetic beauty, and conformity with the specifications and purposes generally set out in this Declaration. The Committee may, in its sole discretion, solicit input from: (1) Owners whose Lots are near a proposed improvement; (2) the entire Community, as appropriate; and/or (3) all Owners.

Section 8.5 Establishment of the Committee. The Board of Directors is authorized to determine the number of Committee members. The Board shall have the authority to determine terms for all Committee members and to remove any members of the Committee at their sole discretion.

Section 8.6 Architectural Guidelines. The Committee may propose architectural guidelines from time to time, which guidelines may be approved by the Board of Directors and included in or with any Rules and Regulations of the Association.

Section 8.7 Reply and Communication. The Committee shall reply to all submittals of plans made in accordance herewith in writing after two regularly scheduled meetings of the Committee after receipt. In the event the Committee fails to take any action on submitted plans and specifications after two regularly scheduled meetings of the Committee after the Committee has received the plans and specifications, approval shall be deemed to be granted; provided, however, nothing in this Section shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of this Declaration, the Rules and Regulations or any architectural guidelines adopted by the Board. All communications and submittals shall be addressed to the Committee in care of the Association.

Section 8.8 Conditions of Approval. In the discretion of the Board or the Committee, an Owner may be required to enter into a written agreement establishing the approval of the application in recordable form acknowledged by such Owner on behalf of himself or herself and all successors-in-interest. As a condition of approval for a requested architectural change, modification, addition or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interest, affirms and shall assume, unless otherwise agreed in writing, all responsibilities for maintenance, repair, replacement and insurance to and on such change, modification, addition or alteration.

Section 8.9 Commencement and Completion of Construction. All improvements approved by the Committee must be commenced within 12 months from the date of approval. If not commenced within such time, then such approval shall be deemed revoked by the Committee, unless the Committee gives a written extension for commencing the work. Additionally, except with written Committee approval otherwise, and except for delays caused by strikes, fires, national emergencies, critical materials shortages or other intervening

forces beyond the control of the Owner, all work approved by the Committee shall be completed within 18 months of commencement.

Section 8.10 Variances. The Committee may grant reasonable variances or adjustments from any conditions and restrictions imposed by this Declaration in order to overcome practical difficulties and unnecessary hardships arising by reason of the application of the conditions and restrictions contained in this Declaration or in architectural guidelines.

Section 8.11 Right to Appeal. If the Board of Directors is not acting as the Committee, an Owner whose plans have been denied or conditionally approved, or an affected neighbor, may appeal any decision of the Committee to the Board of Directors. The Board of Directors may adopt procedures by resolution for the Board of Director's review of decisions made by the Architectural Review Committee, as may be amended ("Appeal Policy"). The Board of Directors shall review the decision of the Committee pursuant to the criteria set forth in this Article and/or the architectural guidelines, and in accordance with the procedures set forth in the Appeal Policy, if any. Any decision of the Committee may be overruled and reversed by a majority of the directors.

Section 8.12 Waivers. The approval or consent of the Committee, or appointed representative thereof, to any application for architectural approval shall not be deemed to constitute a waiver of any right to hold or deny approval or consent by the Committee as to any application or other matters subsequently or additionally submitted for approval or consent.

Section 8.13 Liability. The Committee and the members thereof, as well as any representative of the Board designated to act on its behalf, shall not be liable in damages to any person submitting requests for approval or for any approval, or failure to approve or disapprove in regard to any matter within its jurisdiction under these covenants. Neither the Board nor the Committee shall bear any responsibility for ensuring the design, quality, structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes, zoning regulations and other governmental requirements.

Section 8.14 Records. The Association shall maintain written records of all architectural approval applications submitted and all actions taken and decisions made with respect thereto. Such records shall be open and available for inspection and copying by any Owner and such Owner's designated agent(s) during reasonable hours of the business day according to any policy adopted by the Board.

Section 8.15 Enforcement. Enforcement of these covenants, restrictions, charges and other provisions, as amended, may be by any proceeding at law or in equity against any person or persons violating or attempting to violate any such provision. The Association shall have the right, but not the obligation, to institute, maintain and prosecute any such proceedings. In any action instituted or maintained under this Section, the Association may be entitled to recover its costs and reasonable attorney fees incurred pursuant thereto, as well as any and all other sums awarded by the court. Failure of the Association to enforce any covenant or restriction contained in this Section shall in no event be deemed a waiver of the right to do so thereafter. In addition, or in the alternative, the Association shall have all other



enforcement rights as set forth in this Declaration.

