

HIGHLINE CROSSING METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

Dear Homeowner,

Congratulations on your new home purchase, and welcome to the community! Your home resides within the boundaries of Highline Crossing Metropolitan District (the "District"). The District is a quasi-municipal corporation and political subdivision of the State of Colorado, governed by a five-member elected Board of Directors.

The Highline Crossing community does not have a Homeowner's Association, instead the District performs such functions as covenant control, architectural review and grounds maintenance services, including but not limited to; open space areas, community fencing, monumentation, and snow removal along private alleys, as well as other management services for your community. These services are paid for through your yearly property tax assessment and Operations Fee, rather than through an assessment of dues such as an HOA would impose. The Operations Fee is an annual fee which you will receive an invoice for by mail, with options to receive email invoices or to opt in for paperless billing. More information on District Fees can be found in the Fee and Fine Resolutions (which are a part of this Welcome Packet).

The District's General Obligation Limited Tax Convertible to Unlimited Tax Series 2017A Bonds, the proceeds of which paid for some of the Public Improvements in the community are being paid through your yearly property tax assessment. Further information on this subject can be obtained by referencing the Amended and Restated General Information and Disclosure Sheet (which is also a part of this Welcome Packet); via the District's Service Plan (which is available upon request) or, by contacting the District's Community Manager, Peggy Ripko, at Special District Management Services, Inc. ("SDMS"). SDMS is contracted by the District to manage the day-to-day responsibilities of operating the District; managing all outside contractors and consultants, and supporting the Board of Directors of the District.

What you can expect as a new homeowner within the Highline Crossing community: Part of SDMS' role is to conduct routine inspections of the community in order to ensure compliance with the Declaration of Covenants and the Rules and Regulations. The Declaration of Covenants and the Rules and Regulations set forth the policies, restrictions, covenant enforcement and architectural design review criteria. You can expect inspections to occur bi-weekly during the growing season, and monthly the rest of the year.

A milestone you should be aware of relating to timing for backyard and fencing improvements: As specified in the Amended and Restated Rules and Regulations of Highline Crossing, (Section 2.7); fencing and landscaping shall be completed within (9) months after initial conveyance of the property to the owner, with consideration given to planting seasons. Should an extension be foreseen due to time of year, written notice must be made to the ARC (Architectural Review Committee) prior to the 9-month expiration, at which time; the ARC will issue a new time requirement to the owner, but in no case later than 12 months after conveyance.

Two copies of the drawing or plans (minimum acceptable size 8.5" x 11") must be submitted to the ARC along with a completed ARR (Architectural Review Request) prior to installation of backyard landscaping and fencing. The Owner should ensure submittal of these plans will allow for the review period of up-to forty-five (45) days for approval in accordance with the deadline for installation. Though an ARR may have been submitted, if it has not been approved and the installation completed by the deadline, the property may be sited for non-compliance.

Welcome Letter

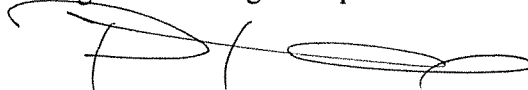
Enclosed you will find the following important community reference materials (subject to periodic change):

1. **“Highline Crossing Community Resources”** (a quick reference guide of City of Aurora resources, including trash and recycling information—Waste Management is the provider, and set-up/billing is through the homeowner directly, and information on Xfinity and CenturyLink services, the providers of phone, cable, and internet for the community—other satellite dish providers are acceptable as a substitute for cable, e.g. Direct TV and Dish Network).
2. **“Xpress Bill Pay Information”** (the District utilizes the Xpress Bill Pay system which provides residents with online options for bill payments, including paperless billing, billing notifications, and Auto Pay options).
3. **“Declaration of Covenants, Conditions, and Restrictions for Highline Subdivision” (aka CC&R’s) and the “Resolution of Highline Crossing Metropolitan District Acknowledging and Adopting the Declaration of Covenant and Use Restrictions for Highline Crossing.”** (The Declaration of Covenants sets forth the policies for restrictions, covenant enforcement and architectural review).
4. **“Amended and Restated Rules and Regulations of Highline Crossing”** (the Amended and Restated Rules and Regulations provide design and architectural guidelines in addition to other introductory material. These Rules contain (A) a summary of procedures for obtaining approval from the Architectural Review Committee (ARC) and (B) a listing of specific types of improvements that Owners might wish to make with specific information as to each of these types of improvements).
5. **“Amended and Restated Special District Public Disclosure Document Disclosure to Purchasers; Highline Crossing Metropolitan District”** (the Disclosure summarizes general information on the District, including anticipated District taxes, and also provides more information regarding District fees).
6. **“Resolution of the Board of Directors of the Highline Crossing Metropolitan District Regarding the Imposition of District Fees and First Amendment”** (this lists a summary of fees imposed by the District).
7. **“Resolution of the Board of the Highline Crossing Metropolitan District Adopting the Policies and Procedures Governing the Enforcement of the Protective Covenants of Highline Crossing”** (this lists potential fines for violations of the Covenants and/or Rules and Regulations, as well as the policies and procedures for providing homeowner notice of non-compliance).

The above information can also be found on the District website at [sdmsi.com/districts-we-serve/Highline Crossing](http://sdmsi.com/districts-we-serve/Highline-Crossing). Should you have any questions or require more information regarding the matters presented in this letter, please contact me at (303) 987-0835, or via email at pripko@sdmsi.com . Once again, we would like to warmly welcome you to the Highline Crossing community.

Warm Regards,

Highline Crossing Metropolitan District



Peggy Ripko — District Community Manager

Highline Crossing Metropolitan District

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

Community Resources

Highline | The Trail Collection

Aurora, Colorado

PUBLIC SCHOOLS:

- Cherry Creek School District - (303) 773-1184
- Overland High School- (720) 747-3883
- Prairie Middle School - (720) 747-3000
- Village East Elementary School - (720) 747-2000

COLLEGES/UNIVERSITIES:

- Community College of Aurora - (303) 360-4700
- University of Colorado Denver - (303) 315-5969
- Community College of Denver - (303) 556-2600

PARKS & RECREATION:

- The High Line Canal
- Cherry Creek State Park - (303) 690-1166
- Aurora Hills Golf Course - (303) 73 9-1550
- Expo Recreation Center - (303) 326-8630

SHOPPING:

- Lowry Town Center- (303) 801-3704
- King Soopers - (303) 755-1244
- Target - (303) 755-8530
- Costco Wholesale - (303) 750-211 6
- Lowe's - (303) 369-4222

LOCAL UTILITIES:

- Xcel Energy- (800) 895-4999
- Water - City of Aurora - (303) 739-7388
- Sewer - City of Aurora - (303) 73 9-73 88
- Centurylink Phone - (303) 343-0861
- Comcast Cable - (800) 934-6489

MEDICAL FACILITIES:

- UCHealth - University of Colorado Hospital-- (303) 848-0000
- Concentra Urgent Care - (720) 376-6400
- Rose Medical Center - (303) 320-2160
- Rocky Mountain Urgent Care - (303) 320-2160

PUBLIC FACILITIES:

- US Post Office - (303) 366-1353
- Aurora Police Department - (303) 739-1 800
- Aurora Public Library- (303) 739-6600
- Eloise May Library- (303) 542-7279

AIRPORTS:

- Denver International Airport- (303) 342-2000
- Centennial Airport- (303) 790-0598



WASTE MANAGEMENT
5500 S. Quebec Street, Suite
Greenwood Village, CO. 80111
(303) 797-1600

Highline Crossing Metropolitan District

Dear Highline Crossing Resident:

Hello and Welcome to Waste Management

Congratulations! Your Metropolitan District has contracted with Waste Management to serve your community as the designated trash service provider. There are many advantages to using one provider such as, reduced truck traffic on streets, less pollution, trash collection occurs consistently on just one day of the week, and reduced costs to individual homeowners.

To start your trash and recycle service, and have your trash and recycle containers delivered, Please email FC.HOAJ@WML.COM with the following information:

Email Subject: New Start - Highline Crossing Metropolitan District

HOA/MD Name: Highline Crossing Metropolitan District

Your First and Last Name:

Service Address:

Billing Address:

Phone:

Email:

Cost of service will be \$13.50 per month, which includes both trash and recycle service, as well as use of trash and recycle containers. Additional trash and/or recycle containers are available for \$5.00 per month. The trash and recycle service is billed quarterly in advance and will include an admin fee of \$5.00 per invoice. The admin fee can be waived by signing up for electronic statements and automatic payments by calling customer service at 303-797-1600 or by enrolling online at www.wml.com

Your trash day is Thursday.

Your service includes the use of one 96-gallon trash container. Please have your trash out by 7:00 am on collection day. We recommend that you bag and tie all trash. Bagging your trash will help prolong the life of your trash containers and reduce odors. Bagging also helps to keep your neighborhood clean on windy days. Please note that all trash and recycling must be inside the containers provided. Additional trash and/or recycle containers are available for \$5.00 per month.

Please note that no trash hauler is able to accept hazardous waste material or liquids. Examples of common household hazardous wastes are; paint, tires, motor oil, ammunition, pesticides, hot coals, propane tanks or caustic materials. New Colorado laws also prevent us from picking up electronic items, which includes computers and TV's.

Recycling – Every Other Thursday

Your service includes the use of one 96-gallon recycling container. Please have your recycling out by 7:00 am on collection day. Please make sure that all items you intend to recycle are inside the recycle container. Recycling is collected every other week on the same day as trash. Please use the recycle calendar provided. **Your recycling will be collected on GREEN Weeks.** Please note that all trash and recycling must be inside the containers provided. Additional trash and/or recycle containers are available for \$5.00 per month.

Holidays

Waste Management observes six holidays per year: New Year's Day, Memorial Day, 4th of July, Labor Day, Thanksgiving Day, Christmas Day. Your service will be delayed one day on holiday weeks, and be collected on Wednesday, instead of Thursday.

Large Items

If you have large items like furniture, appliances or construction debris please call our office at (303) 797-1600 and arrange for a special pick-up. Customers will be billed separately for special pick-ups. Please call us 24-hours in advance of your collection day. Average cost for a large item pickup is \$35 but may differ based on the item. Mattresses will require special handling by the homeowner – mattresses must be bagged and tagged as bed-bug free. **Appliances** - There are many area appliance recyclers who will pick-up used appliances for little or no charge. Check your phone book yellow pages under "Appliances-Major-Used". (Refrigerators do require certified removal of freon.)

Customer Service

We value your business as a Waste Management customer and strive to provide the highest levels of service. When you have a question or concern, we want to address it in a timely manner. That's why we offer our Customer Service Team as your first point of contact.

We have made significant investments in technology and training to help agents provide you with knowledgeable and reliable service. If you have a question or issue, we offer convenient options to meet your needs:

By Phone: Give us a call at [\(303\) 797-1600](tel:3037971600) to reach a representative waiting to help you.

Online: Visit www.WM.com and click the Customer Service tab at the top of the page and let us know what you need. By registering your account online, you can easily access detailed information like service schedules, online bill pay and requests for additional service.

Live Chat: Want help immediately, but don't want to make a call? Use our live chat option on WM.com or go directly to: <https://wmchat.wm.com>

Sincerely,
Waste Management of Colorado

Recycling With Waste Management



- Please make sure that all recyclables fit in your recycling container.
- Place your recycling and trash container at the curb between sundown on the day before collection and 6:00 a.m. the day of collection.
- If you have any questions regarding your trash or recycling collection service, please contact us at (800) 482-6406.

Accepted Items: (Empty and Clean)



Aluminum Cans



Tin & Steel Cans



Plastic Bottles & Containers #1-#7



Glass Bottles & Jars



Paper



Newspapers & Magazines



Cardboard & Boxboard

Items NOT Accepted*:

- Plastic bags, wrap or film (return bags to store)
- Food, liquids
- Yard waste, wood
- Shredded paper
- Electronics
- Clothes, bedding, carpet
- Medical/hazardous waste
- Foam cups, take-out containers or packing material

*Unaccepted items are not limited to those above. Call us if you have any questions about what is recyclable.

QUESTIONS? (800) 482-6406

Visit WWW.WM.COM



**RECYCLE OFTEN.
RECYCLE RIGHT.™**

2018 Recycling Calendar

JANUARY							FEBRUARY						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6				1	2	3	
7	8	9	10	11	12	13	4	5	6	7	8	9	10
14	15	16	17	18	19	20	11	12	13	14	15	16	17
21	22	23	24	25	26	27	18	19	20	21	22	23	24
28	29	30	31				25	26	27	28			
MARCH							APRIL						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3	1	2	3	4	5	6	7
4	5	6	7	8	9	10	8	9	10	11	12	13	14
11	12	13	14	15	16	17	15	16	17	18	19	20	21
18	19	20	21	22	23	24	22	23	24	25	26	27	28
25	26	27	28	29	30	31	29	30					
MAY							JUNE						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5						1	2
6	7	8	9	10	11	12	3	4	5	6	7	8	9
13	14	15	16	17	18	19	10	11	12	13	14	15	16
20	21	22	23	24	25	26	17	18	19	20	21	22	23
27	28	29	30	31			24	25	26	27	28	29	30
JULY							AUGUST						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7				1	2	3	4
8	9	10	11	12	13	14	5	6	7	8	9	10	11
15	16	17	18	19	20	21	12	13	14	15	16	17	18
22	23	24	25	26	27	28	19	20	21	22	23	24	25
29	30	31					26	27	28	29	30	31	
SEPTEMBER							OCTOBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1		1	2	3	4	5	6
2	3	4	5	6	7	8	7	8	9	10	11	12	13
9	10	11	12	13	14	15	14	15	16	17	18	19	20
16	17	18	19	20	21	22	21	22	23	24	25	26	27
23	24	25	26	27	28	29	28	29	30	31			
30													
NOVEMBER							DECEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3							1
4	5	6	7	8	9	10	2	3	4	5	6	7	8
11	12	13	14	15	16	17	9	10	11	12	13	14	15
18	19	20	21	22	23	24	16	17	18	19	20	21	22
25	26	27	28	29	30		23	24	25	26	27	28	29
							30	31					

Holiday

Observed Holiday Schedule: During a holiday week, service will be delayed by one day for all days that fall on or after the holiday. Normal schedule will resume the following week.

- New Year's**
- Memorial Day**
- Independence Day**
- Labor Day**
- Thanksgiving Day**
- Christmas Day**

- Monday, January 1
- Monday, May 28
- Wednesday, July 4
- Monday, September 3
- Thursday, November 22
- Tuesday, December 25



Waste Management of Colorado

Long-time, Local Service Provider

50+

YEARS
operating
in Colorado

40

FACILITIES
across the state

111

CNG TRUCKS
in service

1,200

EMPLOYEES
from drivers to
managers and more



Focused on Customer Convenience

- Collection, disposal and recycling services tailored for any customer from a single small business to an entire city
- Online portal and WM app make it simple to manage one or several accounts
- Customer service reps available via phone, email or chat function on wm.com



Leader in Environmental Services

- Built and operate state-of-the-art Material Recovery Facilities (MRFs)
- Converting landfill gas to energy to power Colorado homes
- Deploying CNG trucks to reduce emissions and noise



Committed to Communities

- Waste Management supports the communities it serves
- In 2016, we supported more than 45 community activities across the state (see list on back)



Serious about Safety

- Intense, ongoing safety training for drivers, equipment operators, technicians and managers
- On-board cameras in all trucks
- Safety record outshines industry averages



Invested in Recycling

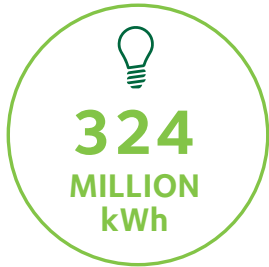
Waste Management was the first in Colorado to install a single stream processing system. We were also the first to use optical sorters, install a paper magnet and accept aseptics and plastics 3-7 in single stream.

In 2017, we're adding another \$5 million in equipment to our Denver-area MRFs, bringing our 11 year total investment to \$16.5 million!

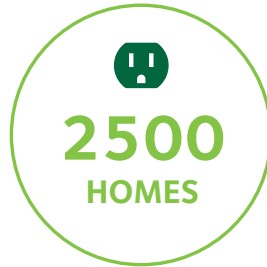


Colorado 2016 Snapshot

ENVIRONMENTAL BENEFITS PRODUCED INCLUDE



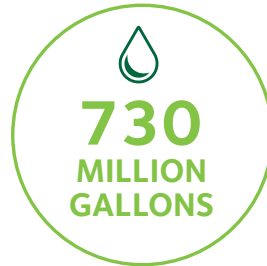
were offset
by recycling



powered by Denver's landfill
gas-to-energy efforts



saved by recycling
(17 billion sheets of paper!)



were saved
by recycling

MULTIPLE COLORADO FACILITIES

Waste Management has 40 facilities including 7 landfills and 5 MRFs in Colorado.

COMPRESSED NATURAL GAS (CNG) TRUCKS

Our 111 CNG trucks reduced diesel fuel use by 888,000 gallons and cut greenhouse gas emissions by 2,442 tons.



Waste Management Supports Local Communities

9Cares Colorado Shares
Adams County Sheriff's Office
Alliance Against Domestic Abuse
American Foundation for Suicide Prevention
Arapahoe County Fair
Arc Thrift Stores
Aurora Chamber of Commerce
Ault Fire Protection District
Bennett Days 2016
Buena Vista Cleanup
Castle Rock Chamber of Commerce
Catholic Charities Archdiocese of Denver
Church in the Wildwood, Cub Scout Pack 33
Colorado Ovarian Cancer Alliance
Colorado Springs Chamber of Commerce
Colorado Springs Labor Day Liffoff
Crested Butte Arts Festival
Crested Butte Fire Protection District

Denver Chamber of Commerce
Douglas County Educational Foundation
Eaton Area Park and Recreation District
Friends of El Paso County Nature Centers
Ft. Collins Chamber of Commerce
Goodwill Industries
Greater Englewood Chamber of Commerce
Gunnison Valley Health Foundation
Hoff Elementary
HOPE Center
Lakota Way Healing Center
Loveland Fire Rescue Authority
Mancos Colorado Days
Meadows Neighborhood
Middle Colorado Watershed Council
Mile High United Way
Montezuma County Fair
Montrose County Fair

Morgan County Rural Electric Association
Mountain Top Cycling Club
Ouray County Emergency Medical Services
Poncha Springs Cleanup
Pueblo Chamber of Commerce
Rite of Passage
Roaring Fork Conservancy
Ronald McDonald House
Routt County United Way
Rotary Club of Estes Park Foundation
Salida Elks Lodge #808
Salida School District
South East Weld County Fair
Valley View Hospital Foundation
Woman's Club of Ouray County
Woodland Park Lighter Side
of Christmas Parade



CenturyLink Information

Customer Service & Sales

We're here to help you with ordering new services, making changes to your services, answering questions about your bill or payments, using My Account, or the details about our latest offers and promotions.