ARTICLE NINE  
USE RESTRICTIONS

Section 9.1 Residential Use. One single family Dwelling Unit, Accessory Structures and Private Recreational Facilities may be placed on each Lot in accordance with the terms of this Declaration. All leases or rental agreements for any Lot, Dwelling Unit or Accessory Structure shall be in writing, shall be specifically subject to this Declaration, and shall be for a term of at least twelve (12) months. The name(s), secondary address(es) and daytime phone number(s) of any lessee(s) shall be submitted to the Board for its records. No Lot, or any building, structure or improvement on such Lot, shall be used for any business, commercial or professional use. Notwithstanding the foregoing, however, Owners may conduct business activities within their homes provided that the following conditions are satisfied:

- (a) The business conducted is clearly secondary to the residential use of the home and is conducted entirely within the home;
  - (b) The existence or operation of the business is not detectable from outside of the home by sight, sound, smell or otherwise, or by the existence of signs indicating that a business is being conducted; provided, however, that signage consistent with the character of the Community may be permitted at the sole discretion of the Committee in accordance with the Architectural Guidelines.
  - (c) The business does not result in an undue volume of traffic or parking, which determination may be made by the Board in its sole discretion from time to time.
  - (d) The business conforms to all zoning requirements and is lawful in nature;
- and
- (e) The business conforms to any rules and regulations that may be imposed by the Board from time to time on a uniform basis.

Section 9.2 Accessory Structures. Accessory Structures, whether attached to or detached from the Dwelling Unit, such as, without limitation, a garden shed, utility shed, greenhouse, detached garage, livestock stable, detached deck, guest house, cabin or fence may be permitted only after the approval of the Committee and in accordance with the Design Guidelines. All fences shall be constructed of natural-colored wood or of the color or material of the house, or other materials as approved by the Architectural Review Committee.

Section 9.3 Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot, and no offensive odors, lights or noises shall be permitted to arise or emanate from any Lot, so as to render any such Lot or any portion thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other Lot or to the occupants of such other Lot. No other activity or condition shall be permitted to exist or take

place upon any Lot so as to be offensive or detrimental to, or disturb the peace, quiet, comfort or serenity of, other Owners and their use and enjoyment of their Dwelling Units.

Section 9.4 a) Maintenance. The structure and grounds of each Lot shall be maintained in a neat and attractive manner. It is expected that landscaping shall conform to existing Properties. Upon the Owner's failure to do so the Committee may, at its option, after giving the Owner thirty (30) days written notice sent to his/her last known address, have the grass, weeds, and vegetation cut when, and as often as, the same is necessary in its judgment, and have dead trees, shrubs, and plants removed from any Lot. b) Exterior Maintenance. Upon the Owner's failure to maintain the exterior of any fence or structure in good repair and appearance, the Committee may, at its option, after giving the Owner six (6) months written notice, make repairs and improve the appearance in any reasonable and workmanlike manner. c) Access at Reasonable Hours. For the purpose solely of performing the maintenance referred to a) and b) of this Section, the Association, through its duly authorized agents or employees shall have the right, after reasonable notice to the Owner, to enter on any Lot or exterior of any structure thereon at reasonable hours on any day except Sunday.

Section 9.5 Unsightly Activities. All storage piles, equipment, furniture, tools or other personal property shall be located so that all of the same are out of view.

Section 9.6 Outbuildings. Except as allowed temporarily by the Committee during construction in the Committee's sole discretion, temporary house, Dwelling Unit, house trailer or non-permanent out-building shall ever be placed, erected or allowed to remain on any Lot.

Section 9.7 Pets. No animals or livestock (including but not limited to, horses, cattle, sheep, goats, llamas and alpaca) shall be housed, raised or kept on any Lot, except commonly accepted domestic household pets may be kept provided they are not kept or maintained for any commercial purpose. All animals must be controlled by the owner by an appropriate leash and under the complete control of the owner at all times and the owner of such animal shall promptly remove any waste from any Lot caused the pet and shall comply with all Rules and Regulations pertaining to pets.

Section 9.8 Signs and Billboards. No billboards or advertising signs or similar devices of any character shall be erected, placed, permitted or maintained on any Lot, except such signs as may be specifically approved by the Committee or the Rules and Regulations. Without limiting the foregoing, each Lot may have one sign advertising that Lot for sale or for lease of not more than six square feet.

Section 9.9           Subdivision and Timesharing.

(a) No Lot or Dwelling Unit may be subdivided without the prior written consent of the Association, which consent must be evidenced on the plat or other instrument creating the subdivision.

(b) No Owner shall offer or sell any interest in any Dwelling Unit under a "timesharing" or "interval ownership" plan or similar plan.

Section 9.10 Building Location. Notwithstanding anything to the contrary herein, no structure other than a fence, shed or other outbuilding shall be located on any Lot nearer than 40 feet to the front lot line and nearer than 25 feet to the side lot lines or rear lot line of any Lot. No outbuilding and/or sheds shall be located on any Lot nearer than 40 feet to the front lot line and nearer than 10 feet to the side lot lines or rear lot line of any Lot.

## **ARTICLE TEN** **GENERAL PROVISIONS**

Section 10.1 Enforcement: Enforcement of covenants, conditions, restrictions, easements, rights-of-way, liens, charges and other provisions contained in this Declaration, the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, as amended, may be enforced by any proceeding at law or in equity against any Person violating or attempting to violate any such provision. The Association and any aggrieved Owner shall have the right to institute, maintain and prosecute any such proceedings, and the Association shall further have the right to levy and collect fines for the violation of any provision of any of the aforesaid documents. For each claim, including, but not limited to, counter claims, cross-claims and third-party claims, in any legal proceeding to enforce the provisions of the Act or of the Declaration, Bylaws, Articles or Rules and Regulations, the court shall award to the prevailing party on such claim, the prevailing party's reasonable collection costs and attorney fees, and costs incurred in asserting or defending the claim. A failure by the Association or any Owner to enforce any covenant, restriction or other provision herein contained, or any other provision of any of the aforesaid documents, shall in no event be deemed a waiver of the right to do so thereafter. If any Person subject to the provisions of the Act fails to comply with any of its provisions or any provision of the Declaration, Bylaws, Articles or Rules and Regulations, any Person or class of Persons adversely affected by the failure to comply may require reimbursement for collection costs and reasonable attorney fees and costs incurred as a result of such failure to comply, without the necessity of commencing a legal proceeding.

Section 10.2 Severability: Each of the provisions of this Declaration shall be deemed independent and severable. If any provision of this Declaration or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this Declaration which can be given effect without the invalid provisions or applications.

Section 10.3 Term of Declaration: The covenants and restrictions of this Declaration shall run with land and bind all of the real estate property within the Peaceful Valley Country Club Estates, Filing #1.

Section 10.4 Amendment of Declaration by Owners: Any provision, covenant, condition, restriction or equitable servitude contained in this Declaration may be amended or repealed at any time, and from time to time, upon approval of at least sixty percent (60%) of the Members in the Association. The amendment or repeal of any provision, covenant, condition, restriction or equitable servitude shall be effective upon the recordation in the office of the Clerk and Recorder of El Paso County, of a certificate setting forth the amendment in full, and certifying that the amendment has been approved as set forth above and containing the written Certification of the Board of Directors of the Association.

Section 10.5 Captions: All caption and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise affect that which is set forth in any paragraph, section or article thereof.

Section 10.6 Interpretation: The provisions of this Declaration shall be liberally construed to effectuate their purposes of creating a uniform plan for the development of the Lots within the Peaceful Valley Country Club Estates, Filing #1, and to promote and effectuate the fundamental concepts set forth in the recitals of this Declaration. This Declaration shall be construed and governed under the laws of the State of Colorado and according to the Zoning and Use Ordinances of the County of El Paso.

Section 10.7 Singular Includes the Plural: Unless the context otherwise requires, the singular shall include the plural, and the plural shall include the singular, and each gender referral shall be deemed to include the masculine, feminine and neuter.

Section 10.8 Non-Waiver: Any forbearance or failure to enforce any provisions of this Declaration shall not operate as a subsequent waiver of compliance with any such provision or of any other provision of this Declaration, or any subsequent enforcement of such provision.