General Inquiries & Ordering Services



Or email us...

[Email Customer Service](#)

Ordering Services

Mon. - Fri., 8 AM - 8 PM
Sat, 9 AM - 5 PM
866-963-6665

Payment Specialists

If you're past due, need service restored, or have a billing dispute.
Mon. - Fri., 8 AM - 6 PM
800-423-8994

Moving Services or Billing & General Customer Service

Mon. - Fri., 8 AM - 6 PM
877-837-5738

Disconnect or Cancel Services

Mon. - Fri., 8 AM - 6 PM
877-803-8414

ANNOUNCING...

The easiest way to pay your bill

Our new online bill pay option saves you time and gives you more flexibility in how you pay your bill.

If you have an Internet connection and an email address, you can now pay your bill online. You are also able to “opt in” to paperless billing and receive an email notification when your bill is ready to view. It’s fast, it’s easy, and you no longer have to write a check each month or find a stamp when it’s time to send in your payment.

HOW IT WORKS

We have partnered with Xpress Bill Pay, the premier provider for online bill payment.

When you sign up for online bill payment you get a unique password that you use to access your personal account at www.xpressbillpay.com. Every month we’ll send you a reminder email to let you know when your bill is online.

Then, just log in through your Web browser and view your bill, which will look like the paper statement you’re familiar with. Select a payment type — credit card, debit card, or electronic funds transfer — enter the information, and you’re done!

It’s that easy, and it only takes you a few minutes each month.

We’re offering this service at the request of customers like you. Sign up today and see why so many people consider this the best way to pay their bills.

ONLINE BILL PAYMENT FACTS

- It’s free to sign up for online bill payment at www.xpressbillpay.com.
- You can pay your bills with a credit or debit card, or you can transfer funds directly from your checking account.
- You can pay your bill from anywhere. Users outside the U.S. can contact our Payment Center anytime to make a payment or to set up an Auto Pay.
- No need to worry about late payments if you’re out of town when your bill is due.
- After you complete the transaction, you can receive an email receipt to confirm that the payment went through.



- You can view up to a year’s history of your account online, so you can compare your current bill to a year ago.
- If you’d like, you can select the Auto Pay option and your bill will be paid automatically each month.

WHAT TO DO NEXT

1. Go to www.xpressbillpay.com. We have partnered with Xpress Bill Pay to provide you with online bill payment service.
2. Click on the “Sign Up” button on the top of the home screen. Fill in the email and password fields, then click in the “I’m not a robot” box and follow the prompts.
3. Complete the short registration form and click “Next.”
4. Go to your inbox and open the verification email and click “Verify Email”. Then select “Continue” to log in.
5. Select your billing organization and follow the prompts for linking your bill.
6. Once your bill is added to your account, you can add another bill, view and pay your bill online, or setup a recurring auto payment schedule.

AND THERE’S MORE!

Along with being able to make a payment online at any time you can also call the payment assistance center to make a payment over the phone.

Call 1-800-720-6847 or 1-385-218-0338 (from outside the U.S.) to speak with an agent and make your payment today! A phone payment fee may apply.

xpress BILL PAY

Highline Crossing Metropolitan District

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

Declaration of
Covenant, Conditions
& Restrictions

**Declaration of
Covenants, Conditions and Restrictions
of Highline Subdivision**

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EXHIBIT A – Units

EXHIBIT B – Common Area

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF HIGHLINE SUBDIVISION**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF HIGHLINE SUBDIVISION is made and entered into by Meritage Homes of Colorado, Inc., an Arizona corporation ("**Declarant**," as hereinafter more fully defined).

RECITALS

A. Declarant owns certain real property situated in the City of Aurora, County of Arapahoe, State of Colorado, which is described on Exhibits A and B, attached hereto and incorporated herein by this reference ("**Community**" or "**Property**") as hereinafter more fully defined).

B. This Declaration is exempt from the provisions of the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101 *et seq.* ("**Act**") because there are no mandatory assessments created under this Declaration, and there is no obligation to pay for real estate taxes, insurance premiums, maintenance, or improvements or other real estate or common area created under this Declaration.

C. Pursuant to C.R.S. § 32-1-1004 and other provisions of Title 32 of C.R.S., the Declarant, in imposing this Declaration on the Community, intends to empower the District (as defined in **Section 1.9** below) with the authority to provide governmental services, including but not limited to the provision of covenant enforcement and architectural review services, to the Community and to use revenues that are derived from the Community for such purposes.

AFFIRMATION

NOW, THEREFORE, the Declarant hereby declares that all of the property described on the attached Exhibit A and the attached Exhibit B, as supplemented and amended (including by all annexations to this Declaration), shall be held, sold, and conveyed subject to the following covenants, conditions, restrictions, easements, reservations, rights-of-way, obligations, liabilities, charges and other provisions set forth herein.

ARTICLE 1. DEFINITIONS

Section 1.1. *Architectural Review Committee or ARC.*

"**Architectural Review Committee**" or "**ARC**" means the committee appointed by the Board, as provided in Section 4.1 of this Declaration. The ARC shall review and approve or disapprove plans for Improvements, as more fully provided in this Declaration.

Section 1.2. *Board of Directors or Board.*

"**Board of Directors**" or "**Board**" means the body, regardless of name, designated in this Declaration, to act on behalf of the District.

Section 1.3. *Builder.*

“**Builder**” means Meritage Homes of Colorado, Inc. In addition, Builder includes any Person who: (i) acquired or acquires one or more Lots or Multifamily Parcels for the purpose of constructing at least one residence on each such Lot, or acquires one or more Multifamily Parcels, and selling and/or renting such Lot or Multifamily Parcels to the public, and/or (ii) acquires one or more Units for sale to any Person fitting the description in Section 1.3(i); and is designated as a “**Builder**” under this Declaration in a written designation that is signed by the then-Declarant and Recorded.

Section 1.4. *Common Area.*

“**Common Area**” means any property located within the Community now or hereafter owned or leased by the District. Common Areas shall be open to Owners and their Permittees and may be open to the general public, subject to rules, regulations and closure by the District. Those areas described on Exhibit B are, or are anticipated to become Common Area.

Section 1.5. *Community or Property.*

“**Community**” or “**Property**” means real estate and Improvements described on the attached Exhibits A and B, as supplemented and amended, and subject to the provisions of this Declaration. The name of the Community is Highline Subdivision.

Section 1.6. *Declarant.*

“**Declarant**” means Meritage Homes of Colorado, Inc., an Arizona corporation, as well as any other Person(s) to whom Declarant (or any subsequent Declarant), by Recorded document, expressly assigns one or more rights of a Declarant under this Declaration (which shall be the extent of the Declarant’s rights to which such assignee succeeds). Use of the word “**Declarant**” in the Governing Documents denotes the aforesaid entity or their designated assignee(s), as provided in the preceding sentence.

Section 1.7. *Declaration.*

“**Declaration**” means this Declaration of Covenants, Conditions and Restrictions of Highline Subdivision, as supplemented and amended, and also including maps and plats of the Community.

Section 1.8. *Development Rights.*

“**Development Rights**” means the following rights, or combination of rights, hereby reserved by the Declarant, as such Development Rights may be further described in this Declaration, to:

- 1.8.1. add real estate to this Community and make such real estate subject to the Governing Documents;
- 1.8.2. create Units and/or Common Area;
- 1.8.3. subdivide or replat Units;

1.8.4. withdraw real estate from this Community; and

Declarant may exercise its Development Rights in all or any portion of the Community or real estate proposed to be added to the Community, subject to and in accordance with the terms and conditions of this Declaration, and no assurances are made as to the boundaries or order of exercise of any Development Rights. The Declarants' rights to exercise Development Rights shall terminate automatically as provided in Section 1.20 of this Declaration (Special Declarant Rights).

Section 1.9. *District.*

“**District**” means the Highline Crossing Metropolitan District, created pursuant to §32-1-101, *et. seq.*, C.R.S., and/or any other metropolitan district to which the then-District may transfer or assign any or all of the rights and duties of the District under this Declaration. Each assignment or transfer, if any, shall be effective upon recording in Arapahoe County, Colorado, of a document of transfer or assignment, duly executed by the then-District.

Section 1.10. *Governing Documents.*

“**Governing Documents**” means this Declaration and any Rules and Regulations (as hereinafter defined), Guidelines (as hereinafter defined), and any policies and procedures and other documents now or hereafter adopted by the District, as amended or supplemented from time to time relating to design review and/or covenant enforcement.

Section 1.11. *Improvements.*

“**Improvements**” means all exterior improvements, structures, and any appurtenances thereto or components thereof of every type or kind, all landscaping features and hardscaping features, including but not limited to buildings, outbuildings, car ports, solar equipment, swimming pools, hot tubs, satellite dishes, antennae, tennis courts, tree houses, gazebos, garages, sheds, signs, patios, patio covers, awnings, solar collectors, yard art (including but not limited to statues, fountains, bird baths, and decorative pieces), paintings or other finish materials on any visible structure, additions, walkways, sprinkler systems, garages, driveways, dog runs, fences, including gates in fences, basketball backboards and hoops, swing sets and other play structures, screening walls, retaining walls, walkways, stairs, decks, landscaping, hedges, windbreaks, plantings, trees, shrubs, flowers, vegetables, sod, gravel, groundcover, excavation and site work, removal of trees or plantings, exterior light fixtures, poles, signs, exterior tanks, exterior air conditioning, cooling, heating and water softening equipment, if any. The term “Improvements” includes both original Improvements and all later changes, modifications, and replacements of Improvements.

Section 1.12. *Lot*

“**Lot**” means each lot that is platted within the property described on the attached Exhibit A, which is subject to this Declaration, or a lot platted and subsequently annexed into the Community and subjected to this Declaration pursuant to Section 10.3 or 10.5 with the exception of any property publicly dedicated on a recorded plat.

Section 1.13. *Multifamily Parcel.*

Multifamily Parcel means any property zoned and used or intended to be used for residential condominiums, duplexes, townhomes, apartments or any other multifamily or attached residential uses, if any.

Section 1.14. *Owner.*

“**Owner**” means each fee simple title holder of a Unit, including Declarant, each Builder, and each other Person who owns a Unit, but does not include a Person having an interest in a Unit solely as security for an obligation. There may be more than one (1) Owner of a Unit.

Section 1.15. *Permittees.*

“**Permittees**” means any family member, tenants, subtenants, licensees, occupants, invitees, guests or visitors, of an Owner.

Section 1.16. *Person.*

“**Person**” means a natural person, a corporation, a limited liability company, a partnership, a District, a trust, a joint venture, or any other entity recognized under the laws of the State of Colorado, or any combination thereof.

Section 1.17. *Records.*

“**Records**” means the official real property records of Arapahoe County, Colorado; “**to Record**” or “**to be Recorded**,” means to file for recording in the Records; and “**of Record**” and “**Recorded**” means having been recorded in the Records.

Section 1.18. *Security Interest.*

“**Security Interest**” means an interest in one or more Units, real estate or personal property, created by contract or conveyance, which secures payment or performance of any obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of leases or rents intended as security, and any other consensual lien or title retention contract intended as security for an obligation.

Section 1.19. *Security Interest Holder.*

“**Security Interest Holder**” means any Person named as a mortgagee or beneficiary, or in a similar capacity, under any Security Interest or any successor to the interest of any such Person under such Security Interest.

Section 1.20. *Special Declarant Rights.*

“**Special Declarant Rights**” means the following rights, which rights are hereby reserved for the benefit of the Declarant or the District and which rights may be further described in this Declaration: to build and complete Improvements; to exercise any Development Right; to maintain sales offices, construction offices, management offices, model homes and signs advertising the Community and/or Units; to use easements through the Community for the purpose of making Improvements within the Community or within real estate which may be added to the Community. All of the Special Declarant Rights may be exercised by a Declarant or the District with respect to

any portion of the Property now or hereafter within the Community. A Declarant or the District may exercise any or all of these Special Declarant Rights at any times. Such rights shall terminate automatically either twenty (20) years after the date of Recording of this Declaration or at such time as any Declarant or any Builder no longer owns any portion of the property described on the attached Exhibit A or B, whichever occurs first.

Section 1.21. Unit.

“Unit” means Lots and Multifamily Parcels, but does not include any Common Area or any publicly dedicated property.

ARTICLE 2. DISTRICT

Section 2.1. Authority of the District to Appoint ARC.

The District (through the Board) shall appoint all members of the ARC and may remove all or any of the members of the ARC which have been appointed by the District as provided in Sections 4.1.1 and 4.1.2. The foregoing agreement of the District to appoint members of the ARC shall be enforceable by the Owners pursuant to Article 10 below.

Section 2.2. Intentionally Omitted.

Section 2.3. Cooperation and/or Delegation.

The Board of Directors shall have the right and authority to cooperate with, and/or delegate to, any community, the District or other district(s), and/or any other Person(s), in order to increase consistency or coordination, reduce costs, or as may otherwise be determined by the Board of Directors.

Section 2.4. Rules and Regulations and Policies and Procedures.

From time to time and at any time rules and regulations (“Rules and Regulations”) and policies and procedures concerning and governing the Community may be adopted, amended, repealed and enforced by the District (through the Board of Directors), and the District (through the Board of Directors) shall establish penalties for the infraction thereof, including the levying and collecting of fines for the violation of any of such Rules and Regulations or policies and procedures. The foregoing agreement of the District to promulgate Rules and Regulations shall be enforceable by the Owners pursuant to Article 10 below. The Rules and Regulations and policies and procedures may include: procedural requirements; interpretations and applications of this Declaration and law, including blanket requirements, blanket interpretations, and blanket applications; and covenants, conditions, restrictions, requirements, and/or other provisions, pertaining to any matters, including vehicles and animals. Such rules and regulations and policies and procedures may be different for different types or prices of Units, construction or homes. No Rules and Regulations or policies and procedures that are adopted shall be contrary to this Declaration.

Section 2.5. Notice of Meetings and Other Matters of the District.

Notices of any meetings, newsletters and other correspondence or documents concerning the ARC shall be sent to Declarant at the same time that such notices, newsletters, and other

correspondence or documents are sent to the Owners. However, the foregoing shall expire upon automatic termination of the Special Declarant Rights as provided in Section 1.20 of this Declaration (Special Declarant Rights).

Section 2.6. *Authenticated Electronic Representation.*

Notwithstanding anything to the contrary contained in the Governing Documents, to the extent not prohibited by applicable law, the District may use technology or electronic representation in completing its duties and responsibilities. In this regard, any reference in any of such documents to action, attendance, representation, notice, quorum, voting or acknowledgement, as well as any and all other matters, may be conducted by authenticated electronic activity and, to the extent not prohibited by applicable law, the provisions of all of such documents shall be deemed to include provisions which permit such authenticated electronic activity.

ARTICLE 3. FINES

Section 3.1. *Personal Obligation for Fines.*

Each Owner of a Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees, and shall be personally obligated, to pay to the District any and all fines and penalties, as provided in this Declaration; with such fines and penalties to be established and collected as hereinafter provided. If more than one person or entity is an Owner of a Unit, then all such Owners shall be jointly and severally liable to the District for the payment of all fines and penalties attributable to their Unit.

Section 3.2. *Purpose of Fines and Penalties.*

The fines and penalties levied by the District are used to protect and maintain the recreation, health, safety and welfare of the residents of the Community through enforcement of the Declaration, Rules and Regulations and Guidelines.

Section 3.3. *Liens.*

The District has the right and authority to levy and collect fines, to impose liens (as provided in C.R.S. Section 32-1-1001(1)(j)(I), as amended), to negotiate, settle and/or take any other actions with respect to any violation(s) or alleged violations (a) of the Governing Documents. No further Recordation of any claim of lien is required. However, the Board of Directors or any officer of the ARC or any managing agent of the District, may prepare and record in the county in which the applicable Unit is located, a written notice setting forth the amount of the unpaid indebtedness, the name of the Owner(s) of the Unit, and a description of the Unit. If a lien is filed, the reasonable costs and expenses thereof shall be added to the due amount for the Unit against which it is filed and collected as part and parcel thereof. The District's lien may be foreclosed as provided by law.

Section 3.4. *Certificate of Status of Fines and Penalties.*

The District shall furnish to an Owner, or such Owner's designee, or to a Security Interest Holder or its designee, upon written request delivered personally or by certified mail, first class postage prepaid, return receipt, to the District's registered agent, a written statement setting forth the amount of unpaid fines and penalties, if any, currently levied against such Owner's Unit. The

statement shall be furnished within a reasonable time after receipt of the request and is binding on the District, the Board of Directors and every Owner. The District or its agents shall have the right to charge a reasonable fee for the issuance of such certificates.

Section 3.5. *Other Charges.*

To the extent permitted by law, the District may levy and assess charges, costs and fees, for matters such as, but not limited to, the following, in such amounts(s) as the Board of Directors may determine, including: reimbursement of charges that are made to the District by its managing agent or other Person; copying of District or other documents; returned checks; telefaxes; long distance telephone calls; transfer charges or fees upon transfer of ownership of a Unit; notices and demand letters; and other charges incurred by the District.

ARTICLE 4. ARCHITECTURAL REVIEW

Section 4.1. *Composition of ARC; Authority of Representative.*

4.1.1. The Architectural Review Committee shall consist of three (3) or more natural persons. The Board of Directors of the District has the authority to appoint the ARC and/or to delegate some or all architectural authority, as provided in Section 4.1.2 hereof. The power to “**appoint**” the Architectural Review Committee shall include the power to: constitute the membership of the Architectural Review Committee; appoint member(s) to the Architectural Review Committee on the occurrence of any vacancy therein, for whatever reason; and remove any member(s) of the Architectural Review Committee, with or without cause, and appoint the successor(s) thereof. Each such appointment may be made for such term(s) of office, subject to the aforesaid power of removal, as may be set by the Board.

4.1.2. The District shall have the right and authority to: (a) delegate, in writing, some or all of the architectural authority to one or more other Persons, who shall be the ARC’s representative to act on its behalf. If the ARC delegates any authority, then the actions of such representative shall be the actions of the ARC, subject to the right of appeal as provided below. However, if such a representative is appointed, the District shall have the power to withdraw from such representative any of such representative’s authority, and shall also have the power to remove or replace such representative.

Section 4.2. *Required Review and Approval; Reimbursement for Expenses.*

4.2.1. Except as provided in Sections 4.10 and 4.13 of this Declaration, no Improvements shall be constructed, erected, placed, planted, applied or installed upon any Unit, unless complete plans and specifications therefor (said plans and specifications to show exterior design, height, materials, color, and location of the Improvements, plotted horizontally and vertically, location and size of driveways, location, size, and type of landscaping, fencing, walls, retaining walls, windbreaks and grading plan, as well as such other materials and information as may be required by the Architectural Review Committee), shall have been first submitted to and approved in writing by the Architectural Review Committee.

4.2.2. The Architectural Review Committee shall endeavor to exercise its judgment to the end that all Improvements reasonably conform to and harmonize with the existing surroundings, residences, landscaping and structures.

4.2.3. In its review of such plans, specifications and other materials and information, the Architectural Review Committee may require that the applicant(s) reimburse the ARC for the actual expenses incurred, or reasonably anticipated to be incurred, by the ARC, in the review and/or approval process.

4.2.4. In addition to the required approvals by the Architectural Review Committee as provided in this Article, the construction, erection, addition, deletion, change or installation of any Improvements shall also require the applicant to obtain the approval of all governmental entities with jurisdiction thereover, and issuance of all required permits, licenses and approvals by all such entities. Without limiting the generality of the preceding sentence, issuance of building permit(s) by the City, if required, shall be a precondition to commencement of construction of, alteration of, addition to or change in, any Improvement. The ARC shall not review or approve any proposed Improvements for compliance with governmental requirements.

4.2.5. In addition to the authority that is given to the ARC in this Declaration, as well as such authority as may be implied from any provision(s) of this Declaration, the ARC shall have all authority to receive and review complaints from one or more Owners, any Declarant, one or more Builders, or any other Person(s), alleging that a violation of any of the Governing Documents has occurred or is occurring.

Section 4.3. *Procedures.*

The Architectural Review Committee shall decide each request for approval within forty-five (45) days after the complete submission of the application or request and all plans, specifications and other materials and information which the ARC may require in conjunction with such application or request. If the Architectural Review Committee fails to decide any application or request within forty-five (45) days after the complete submission of the plans, specifications, materials and other information with respect thereto, then such application or request for approval shall be deemed to have been approved by the ARC.

Section 4.4. *Vote and Appeal.*

The affirmative vote of a majority vote of the Architectural Review Committee is required to approve a request for approval pursuant to this Article (which may be with conditions and/or requirements), unless the ARC has appointed a representative or committee to act for it, in which case the decision of such representative or committee shall control. In the event a representative or committee acting on behalf of the Architectural Review Committee denies a request for approval, then any Owner shall have the right to an appeal of such decision to the full ARC, upon a written request therefor submitted to the ARC within ten (10) days after such decision by the ARC's

representative. The decision of the ARC shall be final. No additional or further appeals are permitted, nor will any be recognized.

Section 4.5. *Prosecution of Work After Approval*

After approval of any proposed Improvement by the ARC, the proposed Improvement shall be accomplished as promptly and diligently as possible and in complete conformity with the terms and conditions of the approval. Failure to complete the proposed Improvement within one (1) year after the date of approval of the application, or failure to complete the Improvement in complete conformance with terms and conditions of the approval, shall constitute noncompliance with the requirements for approval issued by the ARC and a violation of this Article; provided, however, that the ARC may grant extension(s) of time for completion of any Improvement(s). Upon the completion of an Improvement, the applicant for approval of the same shall give a written "**Notice of Completion**" to the ARC. Until the date of receipt of such Notice of Completion, the ARC shall not be deemed to have notice of completion of any Improvement on which approval (which may be with conditions and/or requirements) has been sought and granted as provided in this Article.

Section 4.6. *Inspection of Work*

The ARC, or its duly authorized representative or committee, shall have the right to inspect any Improvement at any time, including prior to, during, or after completion during reasonable hours after reasonable notice to the Owner(s) or occupant(s) of any affected Unit; except that no such notice shall be required in connection with any exterior, non-intrusive inspection. Such inspections may be made in order to determine whether or not the proposed Improvement is being completed, or has been completed, in compliance with the approval granted pursuant to this Article. However, such right of inspection shall terminate sixty (60) days after the ARC has received a Notice of Completion from the applicant.

Section 4.7. *Notice of Non-compliance*

If, as a result of inspections or otherwise, the ARC determines that any Improvement has been done without obtaining the required approval (which may be with conditions and/or requirements), or was not done in substantial compliance with the approval that was granted, or has not been completed within one (1) year after the date of approval (except landscaping, as provided below), subject to any extensions of time granted pursuant to Section 4.5 hereof, then the ARC shall notify the applicant in writing of the non-compliance. Such notice of non-compliance shall be given not later than sixty (60) days after the ARC receives a Notice of Completion from the applicant. The notice of non-compliance shall specify the particulars of the non-compliance.

Section 4.8. *Correction of Non-compliance*

If the ARC determines that a non-compliance exists, the Person responsible for such non-compliance shall remedy or remove the same within not more than forty-five (45) days from the date of receipt of the notice of non-compliance. If such Person does not comply with the ruling within such period, the ARC may, at its option, record a notice of non-compliance against the Unit on which the non-compliance exists, may impose fines, penalties and interest, may remove the non-complying Improvement, or may otherwise remedy the non-compliance, and the Person responsible

for such non-compliance shall reimburse the ARC, upon demand, for all costs and expenses, as well as anticipated costs and expenses, with respect thereto.

Section 4.9. *Standards/Guidelines.*

Except as provided in the last sentence of this Section, the Architectural Review Committee has the authority to enact, issue, promulgate, modify, amend, repeal, re-enact, and enforce architectural standards, guidelines, rules and regulations (collectively, “**Guidelines**”) to interpret and implement the design review provisions of this Declaration. Such provisions of the Guidelines may include: clarifying the types of designs and materials that may be considered in design approval; requirements for submissions in order to obtain review by the ARC, procedural requirements, and acceptable Improvement(s) that may be installed without the prior approval of the ARC; architectural standards, design guidelines, requirements, and/or other provisions pertaining to architectural design and approvals; provisions that are different for different types, sizes or prices of Units, construction or residences (including garages, porches and overhangs); and permitting the ARC, with respect to any violations or alleged violations of any of the Governing Documents, to send demand letters and notices, levy and collect fines and interest, and negotiate, settle and take any other action. In addition, such provisions may provide for blanket approvals, interpretations or restrictions on Improvements. By way of example, and not by way of limitation, such provisions may state that a certain type of screen door will be acceptable and will not require approval. All Improvements proposed to be constructed, and any Guidelines that are adopted, shall be done and used in accordance with this Declaration. However, after appointment of the ARC by the District, any architectural standards, guidelines, rules and regulations, or any modifications to existing architectural standards, guidelines, rules and regulations, proposed by the Architectural Review Committee, shall not be effective until the same have been approved by the Board of Directors.

Section 4.10. *Variance.*

The Architectural Review Committee may grant reasonable variances or adjustments from any conditions and restrictions imposed by this Article or Article 7 of this Declaration (Restrictions) of the Guidelines, in order to overcome practical difficulties or prevent unnecessary hardships arising by reason of the application of any such conditions and restrictions. Such variances or adjustments shall be granted only in case the granting thereof shall not be materially detrimental or injurious to the other property or Improvements in the neighborhood and shall not militate against the general intent and purpose hereof. However, any variance that may be granted under this Section is only a variance from the requirements of the applicable Governing Document for the individual applicant, and is not a variance from the requirements of any applicable governmental or quasi-governmental agency or entity. No granting of a variance or adjustment to any one applicant/Owner shall constitute a variance or adjustment, or the right to a variance or adjustment, to any or all other applicants/Owners.

Section 4.11. *Waivers; No Precedent.*

The approval or consent of the Architectural Review Committee or any representative thereof, to any application for approval shall not be deemed to constitute a waiver of any right to withhold or deny approval or consent by the ARC, or any representative thereof, as to any application or other matters whatsoever as to which approval or consent may subsequently or

additionally be required. Nor shall any such approval or consent be deemed to constitute a precedent as to any other matter.

Section 4.12. *Liability.*

Neither the ARC, nor any members, employees, agents or representative or committee thereof, nor any Declarant, Builder or District, nor any owners, officers, employees or agents thereof, shall be liable in equity or damages to any Person submitting requests for approval or to any Person by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove. In reviewing any matter, neither the ARC, nor any Declarant, Builder or District, shall be responsible for the safety, whether structural or otherwise, of any item(s) submitted for review, nor the conformance with applicable building codes or other governmental laws or regulations, and any approval of an Improvement by the ARC, District, or a Declarant, shall not be deemed an approval of any such matters. No Owner or other Person shall be a third party beneficiary of any obligation imposed upon, rights accorded to, action taken by, or approval or disapproval granted by, the ARC, District or a Declarant.

Section 4.13. *Declarant's and District's Exemption; Each Builder's Exemption.*

4.13.1. Notwithstanding anything to the contrary, Declarant is exempt from all provisions of this Article and all other provisions of the Governing Documents and any other matters that require ARC review and/or approval, except the requirements to obtain approval of the governmental entities (other than the District or any other governmental entity that enforces any of the Governing Documents) with jurisdiction thereover as provided in Section 4.2.4 of this Declaration.

4.13.2. Notwithstanding anything to the contrary, each Builder is exempt from the provisions of this Article and all other provisions of the Governing Documents and any other matters that require ARC review and/or approval, except for the requirements to obtain approval from the governmental entities (other than the District or any other governmental entity that enforces any of the Governing Documents) with jurisdiction thereover as provided in Section 4.2.4 of this Declaration.

ARTICLE 5. INSURANCE

Section 5.1. *Insurance.*

The District may maintain insurance in connection with its functions. Such insurance to be maintained by the District may include property insurance, commercial general liability insurance, fidelity coverage and personal liability insurance to protect directors and officers of the District from personal liability in relation to their duties and responsibilities in acting as directors and/or officers on behalf of the District. In addition, the District may maintain insurance against such other risks as the Board of Directors may determine. Nothing herein shall be construed or interpreted as a waiver of the District's governmental immunity as provided by law.

Section 5.2. *Insurance to be Maintained by Owners.*

Insurance coverage on each Owner's Unit, and the Improvements thereon, as well as on personal property belonging to an Owner to provide for replacement cost coverage, and public liability insurance coverage on each Unit, is the responsibility of the Owner of such Unit.

ARTICLE 6. EASEMENTS

Section 6.1. *Access Easement.*

Each Owner hereby grants to the District, and to its agents, employees and contractors, a right and easement on, over, under, across and through such Owner's Unit for and incidental to inspection and/or enforcement, incidental to any term or provision of any of the Governing Documents. The rights and easements granted in this Section may be exercised only during reasonable hours after reasonable notice to the Owner(s) or occupant(s) of any affected Unit; except that no such notice shall be required in connection with any exterior, non-intrusive entry. The interior of any residence shall not be subject to the easements provided for in this Section.

Section 6.2. *Utilities Easements.*

Declarant and the District hereby grant and reserves a blanket easement upon, across, over and under the Common Area for utilities and the installation, replacement, repair and maintenance of utilities, including water, sewer, gas, telephone, electricity, cable, and television antenna or cable or satellite television systems, if any. By virtue of this blanket easement it shall be expressly permissible to erect and maintain the necessary facilities, equipment and appurtenances on the Common Area and to affix, repair, maintain and replace water and sewer pipes, gas, electric, telephone, computer and television wires, cables, circuits, conduits and meters, regardless of whether the aforesaid constitute portions of main distribution systems or individual services. In the event any utility or quasi-utility company furnishing a service covered by the general easement created herein requests a specific easement by separate recordable document, Declarant and the District reserves and is hereby given the right and authority to grant such easement upon, across, over and/or under any part or all of the Common Area without conflicting with the terms hereof; provided, however, that such right and authority in the Declarant shall automatically cease at such time as the Special Declarant Rights terminate as provided in Section 1.20 of this Declaration. The easement provided for in this Section shall in no way affect, avoid, extinguish or modify any other Recorded easement(s) on the Common Area.

Section 6.3. *Intentionally Omitted.*

Section 6.4. *Drainage Easement.*

Declarant hereby reserves, to itself and to the District, easements for drainage and drainage facilities across the five (5) rear, five (5) front, and five (5) side feet of each Lot; provided, however, that if a residence is located upon any of the areas described in this sentence, then such easement shall be reduced in width to the width of the distance from the nearest lot line of such Lot to the exterior wall of the residence on such Lot that is nearest to such lot line. Except for residences as provided in the preceding sentence, no Improvements shall be placed or permitted to remain on any Lot nor shall any change in grading be permitted to exist which may change the direction of flow or

obstruct or retard the flow of water or other moisture through channels or swales within such rear, front and side yard drainage easements. Declarant reserves to itself and to the District the right to enter in and upon each such rear, front and side yard drainage easements to construct, repair, replace or change drainage pipes, structures or drainage ways, or to perform such grading, drainage or corrective work as a Declarant or the District may deem necessary or desirable; provided, however, that such right and authority in the Declarants shall cease at such time as the Special Declarant Rights automatically terminate as provided in Section 1.20 of this Declaration.

Section 6.5. *Easement for Unannexed Property.*

Declarant and the District hereby reserves, for the use and benefit of any property owned by Declarant and located proximately to the Community which may be annexed pursuant to Sections 10.3 or 10.5 (“**Annexable Area**”), a non-exclusive, perpetual easement for pedestrian and vehicular access, ingress and egress, on, over and across the roads, driveways, streets, alleys, sidewalks, access ways and similar Common Area, now or hereafter constructed, erected, installed or located in or on the Community, and on, over, across and under the Common Area for utilities and the construction, location, erection, installation, storage, maintenance, repair, renovation, replacement, reading, and use of any utilities Improvements that may now or hereafter serve the Annexable Area or any portion thereof (herein collectively the “**Annexable Area Easement**”). By virtue of this Annexable Area Easement, Declarant and the District generally intend to provide for pedestrian and vehicular access and for utilities services to those portion(s) of the Annexable Area which have not been included in the Community. Hence, the Annexable Area Easement shall be in effect for each portion of the Annexable Area, from and after Recording of this Declaration, but shall cease to be effective as to each portion of the Annexable Area at such time as the following have occurred with respect to such portion of the Annexable Area: annexation of such portion of the Annexable Area to this Declaration; and expiration of a Declarant’s right to withdraw such portion of the Annexable Area from this Declaration.

ARTICLE 7. RESTRICTIONS

Section 7.1. *Restrictions Imposed.*

The Community shall be held and shall henceforth be sold, conveyed, used, improved, occupied, owned, resided upon and transferred, subject to the following provisions, conditions, limitations, restrictions, agreements and covenants, as well as those contained elsewhere in this Declaration.

Section 7.2. *Compliance with Law.*

All Owners, all Permittees, and all other Persons, who reside upon or use any Unit or any other portion of the Community, shall comply with all applicable statutes, ordinances, laws, regulations, rules and requirements of all governmental and quasi-governmental entities, agencies and authorities.

Section 7.3. *Residential Use; Certain Permitted Business Activities.*

Subject to Section 10.4 of this Declaration (Declarant’s and Each Builder’s Use), Units shall be used for residential use only, including uses which are customarily incident thereto, and shall not

be used at any time for business, commercial or professional purposes. Notwithstanding the foregoing, however, Owners may conduct business activities within their homes provided that all of the following conditions are satisfied, as determined by the Board:

7.3.1. The business conducted is clearly secondary to the residential use of the dwelling unit and is conducted entirely within the dwelling unit;

7.3.2. The existence or operation of the business is not detectable from outside of the dwelling unit by sight, sound, smell or otherwise, or by the existence of signs;

7.3.3. The business does not result in an undue volume of traffic or parking that affects the Community;

7.3.4. The business conforms to all zoning provisions and is lawful in nature; and

7.3.5. The business conforms to all District Rules and Regulations and policies and procedures.

Section 7.4. Nuisances.

No nuisance shall be permitted which is visible within or otherwise affects the Community or any portion thereof, nor any use, activity or practice which interferes with the peaceful enjoyment or possession and proper use of the Units in the Community or any portion thereof. As used herein, the term “**nuisance**” shall include each violation of any of the Governing Documents or law, but shall not include any activities of a Declarant or District which are incidental to the development and construction of, and promotion, marketing, and sales activities in, the Community. No noxious or offensive activity shall be carried on upon any Unit nor shall anything be done or placed on any Unit which is a nuisance.

Section 7.5. Animals.

No animals, horses, livestock, birds, poultry, reptiles or insects of any kind shall be raised, bred, kept or boarded in the Community; provided, however, that the Owners of each Unit may keep a reasonable number of bona fide household pets (including dogs, cats or other domestic animals), so long as such pets are not kept for any commercial purpose and are not kept in such number or in such manner as to create a nuisance to any resident of the Community. The District shall have, and is hereby given, the right and authority to do the following, as well as take such other action(s) with regard to these matters as the Board of Directors may determine: set a maximum number of household pets; regulate the type(s) of pets that are permitted to be kept; determine that any animals or pets are being kept for commercial purposes or are being kept in such number or in such manner as to be unreasonable or to create a nuisance; determine that an Owner is in violation of the leash laws of the applicable jurisdiction or other governmental laws, ordinances, or other provisions related to animals or pets; or determine that an Owner is otherwise in violation of any provision of the Governing Documents. If the District determines that any of the foregoing have been or are being violated, the District may take any action(s) to correct the same. An

Owner's right to keep household pets is coupled with the responsibility to pay for any damage caused by such pets, as well as all costs incurred by the District as a result of such pets.

Section 7.6. *Miscellaneous Improvements.*

7.6.1. No advertising or signs of any character shall be erected, placed, permitted or maintained other than: a name plate of the occupant and a street number; and a "For Sale," "Open House," "For Rent" or security sign(s) of not more than a total of six (6) square feet posted only for the purpose of selling, renting or evidencing the existence of a security system on such Unit; and political signs and other signs, in conformance with all other laws and regulations; and such other signs, for such length(s) of time, which have the prior written approval of the Board or are otherwise expressly permitted by the Rule and Regulation or Guidelines or by law; provided, however, that any and all such advertising or signs shall be subject to any and all specifications and/or Rules and Regulations adopted by the Board of Directors. Notwithstanding the foregoing, any signs, advertising, or billboards, may be used by a Declarant, the District, or a Builder, without regard to any specifications or any Rules and Regulations, and without the prior written approval of the Board, the ARC, or any other Person.

7.6.2. No wood piles or storage areas shall be so located as to be visible from a street, from the ground level of any Unit or from the Common Area.

7.6.3. Except as may otherwise be permitted in writing by the ARC, no exterior radio antenna, television antenna, or other antenna, satellite dish, or audio or visual reception device of any type shall be placed, erected or maintained on any Unit, except inside a residence (including garages, porches and overhangs) or otherwise concealed from view; provided, however, that any such devices may be erected or installed by a Declarant, the District, or a Builder during its development, sales or construction; and provided further, however, that the requirements of this subsection are subject to the Telecommunications Act of 1996 and applicable regulations, as amended from time to time.

7.6.4. No fences shall be permitted without the prior written approval of the ARC, except such fences as may be constructed, installed or located, in the Community, by a Declarant, the District, or a Builder.