Section 10.9 Conflict of Provisions: In case of a conflict between this Declaration and the Articles or Bylaws, this Declaration shall control. In the case of a conflict between the Articles and Bylaws, the Articles shall control.

Section 10.10 Notices: Any notice required to be sent to any Owner under the provisions of the Governing Documents shall be deemed to have been properly given when hand delivered or when sent by first class mail, postage prepaid, to the address of the Lot Owner within the Association. Notice shall be deemed to be received three (3) days after mailing or hand delivery. In the alternative to first class mail and hand-delivery, to the extent allowed by law, the Association may provide notice to Owners by electronic mail (e-mail) to all Owners who have provided the Association with their electronic mail (e-mail) address, and any notice required to be sent to any Owner under the provisions of the Governing Documents shall be deemed to have been properly when the email has been sent by the Association.

Section 10.11 Duration, Revocation, and Amendment:

(a) This Declaration and the planned community created by this Declaration shall continue in perpetuity, unless terminated by a vote, by written ballot, of Members holding at least ninety percent (90%) of the voting power of Members of the Association, which must be present in person, by proxy or by mail-in ballot at a duly constituted meeting. The agreement of the Owners to terminate this Declaration shall be evidenced by a termination agreement or ratification thereof, executed by the required number of Owners in accordance with the terms and conditions of section 38-33.3-218 of the Act. Upon the Recordation in the office of the Clerk and Recorder of El Paso County, Colorado of the termination agreement, the Community shall be terminated, this Declaration shall have no further force or effect, and the Association shall be dissolved.

(b) No action to challenge the validity of an amendment to this Declaration adopted by the Association pursuant to this Section may be brought more than one (1) year after the amendment is recorded.

(c) Every amendment to this Declaration must be recorded in El Paso County, State of Colorado, and is effective only upon recordation.

(d) Except to the extent expressly permitted or required by other provisions of this Declaration or under the Act, no amendment may create or increase Declarant Rights; increase the number of Lots; change the boundaries of any Lot; the Allocated Interests of a Lot; or, the uses to which any Lot is restricted, in the absence of unanimous consent of the Owners.

(e) Amendments to this Declaration that are required by this Declaration to be recorded by the Association shall be prepared, executed, recorded, and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association.

Section 10.12 Registration of Mailing Address: Each Owner shall register its mailing address with the Association, and except for annual statements and other routine notices, all other notices or demands intended to be served upon an Owner, whether by the Association or any Owner, shall be hand delivered to the Owner, or sent by either registered or certified mail, postage prepaid, addressed in the name of such person or entity at such registered mailing address. However, if any Owner fails to notify the Association of a registered address, then any notice or demand may be hand delivered to the Owner or sent to such Owner at the address of such Owner's Lot. All notices, demands, or other notices intended to be served upon the Board of Directors or the Association shall be hand delivered to the Owner, or sent by registered or certified mail, postage prepaid.

Section 10.13 Description of Lots: A description of a Lot may set forth the name of the Planned Community, the recording data for this Declaration, the county in which the Planned Community is located, and the identifying number of the Lot. Such description is a legally sufficient description of that Lot and all rights, obligations and interest appurtenant to that Lot which were created by this Declaration or Bylaws. It shall not be necessary to use the term "lot" as a part of a legally sufficient description of a Lot.

The undersigned, being the president and the Secretary of Peaceful Valley Homeowners Association, hereby certify that the Association has obtained written approval of this Amended and Restated Declaration from at least sixty percent (60%) of the Owners, as evidenced by written instruments filed with the records of the Association, or alternatively, has obtained court approval of this Declaration pursuant to the provisions of the Act, Section 217(7). Approvals obtained shall remain in effect until this Declaration is approved unless approval is expressly revoked in writing, and by signing below, this shall constitute the written certification of the Board of Directors of the Association.

PEACEFUL VALLEY HOMEOWNERS ASSOCIATION,  
a Colorado nonprofit corporation

By: \_\_\_\_\_  
President

3/3/22 REVISED

ATTEST:

By: \_\_\_\_\_  
Secretary

3/3/22 REVISED

Exhibit A:  
Legal

STATE OF COLORADO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_, as President of Peaceful Valley Homeowners Association, a Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

STATE OF COLORADO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_, as Secretary of Peaceful Valley Homeowners Association, a Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public