7.6.5. This Section 7.6 shall be construed and applied in accordance with all applicable laws.

Section 7.7. *Vehicular Parking, Storage and Repairs; Use of Garages.*

7.7.1. No house trailer, camping trailer, boat trailer, hauling trailer, jet ski, boat, or accessories thereto, truck (excluding, except as hereinafter provided, pickup trucks that are rated 1 ton or less), self-contained motorized recreational vehicle, or other type of recreational or commercial vehicle or equipment, may be parked or stored on a Unit, unless such parking or storage is entirely within the garage area of such Unit or will be suitably

screened from view in accordance with the Rules and Regulations or prior written approval of the Board. A “**commercial vehicle**” means a vehicle that: is used to transport cargo or passengers for profit or hire, or otherwise to further the purposes of a business or commercial enterprise; and may (but is not required to) contain signage, advertising, or written information on the vehicle or extending from the vehicle. However, any such vehicle may be otherwise parked as a temporary expedient for loading, delivery, or emergency. This restriction, however, shall not restrict trucks or other commercial vehicles that are necessary for construction or maintenance of any portion of the Community or any Improvements located thereon. “**Recreational vehicle**” includes, but is not limited to, motor homes, pick-up trucks with camper shells, trailers, self-contained recreational vehicles, motorcycles, motorbikes, snowmobiles, jet skis, all-terrain vehicles, and other apparatus intended for use on land, water, or in the air, and the trailers used for their transportation.

7.7.2. No abandoned or inoperable automobiles or vehicles of any kind shall be stored or parked in the Community. An “**abandoned or inoperable vehicle**” shall be defined as any automobile, truck, motorcycle, or other similar vehicle, which has not been driven under its own propulsion for a period of seventy-two (72) hours or longer, or which does not have an operable propulsion system installed therein, or which is not then currently registered and licensed; provided, however, that otherwise permitted vehicles may be parked for such length(s) of time as determined by the Board and/or as provided in the Rules and Regulations and/or policies and procedures of the District.

7.7.3. In the event the District shall determine that a vehicle is parked or stored in violation of subsections 7.7.2 hereof, then a written notice describing said vehicle may be personally delivered to the owner thereof (if such owner can be reasonably ascertained) or may be conspicuously placed upon the vehicle (if the owner thereof cannot be reasonably ascertained), and if the vehicle is not removed within a reasonable time thereafter, as determined by the District, the District shall have the right to remove the vehicle at the sole expense of the owner thereof.

7.7.4. No activity such as, but not limited to, maintenance, repair, rebuilding, dismantling, repainting or servicing of any kind of vehicles, trailers or boats, may be performed or conducted in the Community unless it is done within a completely enclosed structure which screens the sight and sound of the activity from the street and from adjoining property. The foregoing restriction shall not be deemed to prevent the washing and polishing, on a Unit, of any motor vehicle, boat, trailer, motor cycle, or other vehicle, together with those activities normally incident and necessary to such washing and polishing subject to any watering restrictions.

7.7.5. Section 7.7 shall be construed and applied in accordance with all applicable laws.

Section 7.8. *No Hazardous Activities; No Hazardous Materials or Chemicals.*

No activities shall be conducted on any Unit, or within Improvements constructed on any Unit, which are unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any Unit, and no open fires shall be permitted on any Unit, except in a contained barbecue unit while attended and in use for cooking purposes, or within a fireplace and/or fire pit, or except such campfires or picnic fires on property which may be designated for such use by the District. Further, no hazardous materials or chemicals shall at any time be located, kept or stored in, on or at any Unit except such as may be contained in household products normally kept at homes for use of the residents thereof and in such limited quantities so as to not constitute a hazard or danger to person or property.

Section 7.9. *No Annoying Lights, Sounds or Odors.*

No light shall be emitted from any Unit which is unreasonably bright or causes unreasonable glare; no sound shall be emitted from any Unit which is unreasonably loud or disturbing to adjacent Owners; and no odor shall be permitted from any Unit which is noxious or offensive to others. Further, no annoying light, sound or odor shall be permitted in any portion of the Community that may be seen, heard or smelled from any other Unit.

Section 7.10. *Restrictions on Trash and Materials.*

No refuse, garbage, trash, lumber, grass, shrubs or tree clippings, plant waste, metal, bulk materials, scrap or debris of any kind shall be kept, stored, or allowed to accumulate, except inside a suitable, tightly-covered container inside the home (including garages and overhangs along the sides or rear of the home), on any Unit, nor shall any such items be deposited on a street or sidewalk, unless placed in a suitable, tightly-covered container that is suitably located solely for the purpose of garbage pickup. Further, no trash or materials shall be permitted to accumulate in such a manner as to be visible from any other portion of the Community. No trash, garbage or other refuse shall be burned in outside containers, barbecue pits or the like. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. No garbage cans, trash cans or other trash receptacles shall be maintained in an exposed or unsightly manner.

Section 7.11. *Sightly Condition of Units.*

Each Unit shall at all times be kept, maintained, repaired and replaced in a good, clean and sightly condition by the Owner thereof.

Section 7.12. *Leases.*

The term "lease," as used herein, shall include any agreement for the leasing or rental of a Unit, Improvements thereon, or any portion thereof, and shall specifically include month-to-month rentals and subleases. Any Owner shall have the right to lease his Unit, or any portion thereof, under the following conditions:

7.12.1. All leases shall be in writing; and

7.12.2. All leases shall provide that the terms of the lease and lessee's occupancy of the leased premises shall be subject in all respects to the Governing Documents; and that

any failure by the lessee to comply with any of the aforesaid documents, in any respect, shall be a default under the lease.

Section 7.13. *Non-Interference with Grade and Drainage.*

Each Owner agrees, for themselves and their heirs, personal representatives, successors and assigns, that they will not in any way interfere with or obstruct the established drainage pattern over any real property. Except as to Declarant, the District, and each Builder, in the event that it is necessary or desirable to change the established drainage over any Lot or Common Area, then the party responsible for the maintenance of such real property shall submit a plan to the ARC for its review and approval, in accordance with Article 4 of this Declaration (Architectural Review), and any such change shall also be made in accordance with all laws, regulations and resolutions of all applicable governmental entities. For purposes of this Section, “**established drainage**” is defined as the drainage which exists at the time final grading is completed by a Declarant, District, or a Builder.

Section 7.14. *Restrictions on Mining or Drilling.*

No portion of the surface of any property within the Community may be used for the purpose of mining, quarrying, drilling, boring or exploring for or removing oil, gas or other hydrocarbons, minerals, rocks, stones, gravel, earth or water.

ARTICLE 8. PROPERTY RIGHTS

Section 8.1. *Use of Common Area by a Declarant.*

An easement is hereby reserved by Declarant on, over, across and through the Common Area, and each portion thereof, as may be desirable for the purpose of exercising or discharging any of Declarant’s rights or obligations, or exercising any Special Declarant Rights, and no Owner shall engage in any activity which will temporarily or permanently interfere with Declarant’s easements on, over, across and through the Common Area.

ARTICLE 9. DISPUTE RESOLUTION

Section 9.1. *Intent and Applicability of Article and Statutes of Limitation.*

9.1.1. Each Person agrees to encourage the amicable resolution of disputes under any of the Governing Documents, without the emotional and financial costs of litigation. Accordingly, each Person covenants and agrees to submit all Claims (as defined below) to final, binding arbitration in accordance with the procedures set forth in Section 9.4 hereof, and not to a court of law.

9.1.2. By acceptance of a deed for a Unit, each Owner agrees to abide by the terms of this Article.

9.1.3. No Claim (as defined below) may be initiated after the date when institution of legal or equitable proceedings based on such Claim would be barred by the applicable statute of limitation or statute of repose.

Section 9.2. *Definition of "Claim" Under this Article.*

For purposes of this Article, "claim" means, except as excluded or exempted by the terms of this Article, any claim, grievance or dispute between any Person(s) under any of the Governing Documents, and one or more other Persons, regardless of how the same may have arisen or on what it might be based, including those arising out of or related to the interpretation, application or enforcement of any of the Governing Documents, or the rights, obligations or duties under any of the Governing Documents.

Section 9.3. *Exclusions from "Claim".*

Unless specifically exempted by this Article, all Claims shall be subject to the provisions of this Article. Notwithstanding the foregoing, unless all parties thereto otherwise agree in writing, "claim" does not include any of the following, and the same shall not be subject to the provisions of this Article:

9.3.1. Any action by the ARC, the governing board of the District, or the Declarant, to enforce Article 4 (Architectural Review) or Article 7 (Restrictions) of this Declaration, or any provision(s) of the Guidelines or the Rules and Regulations, including obtaining a temporary restraining order or injunction (or equivalent emergency equitable relief), and such other ancillary relief as a court may deem necessary; or

9.3.2. Any action that asserts a Claim which would constitute a cause of action independent of the Governing Documents.

Section 9.4. *Final, Binding Arbitration*

9.4.1. If a person having a Claim ("Claimant") desires to pursue the Claim, Claimant shall initiate final, binding arbitration of the Claim with Judicial Arbitrator Group ("JAG") or any other person agreed to by the Claimant and the Person against whom the Claimant has asserted a Claim, in accordance with the then-current rules of JAG or other agreed arbitrator. Any judgment upon the award rendered by the arbitrator may shall be final and appear not subject to appeal and be entered in and enforced by any court having jurisdiction over such Claim. Unless otherwise mutually agreed to by the parties to the dispute, there shall be one arbitrator who shall have expertise in the area(s) of dispute, which may include legal expertise if legal issues are involved.

9.4.2. Each party to a dispute shall bear its own costs and expenses, and an equal share of the arbitrator's and administrative fees of arbitration. Notwithstanding the foregoing, if a party to a dispute unsuccessfully contests the validity or scope of arbitration in a court of law, reasonable attorneys' fees and expenses incurred in defending such contests, including those incurred in trial and on appeal, shall be awarded to the non-contesting party. All decisions respecting the arbitrability of any Claim shall be decided by the arbitrator.

9.4.3. The award of the arbitrator shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a party to such dispute nor an arbitrator may disclose the existence, content, or results of any arbitration without the prior written consent of all of the parties to the dispute.

Section 9.5. *Liability for Certain Failures of District or District.*

No director or officer of the District or ARC shall be liable to any Person for failure to institute or maintain or bring to conclusion a cause of action, mediation, arbitration, or other dispute resolution, if the following criteria are satisfied: (a) the director or officer was acting within the scope of his or her duties; (b) the director or officer was not acting in bad faith; and (c) the act or omission was not willful, wanton or grossly negligent.

ARTICLE 10. GENERAL PROVISIONS

Section 10.1. *Enforcement.*

10.1.1. This Section 10.1 is subject to Article 9 of this Declaration (Dispute Resolution).

10.1.2. Enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in any of the Governing Documents, as amended, may be by any proceeding at law or in equity against any Person(s) violating or attempting to violate any such provision. Remedies shall be cumulative and no remedy shall be exclusive of other remedies that may be available. The District shall enforce the provisions of the Governing Documents and such covenant shall be enforceable by the Owners pursuant to this Section 10.1. Declarant and any aggrieved Owner shall have the right, but not the duty, to institute, maintain and prosecute any such proceedings. For each claim, including counterclaims, cross claims and third-party claims, in any proceeding to enforce the provisions or any of the Governing Documents, the prevailing party shall be awarded its reasonable collection costs and attorney fees and costs incurred in asserting or defending the claim; except that, any Person who brings an action against any Declarant, any Builder, the District, or the ARC, regarding enforcement, or non-enforcement, of any provision(s) of the Governing Documents, shall not be awarded their costs or any attorney fees. Failure by Declarant, the District or any Owner to enforce any covenant, restriction or other provision contained in any of the Governing Documents, shall in no event give rise to any liability for damages, nor shall such non-enforcement be deemed a waiver of the right to thereafter enforce any covenant, restriction or other provision of the Governing Documents, regardless of the number of violations or breaches that may occur.

10.1.3. The foregoing right of enforcement shall include the right of the District, to send demand letters and notices, to charge interest and/or late charges, to levy and collect fines, to impose liens (as provided in C.R.S. Section 32-1-1001(i)(j)(I), as amended), to negotiate, settle and/or take any other actions, with respect to any violation(s), or alleged violation(s), of any of the Governing Documents. Prior to collection of any fines, the

District or the ARC shall mail a notice or demand to the Person(s) alleged to be in violation of any provision of the Governing Documents and such notified Person(s) has a right to a hearing upon submission to the Board of Directors of a written request for hearing, which is properly signed by such Person(s) and dated, within fourteen (14) days after the notice of violation has been mailed or such other time as the District or the ARC may decide; failure of a notified Person to request a hearing in writing within the required time period shall constitute a waiver of such right to a hearing.

Section 10.2. *Severability.*

All provisions of this Declaration are severable. Invalidation of any of the provisions of this Declaration or any of the Governing Documents, by judgment, court order or otherwise, shall in no way affect or limit any other provisions which shall remain in full force and effect.

Section 10.3. *Annexation; Withdrawal.*

10.3.1. The Declarant may annex to the Property additional property, including any property which may previously have been withdrawn from the Property. Each such annexation, if any, shall be accomplished by recording of an annexation document that expressly states that the property described therein shall be subject to this Declaration and all terms and provisions hereof.

10.3.2. Declarant hereby reserves the right to Record one or more documents in order to clarify the effect of any annexation(s). Each such document(s), if any such document(s) are Recorded by a Declarant, may state the legal description(s) of any property which has been annexed, and may include such other provisions as a Declarant may determine.

10.3.3. Declarant reserves the right to withdraw the Property, or any portion thereof, including one or more Units, from this Declaration, so long as the Declarant owns the portion of the Property to be withdrawn. Each withdrawal, if any, may be affected by the Declarant recording a withdrawal document in the Records. A withdrawal as contained in this paragraph constitutes a divestiture, withdrawal, and de-annexation of the withdrawn property from this Declaration so that, from and after the date of recording a withdrawal document, the property so withdrawn shall not be part of the Property or the Community, or in any way subject to the terms hereof.

Section 10.4. *Declarant's and Each Builder's Use.*

Notwithstanding anything to the contrary, it shall be expressly permissible for Declarant and each Builder, and their respective employees, agents, and contractors, to perform all activities, and to maintain Improvements, tools, equipment, and facilities, on the portion of the Property owned by them and also on public property, incidental to development, construction, use, rental, sale, occupancy, and/or advertising. The foregoing includes locating, maintaining and relocating management offices, signs, sales offices, model units and construction offices and trailers, in such numbers, of such sizes, and at such locations as Declarant or Builder determines, and for access to,

from, and incidental to such uses. Nothing contained in this Declaration shall limit the rights of Declarant or a Builder to conduct all construction, promotion, sales, and marketing activities as such Declarant or such Builder determines, and to use the easements provided in this Declaration for those and other purposes. Further, nothing contained in this Declaration shall limit the rights of a Declarant or a Builder, or require a Declarant or a Builder to obtain any approvals:

10.4.1. to excavate, cut, fill or grade any property or to construct, alter, demolish or replace any Improvements;

10.4.2. to use any Improvements on any property as sales offices, management offices, model units and/or construction offices; and/or

10.4.3. to require a Declarant to seek or obtain any approvals for any activity.

Section 10.5. *Duration, Revocation, and Amendment.*

10.5.1. Each and every provision of this Declaration shall run with and bind the land perpetually from the date of Recording of this Declaration. Except as otherwise provided in this Declaration, this Declaration may be amended by the affirmative vote or agreement of Owners holding at least sixty-seven percent (67%) of the Units; provided, however, prior to the termination of the Special Declarant Rights no amendment of this Declaration shall be effective without the prior written approval of the Declarant. Further, amendments shall be applicable only to disputes, issues, circumstances, events, claims or causes of action that arose out of circumstances or events that occurred after the Recording of such amendment; and no amendment shall be applied retroactively to any earlier occurring disputes, issues, events, circumstances, actions, claims or causes of action.

10.5.2. Notwithstanding anything to the contrary, any of the Governing Documents may be amended, in whole or in part, by the Declarant without the consent or approval of any other Person, in order to comply with the requirements, standards, or guidelines of any recognized secondary mortgage markets, including the department of housing and urban development, the federal housing administration, the veterans administration, the federal home loan mortgage corporation, the government national mortgage association, and the federal national mortgage association. Such right of amendment shall terminate automatically as provided in Section 1.20 of this Declaration.

10.5.3. Notwithstanding anything to the contrary, any of the Governing Documents, or any map or plat, may be amended in whole or in part, by a Declarant without the consent or approval of any other Person in order to correct clerical, typographical, or technical errors. Such right of amendment shall terminate automatically as provided in Section 1.20 of this Declaration.

10.5.4. Except as to amendments which may be made by the Declarant, amendments to this Declaration may be prepared, executed, Recorded, and certified by any officer of the District designated for that purpose. Such certification shall, in the case of an

amendment requiring the approval of Owners, certify that the District has received the requisite approvals. Amendments to this Declaration which may be made by a Declarant pursuant to this Declaration may be signed by a Declarant and shall require no other signatory.

Section 10.6. *Registration of Mailing Address.*

Each Owner and each Security Interest Holder, insurer or guarantor of a Security Interest, shall register his mailing address with the District, and all statements, demands and other notices intended to be served upon an Owner, or upon a Security Interest Holder, insurer or guarantor of a Security Interest shall, subject to Section 2.6 of this Declaration (Authenticated Electronic Representation), be sent by U.S. mail, postage prepaid, addressed in the name of such Person at such registered mailing address. However, if any Owner fails to notify the District of a registered address, then any statement, demand or other notice may be delivered or sent, as aforesaid, to such Owner at the address of such Owner's Unit. All statements, demands, or other notices intended to be served upon the Board of Directors shall be sent by U.S. mail, postage prepaid, to Declarant who then owns any portion of the Property at its registered address.

Section 10.7. *Limitation on Liability.*

Declarant, any Builder, the District, the ARC, and their respective directors, officers, shareholders, members, partners, agents and employees, shall not be liable to any Person for any action or for any failure to act arising out of any of the Governing Documents, unless the action or failure to act was not in good faith and was done or withheld with malice. Further, the District does not waive, and no provision of this Declaration shall be deemed a waiver of, the immunities and limitations to which the District is entitled as a matter of law, including the Colorado Governmental Immunity Act, §24-10-101, et seq. C.R.S., as amended. The release and waiver set forth in Section 10.11 (Waiver) shall apply to this Section.

Section 10.8. *No Representations, Guaranties or Warranties.*

No representations, guaranties or warranties of any kind, express or implied, shall be deemed to have been given or made by a Declarant, any Builder, the District, the Board of Directors, the ARC, or their respective owners, officers, directors, members, partners, agents or employees, in connection with any portion of the Community, or any Improvement, its or their physical condition, structural integrity, freedom from defects, zoning, compliance with applicable laws, fitness for intended use, or view, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulation thereof, unless and except as shall be specifically set forth in writing. The release and waiver set forth in Section 10.11 (Waiver) shall apply to this Section.

Section 10.9. *Disclaimer Regarding Safety.*

DECLARANT, EACH BUILDER, THE DISTRICT, THE BOARD OF DIRECTORS, THE ARC, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, OWNERS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, HEREBY DISCLAIM ANY OBLIGATION REGARDING THE SECURITY OF ANY PERSONS OR PROPERTY WITHIN THE

COMMUNITY. BY ACCEPTING A DEED TO PROPERTY WITHIN THE COMMUNITY, EACH OWNER ACKNOWLEDGES THAT DECLARANT, EACH BUILDER, THE BOARD OF DIRECTORS, THE ARC, AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, ARE ONLY OBLIGATED TO DO THOSE ACTS SPECIFICALLY ENUMERATED HEREIN, OR IN THE GOVERNING DOCUMENTS, AND ARE NOT OBLIGATED TO DO ANY OTHER ACTS WITH RESPECT TO THE SAFETY OR PROTECTION OF PERSONS OR PROPERTY WITHIN THE COMMUNITY. THE RELEASE AND WAIVER SET FORTH IN SECTION 10.11 (WAIVER) SHALL APPLY TO THIS SECTION.

Section 10.10. *Development Within and Surrounding the Community.*

Each Owner acknowledges that development within and surrounding the Community may continue for an indefinite period, and that plans for the density, type and location of improvements, developments or land uses, may change over time. Such development may entail changes to or alterations in the access to the Community, views of or from the Community or the Units, surrounding land uses, open space or facilities, traffic volumes or patterns, privacy or other off-site aspects or amenities. Development also may entail noise, odors, unsightliness, dust and other inconveniences or disruptions. By accepting a deed to a Unit, each Owner accepts title to such Unit subject to the foregoing, and waives and releases any claim against the Declarant, any Builder, the District, the Board of Directors, the ARC, and their respective owners, officers, directors, members, partners, agents and employees, heirs, personal representatives, successors and assigns, arising out of or associated with any of the foregoing. The release and waiver set forth in Section 10.11 (Waiver) shall apply to this Section.

Section 10.11. *Waiver.*

By acceptance of a deed to a Unit, each Owner hereby releases, waives, and discharges Declarant, each Builder, the District, the Board of Directors, the ARC, and their respective owners, officers, directors, members, partners, agents and employees, heirs, personal representatives, successors and assigns, from all losses, claims, liabilities, costs, expenses, and damages, arising directly or indirectly from any hazards, disclosures or risks set forth in this Declaration, including those contained in Sections 10.7, 10.8, 10.9 and 10.10.

Section 10.12. *Headings.*

The Article, Section and subsection headings in this Declaration are inserted for convenience of reference only, do not constitute a part of this Declaration, and in no way define, describe or limit the scope or intent of this Declaration or any of the provisions hereof.

Section 10.13. *Gender.*

Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular and the use of any gender shall be applicable to all genders.

Section 10.14. *Use of "Include," "Includes" and "Including".*

All uses in the Governing Documents of the words "include," "includes" and "including" shall be deemed to include the words "without limitation" immediately thereafter.

Section 10.15. *Action.*

Any action that has been or may be taken by a Declarant, the District, a Builder, the Board, the ARC, any Member, any director, any committee, or any other Person, may be taken “**at any time, from time to time**”. Each provision that authorizes, directs or permits action shall be deemed to include such language.

Section 10.16. *Sole Discretion.*

All actions which are taken by a Declarant, the District, a Builder, the Board, the ARC, any Member, any director, any committee, or any other Person, shall be deemed to be taken “**in the sole discretion**” of each of such parties.

Section 10.17. *Run with Land; Binding Upon Successors.*

The benefits, burdens and all other provisions contained in this Declaration shall be covenants running with and binding upon the Community and all real property and Improvements which are now or hereafter become a part thereof. The benefits, burdens and all other provisions contained in this Declaration shall be binding upon, and inure to the benefit of Declarant, each Builder, the District, and all Owners, and upon and to their respective heirs, personal representatives, successors and assigns.

[Signature Page Follows.]

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this 9th day of March, 2017.

DECLARANT:

MERITAGE HOMES OF COLORADO, INC.,
an Arizona Corporation

By: [Signature]
Name: Glenn Nier
Title: Vice President

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me this 9th day of MARCH, 2017 by Glenn Nier as VICE PRESIDENT of MERITAGE HOMES OF COLORADO, INC., an Arizona Corporation.

Witness my hand and official seal.

(SEAL) [Signature]
Notary Public
My Commission Expires: 12/10/2017

**MICHAEL BIRD
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20014027300
MY COMMISSION EXPIRES DECEMBER 10, 2017**

THE DISTRICT:

Highline Crossing Metropolitan District
a quasi-municipal corporation and political
subdivision of the State of Colorado

By: [Signature]
Name: RICHARD CROSS
Title: DISTRICT PRESIDENT

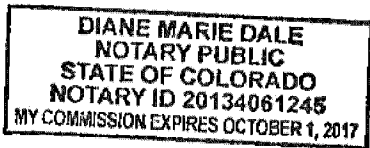
Attest: [Signature]
Secretary

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me this 9 day of MARCH, 2017
by RICHARD CROSS as DISTRICT PRESIDENT of Highline Crossing
Metropolitan District, a quasi-municipal corporation and political subdivision of the State of
Colorado.

Witness my hand and official seal.

(S E A L)



Notary Public [Signature]
My Commission Expires: 10/1/2017

**EXHIBIT A
TO
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF HIGHLINE SUBDIVISION**

Lots 1-18, Block 1 (inclusive),
Lots 1-45, Block 2 (inclusive),
Highline Subdivision Filing No. 1,
City of Aurora, County of Arapahoe, State of Colorado.

**EXHIBIT B
TO
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF HIGHLINE SUBDIVISION**

(Tracts owned or to be owned by District)

Tracts B, C, D, E, G, H, J, K, L, M,
Highline Subdivision Filing No. 1,
City of Aurora, County of Arapahoe, State of Colorado.

Highline Crossing Metropolitan District

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

**Public Disclosure
Document-
Disclosure to
Purchasers**

AMENDED AND RESTATED
SPECIAL DISTRICT PUBLIC DISCLOSURE DOCUMENT
DISCLOSURE TO PURCHASERS

HIGHLINE CROSSING METROPOLITAN DISTRICT

Highline Crossing Metropolitan District (“**District**”) recorded its Special District Public Disclosure Document Disclosure to Purchasers on March 24, 2017 in the real property records of Arapahoe County at Reception Number D7033455 (“**Public Disclosure Document**”).

This District desires to amend and restate the Public Disclosure Document to provide prospective property owners with general information regarding the District and its operations. This Amended and Restated Special District Public Disclosure Document Disclosure to Purchasers (“**Amended and Restated Public Disclosure Document**”) is intended to provide an overview of pertinent information related to the District and does not purport to be comprehensive or definitive. You are encouraged to independently confirm the accuracy and completeness of all statements contained herein.

This Amended and Restated Public Disclosure Document is intended to modify, replace and restate and supersede the Public Disclosure Document in its entirety.

DISTRICT’S POWERS

The powers of the District as authorized by Section 32-1-1004, Colorado Revised Statutes (“**C.R.S.**”) and under its Service Plan, as approved by the City Council of the City of Aurora (the “**City**”) on March 21, 2016 (the “**Service Plan**”), are to plan for, design, finance, acquire, construct, install, relocate, and/or redevelop certain public improvements, including, but not limited to, streets, safety protection, water, sewer, storm drainage, park and recreation improvements, and covenant enforcement and design review services to the District.

DISTRICT’S SERVICE PLAN

The District’s Service Plan, which can be amended from time to time, includes a description of the District’s powers and authority. A copy of the District’s Service Plan is available from the Division of Local Government in the State Department of Local Affairs (the “**Division**”).

The District is authorized by Title 32 of the Colorado Revised Statutes to use a number of methods to raise revenues for capital needs and general operations costs. These methods, subject to the limitations imposed by Section 20 of Article X of the Colorado Constitution (“**TABOR**”), include issuing debt, levying taxes, and imposing fees and charges. Information concerning District directors, management, meetings, elections, and current taxes are provided annually in the Notice to Electors described in Section 32-1-809(1), C.R.S., which can be found at the office of General Counsel for the District, on file at the Division, or on file at the office of the Clerk and Recorder of Arapahoe County.

DEBT AUTHORIZATION

Pursuant to its Service Plan, the District has authority to issue up to Ten Million Dollars (\$10,000,000) of debt to provide and pay for public infrastructure improvement costs.

Any debt issued by the District will be repaid through ad valorem property taxes, from a District imposed debt service mill levy on all taxable property of the District, together with any other legally available revenues of the District.

TAXES AND FEES IMPOSED ON PROPERTIES WITHIN THE DISTRICT

Ad Valorem Property Taxes

The District's primary source of revenue is from property taxes imposed on property within the District. Along with other taxing entities, the District certifies a mill levy by December 15th of each year which determines the taxes paid by each property owner in the following year. The District imposed a total combined Mill Levy of 65.000 mills for tax collection year 2017 (as described below). The total anticipated overlapping mill levy for the property within the District for tax collection year 2017 is 142.496 mills (inclusive of the District's Mill Levy), as described in the "Overlapping Mill Levy" section below.

Debt Service Mill Levy

The maximum debt service mill levy the District is permitted to impose under the Service Plan ("**Debt Mill Levy Cap**") for the portion of any aggregate District's Debt which exceeds fifty percent (50%) of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt. The Debt Mill Levy Cap may be adjusted due to changes in the statutory or constitutional method of assessing property tax or in the assessment ratio. The purpose of such adjustment is to assure, to the extent possible, that the actual tax revenues generated by the mill levy are neither decreased nor increased, as shown in the example below.

Operations Mill Levy

In addition to imposing a debt service mill levy, the District is also authorized by the Service Plan to impose a separate mill levy to generate revenues for the provision of administrative, operations and maintenance services (the "**Operations and Maintenance Mill Levy**"). The amount of the Operations and Maintenance Mill Levy may be increased as necessary, separate and apart from the Debt Mill Levy Cap.

THE FOLLOWING EXAMPLE IS PROVIDED SOLELY FOR THE PURPOSE OF ILLUSTRATION AND IS NOT TO BE INTERPRETED AS A REPRESENTATION OF ANY ACTUAL CURRENT OR FUTURE VALUE INCLUDING, BUT NOT LIMITED TO, ANY ACTUAL VALUE, ASSESSMENT RATIO, OR MILL LEVY.

District Property Tax Calculation Example-Reduction in Residential Assessment Ratio

Tax Collection Year	Actual Value (V)	Assessment Ratio (R)	Assessed Value (AV) [V x R = AV]	Mill Levy ¹ /Rate ² (M)	Amount of District Tax Due [AV x M]
(a) 2017	\$450,000	7.96%	\$35,820	65.000/0.06500	\$2,328
(b) 2018	\$450,000	7.20%	\$32,400	71.852/0.07185	\$2,328

¹Based on a projected mill levy, not a representation of any actual current or future mill levy

²Each mill is equal to 1/1000th of a dollar

(a) If in 2017 the Actual Value of the Property is \$450,000, and the Residential Assessment Ratio established by the State Legislature for that year is 7.96%, the Assessed Value of the Property is \$35,820 (i.e., \$450,000 x 7.96% = \$35,820). If the District certifies a combined debt and operations mill levy of 65.000 mills, it would generate approximately \$2,328 in revenue for the District.

(b) If in 2018 the Actual Value of the Property remains at \$450,000, but as a result of the State Legislature determining to change the Residential Assessment Ratio for 2018 to 7.20%, the Assessed Value would be \$32,400 (i.e., \$450,000 x 7.20% = \$32,400). Therefore, the District would need to certify a 71.852 mill levy in order to generate the same revenue as in 2017. Overlapping Mill Levies

Overlapping Mill Levies

In addition to the District’s imposed mill levies for debt and operations as described above, the property located within the District is also subject to additional “overlapping” mill levies from additional taxing authorities. The overlapping mill levy **for tax collection year 2016**, for the property within the District, exclusive of the District’s imposed mill levies was 77.496. Mill levies are certified in December of each year, and generally published by the County by the end of the first quarter. Therefore, we are unable to provide more detailed information on the anticipated overlapping mill levy for 2017 at this time. The breakdown of the estimated overlapping mill levies is as follows:

Taxing Authority	Levy
Cherry Crk School Dist 5 (2016)	53.232
Arapahoe County (2016)	14.039
City of Aurora (2016)	8.605
Developmental Disability (2016)	1.000
Urban Drainage & Flood (2016)	0.559
Urban Drainage & Flood (S Platte) (2016)	0.061
TOTAL OVERLAPPING MILL LEVY (2016)	77.496
Highline Crossing Metropolitan District (2017)	65.000
TOTAL WITH DISTRICT MILL LEVY	142.496

Overlapping Mill Levy Property Tax Calculation Example

Tax Collection Year	Actual Value (V)	Assessment Ratio (R)	Assessed Value (AV) [V x R = AV]	Mill Levy ¹ /Rate ² (M)	Amount of Total Property Tax Due [AV x M]
(a) 2017	\$450,000	7.96%	\$35,820	142.496/142496	\$5,104

¹Based on a projected mill levy, not a representation of any actual current or future mill levy

²Each mill is equal to 1/1000th of a dollar

THE ABOVE EXAMPLE IS PROVIDED SOLELY FOR THE PURPOSE OF ILLUSTRATION AND IS NOT TO BE INTERPRETED AS A REPRESENTATION OF ANY ACTUAL CURRENT OR FUTURE VALUE INCLUDING, BUT NOT LIMITED TO, ANY ACTUAL VALUE, ASSESSMENT RATIO, OR MILL LEVY.

If in 2017, all other overlapping entities maintain their 2016 mill levies, the total mill levy with all overlapping entities for tax collection year 2017 is anticipated to be 142.496 mills (inclusive of the District’s 65.000 mill levy imposition). Note, as stated above, mill levies are certified in December of each year, therefore, we are unable to provide more detailed information regarding the 2017 overlapping mill levies at this time.

Fees

In addition to property taxes, the District may also rely upon various other revenue sources authorized by law to offset the expenses of capital construction and district management, operations and maintenance. Pursuant to its Service Plan, the District has the power to assess fees, rates, tolls, penalties, or charges as provided in Title 32 of the Colorado Revised Statutes, as amended. The District has adopted a Resolution imposing certain fees. For a current fee schedule, please contact the District Manager at the contact information below.

DISTRICT BOUNDARIES

This Disclosure shall apply to the property within the boundaries of the District, which property is described on **Exhibit A and Exhibit B**, both attached hereto and incorporated herein by this reference.

CONTACT INFORMATION

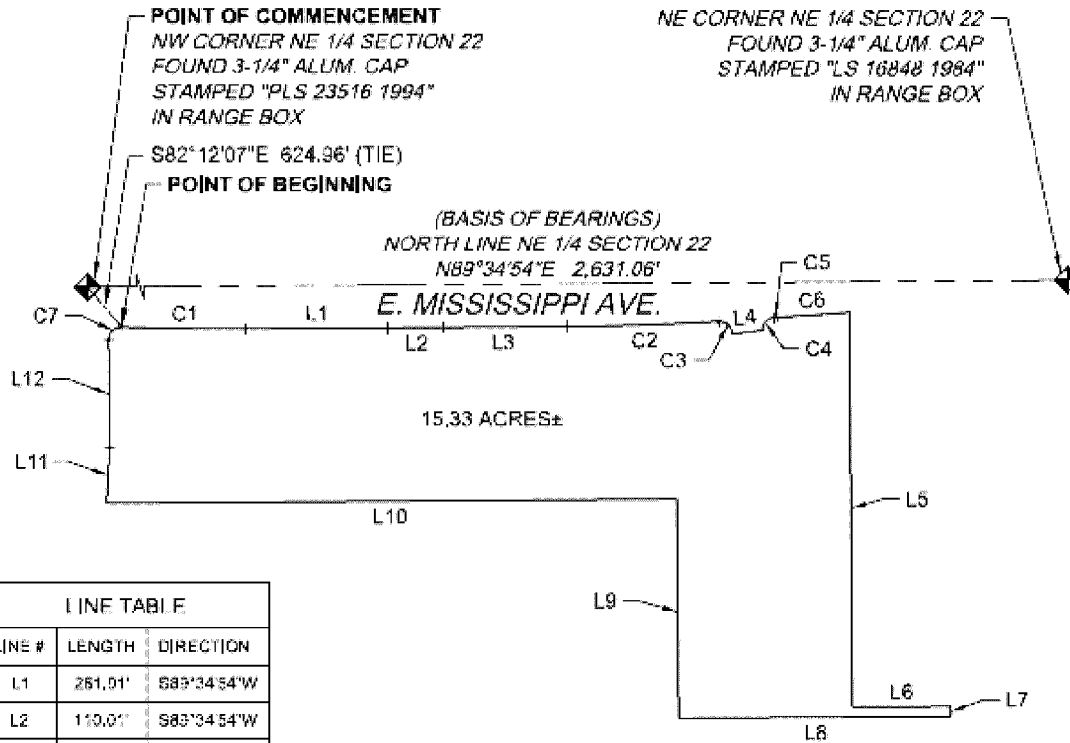
Should you have any questions with regard to these matters, please contact:

District Manager:
 Special District Management Services, Inc.
 141 Union Boulevard, Suite 150
 Lakewood, Colorado 80228
 Phone: 303-987-0835

Dated this 21st day of June, 2017.

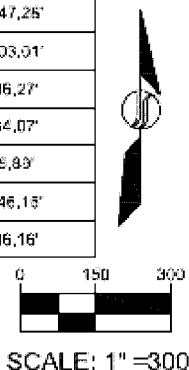
EXHIBIT A

District Map



LINE TABLE		
LINE #	LENGTH	DIRECTION
L1	261.01'	S89°34'54"W
L2	110.01'	S89°34'54"W
L3	246.79'	S89°34'54"W
L4	60.39'	S83°08'08"W
L5	785.00'	N00°23'10"W
L6	195.00'	S89°39'34"W
L7	19.77'	N00°23'36"W
L8	541.11'	N60°30'34"E
L9	435.55'	S00°28'17"E
L10	1,135.06'	N89°34'54"E
L11	111.37'	S03°18'04"W
L12	214.00'	S00°35'38"E

CURVE TABLE					
CURVE #	DELTA	RADIUS	LENGTH	CHORD DIRECTION	CHORD LENGTH
C1	2°26'39"	5,797.25'	247.30'	S89°11'47"E	247.26'
C2	3°00'05"	5,785.00'	303.04'	N58°04'51"E	303.01'
C3	93°00'15"	25.00'	40.58'	N46°55'03"W	36.27'
C4	55°54'23"	25.00'	37.48'	S42°32'15"W	34.07'
C5	0°03'30"	5,765.00'	5.80'	N89°27'51"E	5.80'
C6	1°28'32"	5,675.00'	146.15'	N56°10'22"E	146.15'
C7	92°37'31"	25.00'	40.42'	S42°42'45"W	36.16'



JANSEN STRAWN
CONSULTING AND REALTY
40 WEST 2ND AVENUE
DENVER, CO 80202
P.303.501.3332
F.303.501.3339

PROJECT: HIGHLINE	DATE: MARCH 3, 2016	SHEET 1 OF 1
JOB NO.: 14102	SCALE: 1" = 300'	

EXHIBIT B

Legal Description

LEGAL DESCRIPTION

KNOW ALL PEOPLE BY THESE PRESENTS THAT THE UNDERSIGNED WARRANT IT IS THE OWNER OF A PARCEL OF LAND SITUATED IN THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 4 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ARAPAHOE, STATE OF COLORADO, BEING PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 22 AND CONSIDERING THE NORTH LINE OF SAID NORTHEAST QUARTER OF SECTION 22 TO BEAR NORTH 89°34'54" EAST, WITH ALL BEARINGS HEREON RELATIVE THERETO:

THENCE NORTH 89°34'54" EAST ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER OF SECTION 22 A DISTANCE OF 66.41 FEET; THENCE SOUTH 00°25'08" EAST A DISTANCE OF 78.71 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF EAST MISSISSIPPI AVENUE DESCRIBED IN BOOK 6992 AT PAGES 193, 199 AND 205 OF THE RECORDS OF THE ARAPAHOE COUNTY CLERK AND RECORDER AND THE POINT OF BEGINNING;

THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY OF EAST MISSISSIPPI AVENUE THE FOLLOWING TWO (2) COURSES:

- 1) ALONG A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 02°28'39", A RADIUS OF 5,797.26 FEET, AN ARC LENGTH OF 247.30 FEET AND A CHORD THAT BEARS SOUTH 89°11'47" EAST A DISTANCE OF 247.28 FEET;
- 2) NORTH 89°34'54" EAST A DISTANCE OF 281.91;

THENCE NORTH 89°34'54" EAST A DISTANCE OF 110.01 FEET;

THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY-LINE OF EAST MISSISSIPPI AVENUE THE FOLLOWING SEVEN (7) COURSES:

- 1) NORTH 89°34'54" EAST A DISTANCE OF 245.79 FEET TO A POINT OF CURVATURE;
- 2) ALONG A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 03°09'06", A RADIUS OF 5,785.00 FEET, AN ARC LENGTH OF 303.04 FEET AND A CHORD THAT BEARS NORTH 88°04'51" EAST A DISTANCE OF 303.01 FEET TO A POINT OF REVERSE CURVATURE;
- 3) ALONG A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 93°00'16", A RADIUS OF 25.00 FEET, AN ARC LENGTH OF 40.58 FEET AND A CHORD THAT BEARS SOUTH 46°55'04" EAST A DISTANCE OF 38.27 FEET;
- 4) NORTH 83°06'08" EAST A DISTANCE OF 80.39 FEET TO A POINT OF CURVATURE;
- 5) ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 85°54'23", A RADIUS OF 25.00 FEET, AN ARC LENGTH OF 37.48 FEET AND A CHORD THAT BEARS NORTH 42°32'15" EAST A DISTANCE OF 34.07 FEET TO A POINT OF REVERSE CURVATURE;
- 6) ALONG A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00°03'30", A RADIUS OF 5,785.00 FEET, AN ARC LENGTH OF 5.89 FEET AND A CHORD THAT BEARS NORTH 85°27'51" EAST A DISTANCE OF 5.88 FEET TO A POINT OF CURVATURE;
- 7) ALONG A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 01°28'32", A RADIUS OF 5,675.00 FEET, AN ARC LENGTH OF 148.16 FEET AND A CHORD THAT BEARS NORTH 86°10'22" EAST A DISTANCE OF 148.15 FEET;

THENCE SOUTH 00°23'10" EAST A DISTANCE OF 785.09 FEET;

THENCE NORTH 89°38'34" EAST A DISTANCE OF 195.00 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF SOUTH GALENA WAY DESCRIBED IN BOOK 7237 AT PAGES 321, 324 AND 327 OF THE RECORDS OF THE ARAPAHOE COUNTY CLERK AND RECORDER;

THENCE SOUTH 00°23'36" EAST ALONG SAID WESTERLY RIGHT-OF-WAY LINE A DISTANCE OF 19.77 FEET;

THENCE SOUTH 89°39'34" WEST A DISTANCE OF 541.11 FEET;

THENCE NORTH 00°28'17" WEST A DISTANCE OF 435.55 FEET;

THENCE SOUTH 89°34'54" WEST A DISTANCE OF 1,186.06 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SOUTH DAYTON STREET DESCRIBED IN SAID BOOK 6992 AT PAGES 193, 199 AND 205;

THENCE ALONG THE EASTERLY RIGHT-OF-WAY OF SAID SOUTH DAYTON STREET THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 03°18'04" EAST A DISTANCE OF 111.37 FEET;
- 2) NORTH 00°35'38" WEST A DISTANCE OF 214.09 FEET TO A POINT OF CURVATURE;
- 3) ALONG A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 92°37'31", A RADIUS OF 25.00 FEET, AN ARC LENGTH OF 40.42 FEET AND A CHORD THAT BEARS NORTH 45°42'45" EAST A DISTANCE OF 38.18 FEET TO THE POINT OF BEGINNING;

SAID PARCEL CONTAINS AN AREA OF 667,536 SQUARE FEET, OR 15.33 ACRES, MORE OR LESS.

HAVE LAID OUT, PLATTED, AND SUBDIVIDED THE SAME INTO LOTS, BLOCKS AND TRACTS AS SHOWN ON THIS PLAT, UNDER THE NAME AND STYLE OF **HIGHLINE SUBDIVISION FILING NO. 1**, AND BY THESE PRESENTS DO HEREBY DEDICATE TO THE CITY OF AURORA, COLORADO, FOR THE PERPETUAL USE OF THE PUBLIC, THE STREETS AND EASEMENTS AS SHOWN HEREON AND NOT PREVIOUSLY DEDICATED TO THE PUBLIC.

**AMENDED & RESTATED RULES AND
REGULATIONS
OF
HIGHLINE**

Adopted by the Board of Directors of the District on March 9, 2017

Amended and Restated by the Board of Directors of the District on March 7, 2018

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- Exhibit A** Required Fencing and Stain Formula
- Appendix A** Architectural Review Request Form

1 **INTRODUCTION**

1.1 Basis for Rules and Regulations

These Rules and Regulations (the “**Rules**”) are intended to assist Owners living in the Highline Community (the “**Community**”). Pursuant to the Declaration of Covenants, Conditions and Restrictions of Highline (“**Declaration**”), recorded at Reception No. D7031771 on March 21, 2017, the Highline Crossing Metropolitan District (“**District**”) is authorized to adopt rules and regulations for the Community.

1.2 Definitions

All capitalized words and phrases used in these Rules shall have the meaning provided in the Declaration unless otherwise defined herein.

1.3 Contents of Rules

In addition to the introductory material, these Rules contain (A) a summary of procedures for obtaining approval from the ARC (see Section 2); and (B) a listing of specific types of improvements that Owners might wish to make with specific information as to each of these types of improvements (see Section 3).

1.4 Architectural Review Committee or Representative

The ARC consists of persons, representatives or a committee appointed to review requests for approval of architectural or site changes.

1.5 ARC Contact Information

The contact information of the ARC, persons, committee or representative authorized to administer the architectural review process is:

COMPANY NAME	OFFICE	FAX	E-MAIL
--------------	--------	-----	--------

1.6 Effect of Declaration

The Declaration governs the Community. Each Owner should review and become familiar with the Declaration. Nothing in these Rules supersedes or alters the provisions or requirements of the Declaration and, if there is any conflict or inconsistency, the Declaration will control.

1.7 Effect of Governmental and Other Regulations

Use of property within the Community and any Improvements must comply with any applicable building codes and other governmental requirements and regulations. Owners are encouraged to contact Arapahoe County (“**County**”) and the City of Aurora (“**City**”) for further information and requirements for Improvements they wish to make.

APPROVAL BY THE ARC DOES NOT CONSTITUTE ASSURANCE THAT IMPROVEMENTS COMPLY WITH APPLICABLE GOVERNMENTAL REQUIREMENTS OR REGULATIONS OR THAT A PERMIT OR APPROVALS ARE NOT ALSO REQUIRED FROM APPLICABLE GOVERNMENTAL BODIES.

1.8 Interference with Utilities

In making Improvements to property, Owners are responsible for locating all water, sewer, gas, electrical, cable television, or other utility lines or easements. Owners should not construct any Improvements over such easements without the consent of the utility involved, and Owners will be responsible for any damage to any utility lines. All underground utility lines and easements can be located by contacting:

**Utility Notification Center of Colorado
1-800-922-1987**

1.9 Goal of Rules

Compliance with these Rules and the provisions of the Declaration will help preserve the inherent architectural and aesthetic quality of the Community. It is the responsibility of the ARC to ensure that all proposed Improvements meet or exceed the requirements of these Rules and to promote the highest quality design for the neighborhood. It is important that Improvements to property be made in harmony with and not detrimental to the rest of the Community. A spirit of cooperation with the ARC and neighbors will go far in creating an optimum environment, which will benefit all Owners. By following these Rules and obtaining prior written approval for Improvements to property from the ARC, Owners will be protecting their financial investment and will help insure that Improvements to property are compatible with standards established for the Community. If a question ever arises as to the correct interpretation of any terms, phrases or language contained in these Rules, the ARC’s interpretation shall be final and binding.

2 PROCEDURES FOR ARC APPROVAL

2.1 General

The procedures set forth in this Article 2 are intended to clarify the terms, provisions and requirements of Article 4 of the Declaration. In the event of any conflict between these rules and the Declaration, the terms of Article 4 in the Declaration shall control. As indicated in Section 3 of these Rules, there are some cases in which advance written approval of the ARC is not required if the Rules with respect to that specific type of Improvement are followed. In a few cases, as indicated in Section 3, a specific type of Improvement is not permitted under any

circumstances. In all other cases, including Improvements not included in Section 3, advance, or prior written approval by the ARC is required before an Improvement to property is commenced.

2.2 Drawings or Plans

Owners are required to submit to the ARC a completed Architectural Review Request Form (“ARR”), which forms are available from the person or entity listed in Section 1.5, and complete plans and specifications, in duplicate, (said plans and specifications to show exterior design, height, materials, color, location of the structure or addition to the structure, plotted horizontally and vertically, location and size of driveways, general plan of landscaping, fencing, walls, windbreaks and grading plan, as well as such other materials and information as may be required) prior to commencement of work on any Improvement to property. In most cases, the materials to be submitted will *not* have to be professionally prepared by an architect, a landscape architect, or draftsman, and a simple drawing with dimensions and description will be sufficient. In the case of major improvements, such as room additions, structural changes or accessory building construction, detailed plans and specifications, prepared by a licensed architect, may be required. Whether done by the Owner, or professionally, the following guidelines should be followed in preparing drawings or plans:

A. The drawing or plan should be done to scale and shall depict the property lines of your Lot and the outside boundary lines of the home as located on the Lot. If you have a copy of an improvement survey of your Lot obtained when you purchased it, this survey would be an excellent base from which to start.

B. Existing Improvements, in addition to your home, should be shown on the drawing or plan and identified or labeled. Such existing Improvements include driveways, walks, decks, trees, shrubs, fences, etc. The proposed Improvements should be shown on the plan and labeled. Either on the plan or on an attachment, there should be a brief description of the proposed Improvement, including the materials to be used and the colors. For Example: Redwood deck, ten (10) feet by twelve (12) feet with two inch by four inch (2”x4”) decking and natural stain.

C. The plan or drawing and other materials should include the name of the Owner, the address of the home, the lot, block and filing number of the Lot, and the e-mail address and telephone number where the Owner can be reached.

D. The proposed Improvements must take into consideration the easements, building location restrictions and sight distance limitations at intersections.

E. Owners should be aware that many Improvements require a permit from the County, the City or other governmental entity. The ARC reserves the right to require a copy of such permit as a condition of its approval.

F. In some instances, elevation drawings of the proposed Improvement will be required. The elevation drawings should indicate materials.

G. Photographs of existing conditions and of proposed materials and colors are encouraged to be included, and are helpful to convey the intended design, but should not be used solely to describe the proposed changes.

2.3 Submission of Drawings and Plans

Two copies of the drawing or plans (minimum acceptable size 8.5" x 11") must be submitted to the ARC along with a completed ARR. Color photographs, brochures, paint swatches, etc. will help expedite the approval process. Specific dimensions and locations are required.

Any costs incurred by the ARC for review of submittals shall be borne by the Owner and shall be payable prior to final approval. Any reasonable engineering consultant fees or other fees incurred by the ARC in reviewing any submission will be assessed to the Owner requesting approval of the submission.

2.4 Action by ARC

The ARC will meet as required to review plans submitted for approval. The ARC may require submission of additional information or material, and the request will be deemed denied until all required information and materials have been submitted. The ARC will act upon all requests in writing within forty-five (45) days after the complete submission of plans, specifications, and other materials and information as requested by the ARC. If the ARC fails to review and approve in writing (which may be with conditions and/or requirements) or disapprove, a request for architectural approval within forty-five (45) days after the complete submission of the plans, specifications, materials and other information with respect thereto, such request is deemed approved by the ARC.

2.5 Revisions and Additions to Approved Plans

Any revisions and/or additions to approved plans made by the Owner or as required by any governmental agency, must be re-submitted for approval by the ARC. The revised plans must follow the requirements as outlined above.

2.6 Completion of Work

After approval (which may be with conditions and/or requirements) of any proposed Improvement by the ARC, the proposed Improvement shall be completed and constructed as promptly and diligently as possible, and in complete conformity with all conditions and requirements of the approval. Failure to complete the proposed Improvement within one year from the date of the approval or such other date as may be set forth in the approval or as set forth in the Declaration (the "**Completion Deadline**"), shall constitute noncompliance; provided, however, that the ARC may grant extensions of time to individual Owners for completion of any proposed Improvements, either (a) at the time of initial approval of such Improvements, or (b) upon the request of any Owner, provided such request is delivered to the ARC in writing and the Owner is diligently prosecuting completion of the subject Improvements or other good cause exists at the time such request is made.

2.7 Requirements for Initial Installation of Backyard Landscaping & Fencing

Fencing and landscaping shall be completed within (9) months after initial conveyance of the property to the owner, with consideration given to planting seasons. Should an extension be foreseen due to time of year, written notice must be made to the ARC (Architectural Review Committee) prior to the 9 month expiration, at which time; the ARC will issue a new time requirement to the owner, but in no case later than 12 months after conveyance.

Two copies of the drawing or plans (minimum acceptable size 8.5" x 11") must be submitted to the ARC along with a completed ARR prior to installation of backyard landscaping and fencing. The Owner should ensure submittal of these plans will allow for the review period of up-to forty five (45) days for approval in accordance with the deadline for installation. Though an ARR (Architectural Review Request) may have been submitted, if it has not been approved and the installation completed by the deadline, the property may be sited for non-compliance.

2.8 Inspection of Work

The ARC, or its duly authorized representative, shall have the right to inspect any Improvement at any time, including prior to or after completion, in order to determine whether or not the proposed Improvement is being completed or has been completed in compliance with the approval granted pursuant to this Section.

2.9 Notice of Non-Compliance

If, as a result of inspections or otherwise, the ARC determines that any Improvement has been done without obtaining all required approvals (which may be with conditions and/or requirements), or was not done in substantial compliance with the approval that was granted, or has not been completed by the Completion Deadline, subject to any extensions of time granted pursuant to Section 2.6 hereof, then the ARC shall notify the District, and the District shall then notify the applicant in writing of the non-compliance (the "**Notice of Non-Compliance**"). The Notice of Non-Compliance shall specify the particulars of the non-compliance.

2.10 Correction of Non-Compliance

If the ARC determines that non-compliance exists, the Person responsible for such non-compliance shall remedy or remove the same within not more than forty-five (45) days from the date of receipt of the Notice of Non-Compliance. If such Person does not comply with the ruling within such period, the ARC shall notify the District, and the District may, at its option and if allowed by applicable law, record a notice of non-compliance against the Lot on which the non-compliance exists, may impose fines, penalties and interest, may remove the non-complying Improvement, or may otherwise remedy the non-compliance in accordance with the Declaration and applicable law. The Person responsible for such non-compliance shall reimburse the District, upon demand, for all costs and expenses, as well as anticipated costs and expenses, with respect thereto.

2.11 Amendment

These Rules may at any time, from time to time, be added to, deleted from, repealed, amended, and modified, reenacted, or otherwise changed by the ARC, with the approval of the Person authorized to appoint the ARC, as changing conditions and/or priorities dictate.

2.12 Questions

If you have any questions about the foregoing procedures, feel free to call the ARC at the phone number and address listed in the Section 1.5 of these Rules.

3 SPECIFIC TYPES OF IMPROVEMENTS / SITE RESTRICTIONS

3.1 General

The following is a listing, in alphabetical order, of a wide variety of specific types of Improvements which Owners typically consider installing, with pertinent information as to each. Unless otherwise specifically stated, drawings or plans for a proposed Improvement must be submitted to the ARC and written approval of the ARC obtained before the Improvements are made. In some cases, where it is specifically so noted, an Owner may proceed with the Improvements without advance approval if the Owner follows the stated guideline. In some cases, where specifically stated, some types of Improvements are prohibited. ARC review and approval is required on any external items not be listed below.

3.1.1 Variances

Approval of any proposed plans by the granting of a variance from compliance with any of the provisions of these Rules is at the sole discretion of the ARC when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require.

3.1.2 No Unsightliness

All unsightly conditions, structures, facilities, equipment, and objects, including snow removal equipment and garden or maintenance equipment, when not in actual use, must be enclosed within a structure.

3.1.3 Waivers; No Precedent

The approval or consent of the ARC to any application for approval shall not be deemed to constitute a waiver of any right to withhold or deny approval or consent as to any application or other matters whatsoever, as to which approval or consent may subsequently or additionally be required. Nor shall any such approval or consent be deemed to constitute a precedent in any other matter.

3.1.4 Liability

The ARC and the members thereof shall not be liable in damages to any person submitting requests for approval or to any approval, or failure to approve or disapprove in regard to any matter within its jurisdiction. The ARC shall not bear any responsibility for ensuring structural integrity or soundness of approved construction or modifications, or for ensuring compliance with building codes and other governmental requirements. The ARC will not make any investigation into title, ownership, easements, rights-of-way, or other rights appurtenant to property with respect to architectural requests and shall not be liable for any disputes relating to the same.

3.2 Accessory Buildings

Approval is required. Approval will be based upon, but not limited to, the following criteria:

A. Storage sheds and/or accessory buildings must be aesthetically compatible and consistent with the style and character of the home and other homes in the same general area of the Community. Storage sheds and/or any accessory buildings shall not be more than ten (10) feet by ten (10) feet, and shall not be more than eleven (11) feet high at the peak. The roof pitch must be complementary to the existing roof on the home, unless otherwise approved by the ARC. Such storage sheds and/or accessory buildings must be permanent in nature.

B. Siding, roofing, paint and trim materials must match those on the home, unless otherwise approved by the ARC. Metal, plastic, PVC and other materials not consistent with original construction by the Builder are not permitted. TREX and engineered composite wood type products consistent with original Builder construction are permitted.

C. Smaller Lots may not have a suitable location for a storage shed. In any case, no more than one (1) storage shed and one (1) playhouse (see Section 3.47, Playhouses) shall be permitted per Lot.

D. The ARC, in reviewing and approving or denying an application for approval of a storage shed or accessory building, shall take into consideration lot size, square footage of the home, the existing grading, fence locations, landscape screenings, etc.

E. Any utilities serving the storage shed or accessory building shall be underground.

F. A playhouse or play structure shall not be considered an accessory building.

G. Existing setbacks required of the home must be observed when placing storage sheds, accessory buildings, gazebos and playhouses. A copy of the home's plot plan filed with the location of the proposed accessory building is required with the ARR.

3.3 Additions and Expansions

Approval is required. Additions or expansions must be constructed of wood, masonite, glass, brick, stone, or other material as used in construction of the exterior of the home. The

design must be the same or generally recognized as a complimentary architectural style and meet all design guidelines as may be applicable. Colors must be the same as that of the residence. Patios may not be more than twenty five percent (25%) of the entire rear yard of the Lot unless otherwise approved by the ARC.

3.4 Address Numbers

Approval is required to replace, alter or relocate existing address numbers, unless the address numbers are replaced using the same style, color and type of number currently on the residence.

3.5 Air Conditioning Equipment

Approval is required for all air conditioning equipment including evaporative coolers (swamp coolers) and attic ventilators installed after the initial construction.

Approval is not required for replacement of existing air conditioning equipment with like equipment located in the same location as the equipment being replaced.

No heating, air conditioning, air movement (e.g. swamp coolers) or refrigeration equipment shall be placed or installed on rooftops, or extended from windows. Ground mounted or exterior wall air conditioning equipment installed in the side yard must be installed in a manner so as to minimize visibility from the street and minimize any noise to adjacent property Owners.

3.6 Antennae/Satellite Dishes

3.6.1 General Provisions

“**Permitted Antennas**” are defined as: (a) an antenna which is less than one meter in diameter and is used to receive direct broadcast satellite service, including direct-to-home satellite services, or is used to receive or transmit fixed wireless signals via satellite; (b) an antenna which is less than one meter in diameter and is used to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instruction television fixed services, and local multipoint distribution services or is used to receive or transmit fixed wireless signals other than via satellite; (c) an antenna which is designed to receive broadcast television broadcast signals; or (d) other antennas which are expressly permitted under applicable federal statutes or regulations. In the event a Permitted Antenna is no longer expressly permitted under applicable federal statutes or regulations, such antenna will no longer be a Permitted Antenna for purposes of this Section. Installation of Permitted Antennas shall not require the approval of the ARC.

A. All Permitted Antennas shall be installed with emphasis on being as unobtrusive as possible to the Community. To the extent that reception is not substantially degraded or costs unreasonably increased, all Permitted Antennas shall be screened from view from any street and nearby Lots to the maximum extent possible, and placement shall be made in the following order of preference:

- (1) Inside the structure of the house, not visible from the street
- (2) Rear yard or side yard, behind and below the fence line
- (3) Rear yard or side yard, mounted on the house, in the least visible location
below roofline
- (4) Side yard in front of wing fence, screened by and integrated into landscaping
- (5) Back rooftop
- (6) Front yard screened by and integrated into landscaping

B. If more than one (1) location on the Lot allows for adequate reception without imposing unreasonable expense or delay, the order of preference described above shall be used, and the least visible site shall be selected.

C. Permitted Antennas shall not encroach upon common areas or any other Owner's property.

3.6.2 Installation of Antennae/Satellite Dishes

A. All installations must comply with all applicable building codes and other governmental regulations, and must be secured so they do not jeopardize the safety of residents or cause damage to adjacent properties. Any installation must strictly comply with FCC guidelines.

B. All Permitted Antennas shall be no larger, nor installed more visibly, than is necessary for reception of an acceptable signal.

C. Owners are responsible for all costs associated with the Permitted Antenna, including but not limited to costs to install, replace, repair, maintain, relocate, or remove the Permitted Antenna.

D. All cabling must be run internally when feasible, must be securely attached, and must be as inconspicuous as possible. Permitted Antennas, masts and any visible wiring may be required to be painted to match the color of the structure to which they are attached. The Owner should check with the installer/vendor for the appropriate type of paint.

E. All other antennas, not addressed above, are prohibited.

3.7 Awnings

Approval is required and Owners must comply with all requirements of the County and the City. Awnings should be an integral part of the house or patio design. The color shall be complimentary to the exterior of the residence.

See Section 3.39, Overhangs/Sunshades/Awnings – Cloth or Canvas.

3.8 Backyard Sport Pads.

Approval is required. Backyard, concrete pads for “sport” type courts must be approved by the ARC. The ARC will consider backyard sport courts based on pad size, Lot size and proximity to other Lots. Sport equipment installed or stored on or around the pad must be maintained at all times in a neat and clean manner.

3.9 Balconies

See Section 3.17, Decks.

3.10 Barbecue/Gas Grills

Approval is not required. All barbecue grills, smokers, etc. must be stored in the rear yard or within an enclosed structure, not visible from the front of the home.

3.11 Basketball Backboards

Approval is not required, subject to the following limitations. No basketball backboards shall be attached to the garage. Only portable basketball backboards shall be allowed if the following guidelines are met:

- A. Portable units cannot be placed in the public rights of way, streets, sidewalks or street lawns.
- B. Location must be in the driveway, at least half of the length of the driveway away from the street, or in the side or rear yard.
- C. Portable basketball backboards may be left out when not in use only if the backboard, hoop, and net are in good repair. Portable basketball backboards that are not in good repair, including the hoop and net, must be stored out of sight when not in use and may not be left out for more than 24 hours.
- D. Permanent garage or pole mounted basketball hoops are not permitted.

3.12 Birdbaths

Approval is not required, subject to the following limitations. Placement in front or side yard is not allowed. Birdbaths are only permitted in the rear yard.

See Section 3.66, Statues or Fountains.

3.13 Birdhouses and Bird Feeders

Approval is not required, subject to the following limitations. If installed in the rear yard and the size is limited to one foot by two feet, no approval is required. No more than three of each of a birdhouse or bird feeder shall be installed on any Lot. Birdhouses or bird feeders may be mounted on a pole, provided the pole shall not exceed five (5) feet in height.

3.14 Carports

Approval will not be granted.

3.15 Clothes Lines and Hangers

Approval is not required, subject to the following limitations. Clotheslines may only be placed in the rear yard. Fixed clotheslines and hangers are not permitted. Temporary drying structures will be permitted so long as such structures are used solely in the rear yard of a lot and are immediately removed from sight after each use. Retractable clotheslines with permanent fixtures require approval.

3.16 Cloth or Canvas Overhangs

See Section 3.39, Overhangs/Sunshades/Awnings – Cloth or Canvas.

3.17 Decks

Approval is required. The deck must be harmonious (in configuration, detail, material and color) with the architecture of the house. Modifications or additions to Builder installed decks must incorporate the same materials, colors and detailing as the Builder's or approved existing deck. TREX or similar engineered composite wood type products are the preferred material for construction. Plastic, PVC or similar materials are prohibited.

The appropriate governmental permits are also required.

The deck should be located so as not to create an unreasonable level of noise for adjacent property Owners.

Changes in grade or drainage pattern must not adversely affect adjoining properties and shall comply with drainage change requirements of the Declaration.

Upper-level decks shall be attached directly to the house. Only ground level decks may be approved as freestanding decks. Decks shall not extend beyond the Lot boundaries into any common area. Depending on Lot location and orientation, decks should not project beyond the side walls of the house. The side walls of the house are defined as the major (structural) side walls and do not include bay windows, chimney enclosures, porches or other such projections. In certain situations, stairs and some portions of the deck may extend up to 4' beyond the side walls.

A solid trim board shall be provided on any open side of the deck to conceal the joists and cut ends of the decking. Underdeck screening should be compatible with the architecture of the house and deck. Any lattice must be properly framed and recessed.

Railings and other features such as privacy screens for attached housing must match the approved Builder design.

3.18 Dog Houses

Approval is required. Dog houses are restricted to ten (10) square feet and must be located in a fenced back yard or dog run. Dog houses must be installed at ground level, and must not be visible above the fence. Dog houses must also match the colors and materials of the exterior of the home. Limit of one dog house per Lot.

3.19 Dog Runs

Approval is required. Dog runs must be located in the rear or side yard, abutting the home and substantially screened from view by planting fast-growing or mature trees or shrubs. Dog runs will be limited to two hundred (200) square feet, unless a variance is granted by the ARC. Dog run fences should be left natural in color and sealed to prevent weathering. Dog runs must be made of wood. The ARC may adopt approved heights, stains and configurations for fencing. Covers (ex: tarps, sheets, blankets, etc.) on dog runs are not allowed.

3.20 Doors

Approval is not required for an already existing main entrance door to a home or an accessory building if the material matches or is similar to existing doors on the house and if the color is generally accepted as a complimentary color to that of existing doors on the house. Complementary colors would be the body, trim or accent colors of the house or white (for storm/screen doors).

A. Storm Doors. Approval is not required for storm doors as long as the door is complimentary with the color scheme of the home. Owners wishing to utilize a different color must first obtain approval.

B. Security Doors and Windows. All security or security-type doors and windows must be approved prior to installation.

3.21 Drainage

The Declaration requires that there be no interference with the established drainage pattern over any property. The established drainage pattern means the drainage pattern which exists at the time final grading of a Lot by the Declarant or a Builder is completed. When installing your landscaping, it is very important to insure that water drains away from the foundation of the house and that the flow patterns prevent water from flowing under or against the house foundation, walkways, sidewalks, and driveways into the street. The ARC may require a report from a drainage engineer as part of landscaping or improvement plan approval. Landscaping and all drainage from downspouts off the house should conform to the established drainage pattern. Sump pump drainage should be vented a reasonable distance from the property line, on the Owner's property, to allow for absorption. Adverse effects to adjacent properties, including District lands, sidewalks and streets, will not be tolerated.

3.22 Driveways

Approval is required for any changes or alterations to driveways. This includes construction of a pull-off area to the side of the driveway and/or concrete driveway extensions. Only clear sealant may be used on the driveway (no colors) and Owners will be required to maintain the driveways against oil spills, spalling/peeling/etc.

3.23 Evaporative Coolers

Approval is required. No rooftop or window mount installations are allowed.

See Section 3.5, Air Conditioning Equipment.

3.24 Exterior Lighting

See Section 3.37, Lights and Lighting.

3.25 Fences

3.25.1 General Statement

Fences constructed by the Developer or Builder along or abutting property lines, arterial streets, collector streets, and local streets may not be removed, replaced, painted a different color or altered, including, adding a gate, without approval of the ARC. If any such fences constructed by the Developer or Builder which are located upon an Owner's property are damaged or destroyed, the Owner shall repair or recondition the same at the Owner's expense.

3.25.2 [Intentionally Deleted]

3.25.3 Fence Designs

Fencing and landscaping shall be completed within (9) months after initial conveyance of the property to the owner, with consideration given to planting seasons. Should an extension be foreseen due to time of year, written notice must be made to the ARC (Architectural Review Committee) prior to the 9 month expiration, at which time; the ARC will issue a new time requirement to the owner, but in no case later than 12 months after conveyance.

All rear or side yard fences along property lines require approval of the ARC and shall comply with any fence specifications adopted by the ARC. Double fencing of property lines shall not be permitted. Please see **Exhibit A** for examples of required fencing per the ARC.

3.25.4 Maintenance/Staining

All fences constructed on a Lot shall be maintained in good condition and repair by the Owner. All staining and sealing of fences will be in a color and in a manner approved by or adopted by the ARC. Fence stain required is Sherwin Williams, 3507 Riverwood. Please see **Exhibit A** for formula details.

3.25.5 [Intentionally Deleted]

3.25.6 Prior Approved Fencing

Replacement of any existing fencing must comply with the then current guidelines or ARC adopted standards related to fencing.

3.25.7 Pet Fencing

Pet fencing may include any invisible fence on or within the perimeter boundary of an Owner's site per the above fencing standards. Wire mesh fencing may be permitted subject to ARC approval on the inside of ARC approved fencing.

See Section 3.18, Dog Houses and Section 3.19, Dog Runs.

3.26 Fire Pits

Approval is required for all permanent or built-in structures. Approval is not required for portable units.

3.27 Firewood Storage

All firewood must be located in the side or rear yard, must be neatly stacked, shall not be visible from any street or the ground level of any other Lot, and must not be located so as to block established drainage patterns.

3.28 Flags/Flagpoles

Approval is required for any freestanding flagpole.

Approval is not required for flagpoles mounted to the front of the residence provided that the flags displayed thereon (if other than an American Flag) are temporary in nature and are only displayed on holidays or in celebration of specific events. They must not be placed earlier than thirty (30) days prior to the start of the particular holiday/event or celebration and must be removed no later than thirty (30) days following the particular holiday/event or celebration. Under no circumstance may the height of the flagpole exceed the height of the roofline of the residence. Flag size cannot exceed five (5) feet in length and three (3) feet in width.

American Flags: Owners shall be permitted to display an American flag in accordance with the Federal Flag Code and as follows:

- A. The flag shall be no larger than three (3) feet by five (5) feet.
- B. The flag may be displayed in a window or from a flagpole projecting horizontally from a location on the front of the dwelling.
- C. Flags and/or flagpoles shall be replaced as necessary in order to prevent wear and tear.

D. Flags may not be illuminated without prior written approval of the ARC. Any request for lighting must detail the type and location of lighting. Lighting shall be placed so as not to disturb Owners of neighboring Lots.

An Owner or resident may display a service flag bearing a star denoting the Owner's or resident's or his family member's active or reserve U.S. military service during a time of war or armed conflict. The flag may be displayed on the inside of a window or door of the home on the Lot. The flag may not be larger than nine (9) inches by sixteen (16) inches.

3.29 Gardens – Flower or Vegetable

Approval is not required for flower or vegetable gardens that do not exceed one hundred fifty (150) total square feet. All flower gardens must be weeded, cared for and maintained. Vegetable gardens shall be located in the rear or side yard.

3.30 Gazebos

Approval is required. A gazebo must be an integral part of the rear yard landscape plan and must be similar in material and design to the residence. The color must be generally accepted as a complementary color to the exterior of the residence.

3.31 Grading and Grade Changes

See Section 3.21, Drainage.

3.32 Greenhouses

Approval is required. Generally, greenhouses are discouraged due to the extensive maintenance required. Approval will be based upon but not limited to general aesthetics, quality and permanence of materials used. Adequate screening will be required.

3.33 Hanging of Clothes

See Section 3.15, Clothes Lines and Hangers.

3.34 Hot Tubs and Jacuzzis

Approval is required. Hot tubs and Jacuzzis must be an integral part of the deck or patio area and of the rear yard landscaping, and be installed in such a way that it is not immediately visible to adjacent property Owners and that it does not create an unreasonable level of noise for adjacent property Owners. In some instances, additional plant material around the hot tub may be required for screening. Non-vegetative screening materials should match or complement the house or deck structure. Prefabricated hot tub enclosures will be evaluated on a case-by-case basis, and may require additional plant material screening.

3.35 Kennels

Approval will not be granted. Breeding or maintaining animals for a commercial purpose is prohibited.

Also see Section 3.19, Dog Runs.

3.36 Landscaping

Fencing and landscaping shall be completed within (9) months after initial conveyance of the property to the owner, with consideration given to planting seasons. Should an extension be foreseen due to time of year, written notice must be made to the ARC (Architectural Review Committee) prior to the 9 month expiration, at which time; the ARC will issue a new time requirement to the owner, but in no case later than 12 months after conveyance.

Approval is required. All Owners must comply with any applicable landscaping requirements of the County and the City. The plot plan of the residence and yard must be provided at a measurable scale. All organic materials (plants, shrubs, trees, etc.), building materials (stone, wood, edging, etc.), must be clearly labeled in detail.

The ARC may adopt approved landscape requirements and standards, and all new landscape installations and improvements must meet said requirements. Owners are responsible for compliance with all applicable laws.

3.37 Lights and Lighting

Approval is not required for replacing existing lighting, including coach lights, with the same or similar lighting style and color as originally installed.

Approval is required to modify or add exterior lighting.

Approval is required to install motion detector spotlights, spotlights, floodlights or ballasted fixtures (sodium, mercury, multi-vapor, fluorescent, metal halide, etc.).

A. Considerations will include, but may not be limited to, the visibility, style and location of the fixture.

B. Exterior lighting for security and/or other uses must be directed at the ground and house, whereby the light cone stays within the property boundaries and the light source does not cause glare to other properties (bullet type light fixtures are recommended).

C. Ground lighting along walks must be maintained in a working and slightly manner. Low- voltage or solar powered ground lighting fixtures which are typically affixed by stakes or similar posts are to be maintained in good aesthetic repair, be functional, not be a tripping or other physical hazard along pedestrian pathways, and remain generally vertical in their presentation.

D. Holiday lighting and decorations do not require approval. It is required that they not be installed more than thirty (30) days prior to the holiday. They shall be removed within thirty (30) days following the holiday.

3.38 Ornaments/Art - Landscape/Yard

Approval is not required for yard ornaments which are installed in the rear yard and which are of a height less than three (3) feet.

Up to three (3) small (less than 12 inches in height) front yard ornaments may be installed in the front yard without approval, as long as the ornament is installed at ground level and the color and design integrate into the landscape.

Approval is required for any other yard ornaments.

See Section 3.66, Statues or Fountains.

3.39 Overhangs/Sunshades/Awnings- Cloth or Canvas

Approval is required. An overhang should be an integral part of the house or patio design. The color must be the same as, or generally recognized as, a complementary color to the exterior of the residence. A swatch of material to be used must be provided with the review submittal.

See Section 3.41, Patio Covers.

3.40 Painting

Approval is not required if color and/or color combinations are identical to the original manufacturer color established on the home and/or accessory improvement. Any changes to the color scheme must be submitted for approval and must conform to the general scheme of the Community.

3.41 Patio Covers

Approval is required. Patio covers must be constructed of material consistent with the home and be similar or generally recognized as complementary in color to the colors on the house. Freestanding patio covers may be permitted as well as extensions of the roof.

3.42 Patios - Enclosed

See Section 3.3, Additions and Expansions.

3.43 Patios - Open

Approval is required. Open patios must be an integral part of the landscape plan and must be located so as not to create an unreasonable level of noise for adjacent property Owners. In some instances, additional plant material around the patio may be required for screening or integration into the landscape design. The patio and materials must be similar or generally accepted as a complementary color and design to the residence.

See Section 3.17, Decks.

3.44 Paving

Approval is required, regardless of whether for walks, driveways, patio areas or other purposes, and regardless of whether concrete, asphalt, brick, flagstones, stepping stones, pre-cast patterned, or exposed aggregate concrete pavers are used as the paving material.

See Section 3.11, Driveways.

3.45 Pipes

Approval is required for all exterior pipes, conduits and equipment. Adequate screening may also be required.

3.46 Play Structures and Sports Equipment

Approval is required. Consideration will be given to adjacent properties (a minimum five (5) foot setback from the property line, is required for trampolines, swing sets, fort structures, etc.) so as not to create an undue disturbance. In some instances, additional plant material around the equipment may be required for screening. Wood structures must be constructed of pressure treated or other weather resistant materials. All play equipment must be maintained in a good and slightly manner. The use of multi-colored cloth/canvas tarps will not be approved. Height of any play structure or sports equipment may not exceed twelve (12) feet.

3.47 Playhouses

Approval is not required if a structure is less than twenty four (24) square feet and less than six (6) feet high, from highest point to the ground.

Approval is required for structures greater than twenty four (24) square feet and/or greater than six (6) feet high, from the highest point to the ground.

See Section 3.2, Accessory Buildings.

3.48 Poles

See Section 3.28, Flags/Flagpoles.

3.49 Ponds and Water Features

Approval is required. Considerations by the ARC will include, but not be limited to, the following criteria:

- A. Must be integrated into landscape scheme.
- B. Setback shall be a minimum of five (5) feet from all property lines.
- C. Must not affect existing drainage on the lot or off the property.

D. Must be maintained at all times.

3.50 Pools

Approval is required. Pools must be placed in the rear yard and be an integral part of the deck or patio area. They should be located in such a way that they are not immediately visible to adjacent property Owners (i.e. screened with plant material). Above ground pools and temporary pools are prohibited. One (1) wading pool, if less than eighteen (18) inches high and eight (8) feet in diameter, per Lot, is permitted on a temporary basis without prior approval, if placed in the rear yard.

See Section 3.34, Hot Tubs and Jacuzzis.

3.51 Radio Antennae

See Section 3.6, Antennae/Satellite Dishes.

3.52 Radon Mitigation Systems

Approval is required. Equipment must be painted a color similar or generally accepted as complimentary to the exterior of the house. All equipment shall be installed so as to minimize its visibility.

3.53 Roofing Materials

Approval is required for all roofing materials other than those originally used by the Builder. All buildings constructed on a Lot should be roofed with the same or greater quality and type of roofing material as originally used by the Builder.

Approval is not required for repairs to an existing roof with the same building material that exist on the building.

3.54 Rooftop Equipment

Approval is required. Equipment must be painted a color similar or generally accepted as complimentary to the roofing material of the house. All rooftop equipment shall be installed so as to minimize its visibility.

See Section 3.64, Solar Energy Devices.

3.55 Satellite Dishes

See Section 3.6, Antennae/Satellite Dishes.

3.56 Saunas

See Section 3.2, Accessory Buildings.

3.57 Screen Doors

See Section 3.20, Doors.

3.58 Seasonal Decorations

Approval is not required if installed on a lot within thirty (30) days of a holiday, provided that an Owner is keeping with the Community standards, and provided that the decorations are removed within thirty (30) days of the holiday.

See Section 3.37, Lights and Lighting.

3.59 Security Devices.

Approval is not required. Security devices, including cameras and alarms, must be selected, located and installed so as to be an integral part of the house and not distract from the home's architecture and appearance. Cameras and housing sirens, speaker boxes, conduits and related exterior elements should be unobtrusive and inconspicuous. Such devices should be located where not readily visible and should be a color that blends with or matches the surface to which it is attached.

3.60 Sheds

See Section 3.2, Accessory Buildings.

3.61 Shutters - Exterior

Approval is required. Shutters should be appropriate for the architectural style of the home and be of the appropriate proportion to the windows they frame. Shutters should be the same color as the "accent" color of the home (typically the same as the front door or other accent details).

3.62 Siding

Approval is required.

3.63 Signs

Approval is not required for one (1) temporary sign advertising property for sale or lease or one (1) open house sign, which shall be no larger than five (5) square feet and which are conservative in color and style; one (1) yard/garage sale signs which is no larger than 36" x 48"; and/or burglar alarm notification signs, ground staked or window mounted which are no larger than 8" x 8" Such signs may be installed in the front yard or on the back yard fence of the Lot.

Political signs (defined as signs that carry a message intended to influence the outcome of an election, including supporting or opposing the election of a candidate, the recall of a public official, or the passage of a ballot issue) may be displayed within the boundaries of an Owner's or resident's Lot without approval, political signs shall not exceed 36" by 48" in size.

Approval is required for all other signs. No lighted sign will be permitted unless utilized by the Developer and/or a Builder.

3.64 Solar Energy Devices

Approval is required in order to review aesthetic conditions. Photovoltaic (PV) Solar panels must lay flat on the roof, meet all applicable safety, building codes and electrical requirements, including solar panels for thermal systems (solar water heaters). The ARC is allowed to request changes as long as they don't significantly increase the cost or decrease the efficiency of the proposed device and panels. Please also see Colorado Law C.R.S. 38-30-168, which governs the review and the Owner's installation of such devices.

3.65 Spas

See Section 3.34, Hot Tubs and Jacuzzis.

3.66 Statues or Fountains

Approval is not required if statues or fountains are installed in the rear yard and are not greater than four (4) feet in height from the highest point, including any pedestal.

Approval is required if the statue or fountain is proposed for the front yard. Statue or fountain location in the front yard should be located close to the main entrance of the house.

See Section 3.12, Birdbaths and Section 3.38, Ornaments/Art – Landscape/Yard

3.67 Storage Sheds

See Section 3.60, Sheds and Section 3.2, Accessory Buildings.

3.68 Sunshades

See Section 3.39, Overhangs/Awnings – Cloth or Canvas and Section 3.41, Patio Covers.

3.69 Swamp Coolers

See Section 3.5, Air Conditioning Equipment, Section 3.23, Evaporative Coolers, and Section 3.54, Rooftop Equipment.

3.70 Swing Sets

See Section 3.46, Play Structures and Sports Equipment.

3.71 Television Antennae

See Section 3.6, Antennae/Satellite Dishes.

3.72 Trash and Recycling Containers

Trash and recycling containers, including trash bags used for overflow trash, cannot be placed at the curb until the day preceding the trash pick-up and must be removed by the end of the day following trash pickup.

3.73 Tree Houses

Approval will not be granted. Tree houses are not permitted.

3.74 Vanes

See Section 3.77, Weather Vanes and Directionals.

3.75 Vents

See Section 3.54, Rooftop Equipment.

3.76 Walls

See Section 3.25, Fences and Section 3.76, Walls, Retaining.

3.77 Walls, Retaining

Approval is required except that an Owner may replace a builder-installed wall with like material.

New or old creosote treated timber railroad ties are prohibited.

3.78 Weather Vanes and Directionals

Approval is required.

3.79 Wind Electric Generators

Approval is required. In addition to ARC approval, windmills and any other type of fixture, which fall under the criteria of a wind generator, or are used to generate power etc., must meet the requirement of the C.R.S. 40-2-124 and any applicable regulations of the Colorado Public Utilities Commission.

3.80 Windows Replacement

Approval is required. Considerations will include, but may not be limited to, size, color, existing and proposed window style and style of home.

3.81 Windows: Tinting, Security Bars, Well Covers, etc.

Approval is not required for window well covers that are manufactured with metal or plexiglass. All others will require ARC approval.

Approval is required for any visible window tinting. Highly reflective and/or dark tinting is considered too commercial for residential applications and is not permitted.

Approval is required for security bars and may not be approved on second story windows and other windows visible to the street.

3.82 [Intentionally Deleted]

3.83 Xeriscape

Approval is required. Using drought tolerant plantings and other water conservation methods of landscaping is encouraged; however, the design must be approved. Xeriscape uses much less water than typical suburban residential landscape, but it does not mean that large areas of river rock or mulch will be allowed in place of green, growing plant material.

Remainder of page intentionally left blank.

EXHIBIT A

Required Fencing and Stain Formula

SHERWIN-WILLIAMS 7565
303-772-1777

10/18/16
Order# 0078605

EXTERIOR
WOODSCAPES
FLAT

STAINS
6075 E FIRESTONE BLV
(303)772-1777

3507 RIVERWOOD
FORMULA BOOK

CCE*COLORANT	OZ	32	64	128
L1-Blue	-	9	-	-
R2-Maroon	-	8	-	-
Y3-Deep Gold	-	3	-	-

ONE GALLON
A15T00005

STS CLEAR
1040351

HIGHLINE

Non Returnable Tinted Color

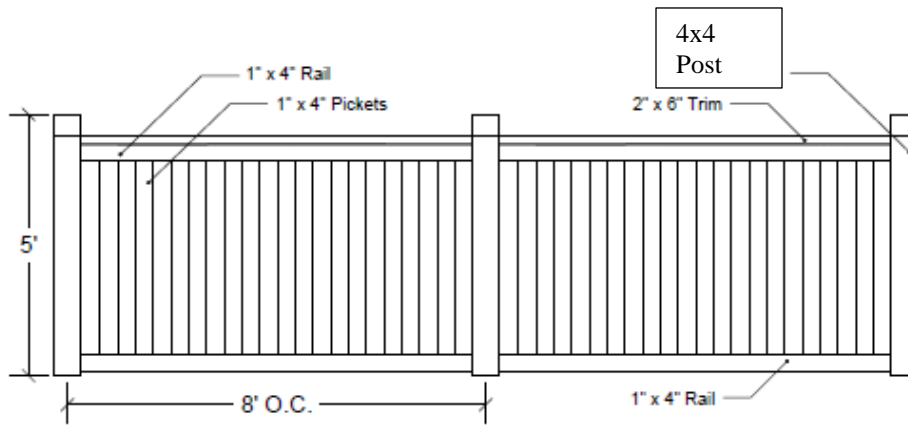
CAUTION: To assure consistent color, always order enough paint to complete the job and intermix all containers of the same color before application. Mixed colors may vary slightly from color strip or color chip.



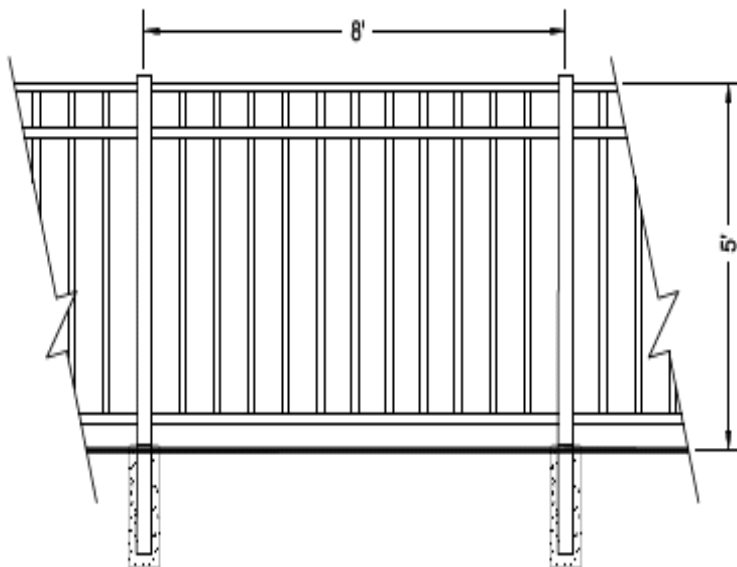
0078605-003

Required Fencing Examples

(Please note: all Metal Rail Fence will be initially installed by the builder; the homeowner will be responsible for maintenance/replacement of metal fencing, and it is only allowed where pre-installed. The Privacy Fence wing fencing will be initially installed by the builder. Any remaining fencing (not builder installed) the homeowner will be responsible for installing (all of which will be the wooden privacy fencing))



○ 5' Privacy Fence
N.T.S.



○ 5' Metal Rail Fence - Color: Bronze
N.T.S.

Appendix A

APPENDIX A: Architectural Review Request Form

ARCHITECTURAL REVIEW REQUEST FORM

FOR OFFICE USE ONLY

Date Received _____

Crucial Date _____

Highline Crossing Metropolitan District
141 Union Blvd., Suite 150
Lakewood, CO 80228
303-987-0835

HOMEOWNER’S NAME(S): _____

ADDRESS: _____

EMAIL ADDRESS: _____

PHONE(S): _____

My request involves the following type of improvement(s):

- Landscaping
- Deck/Patio Slab
- Roofing
- Drive/Walk Addition
- Painting
- Patio Cover
- Room Addition
- Basketball Backboard
- Fencing
- Other:
- Accessory Building/Shed

Include two copies of your plot plans, and describe improvements showing in detail what you intend to accomplish (see Article 2 of the Rules and Regulations of Highline). Be sure to show existing conditions as well as your proposed improvements and any applicable required screening. Example: if you will be building a storage shed, be sure to indicate lot size, fence locations, dimensions, materials, any landscape or other screenings, etc. (see the Rules and Regulations for requirement details for your specific proposed Improvement).

I understand that I must receive approval from the ARC in order to proceed with installation of Improvements if Improvements vary from the Rules and Regulations or, are not specifically exempt. I understand that I may not alter the drainage on my lot. I understand that the ARC is not responsible for the safety of Improvements, whether structural or otherwise, or conformance with building codes or other governmental laws or regulations, and that I may be required to obtain a building permit to complete the proposed Improvements. The ARC and the members thereof, as well as the District, the Board of Directors, or any representative of the ARC, shall not be liable for any loss, damage or injury arising out of or in any way connected with the performance of the ARC for any action, failure to act, approval, disapproval, or failure to approve or disapprove submittals, if such action was in good faith or without malice. All work authorized by the ARC shall be completed within the time limits established specified below, but if not specified, not later than one year after the approval was granted. I further understand that following the completion of my approved Improvement the ARC reserves to right to inspect the Improvement at any time in order to determine whether the proposed Improvement has been completed and/or has been completed in compliance with this Architectural Review Request.

Date: _____ Homeowner’s Signature: _____

ARC Action:

- Approved as submitted
- Approved subject to the following requirements:

- Disapproved for the following reasons:

All work to be completed no later than: _____

DRC/ARC Signature: _____ Date: _____

SUBMITTAL FEES

Submittal Fees shall be charged on the following schedule each submittal:

- Landscape Review and/or Fence Review - \$50
- A Main Building Addition, Addition of Accessory Building, Shed, Deck, Patio, Site Plan, Footprint (including Driveway) Review - \$100
- Paint Color - \$50
- All other items - \$50

Highline Crossing Metropolitan District

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

Resolution Regarding the Imposition of District Fees

RESOLUTION NO. 2016-09-04

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE HIGHLINE CROSSING METROPOLITAN DISTRICT REGARDING THE
IMPOSITION OF DISTRICT FEES**

A. Highline Crossing Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado located in the City of Aurora, Colorado.

B. The District’s boundaries are described in the legal description attached hereto as **Exhibit A**, which legal description may be amended from time to time, pursuant to the inclusion and/or exclusion of property into or from the District (the “**Property**”).

C. The District, pursuant to its Service Plan and the Intergovernmental Agreement with the City of Aurora, is authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance and provide for the operation and maintenance of certain street improvements, safety protection improvements, park and recreation improvements and related irrigation systems, television relay and translator facilities, and mosquito and pest control systems (the “**District Improvements**”).

D. The Property will benefit from the District Improvements and the Districts’ operation and maintenance of the same.

E. The District is authorized pursuant to Section 32-1-1001(1)(j)(I), C.R.S., and its Service Plan to fix fees and charges for capital costs and operation and maintenance costs.

F. The District has determined that, to meet the costs associated with the District Improvements and the cost of operating and maintaining the District Improvements, it is necessary to impose an Operations and Maintenance Fee and, to offset the administrative expenses incurred when property within the District is sold, a Transfer Fee on the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HIGHLINE CROSSING METROPOLITAN DISTRICT, ARAPAHOE COUNTY, COLORADO, AS FOLLOWS:

1. The Board of Directors hereby finds, determines and declares that it is in the best interests of the District, its inhabitants and taxpayers to exercise its power by imposing the following fees:

(a) Operations Fee.

(i) The Board hereby imposes an Operations and Maintenance Fee (the “**Operations Fee**”) in the amount of \$600.00 per year on each residential lot (each, a “**Lot**”) within the District. The District reserves the right to amend this resolution in the future to increase or decrease the amount of the Operations Fee.

(ii) The Operations Fee shall be paid in quarterly amounts of \$150.00 per calendar quarter invoiced on each January 1st, April 1st, July 1st and October 1st and due on each January 25th, April 25th, July 25th and October 25th. An invoice for the Operations Fee payable for each calendar quarter will be mailed to each property owner (“**Owner**”) thirty (30) days prior to the

final due date (the “**Bill Date**”), following a five (5) day grace period after the initial due date. If payment in full is not received by the 30th day following the Bill Date (the “**Past Due Date**”), the fee is deemed past due and otherwise outstanding. A “Reminder Notice” may be, but is not required to be, sent at such time. Notwithstanding the above, the Owner shall have the right to pay the Operations Fee for said calendar year in one installment on or before January 15th, in which event, the Owner shall be entitled to a five percent (5%) discount.

(iii) Failure to make payment of any Operations Fees due hereunder shall constitute a default in the payment of such Operations Fees. Upon default, Owner shall be responsible for a late payment (“**Late Payment Fee**”) in the amount of \$15.00 per late payment.

(iv) If the Owner does not make payment of all past due amounts, including interest (the “**Delinquent Balance**”), within 60 days from the Past Due Date, the District may deliver to the Owner a Notice of Intent to File a Lien Statement (a “**Lien Notice**”). The Lien Notice shall give notice to the Owner that the District intends to perfect its lien against the Property by recording a Lien Statement in the office of the Arapahoe County Clerk and Recorder if the Delinquent Balance is not paid in full within thirty (30) days after said Lien Notice is served upon Owner by certified mail, return receipt requested, pursuant to Section 38-22-109(3), C.R.S.

(b) Transfer Fee.

(i) The Board hereby determines that in order to offset administrative costs associated with a transfer of ownership of any dwelling unit located within the Property, the District shall impose a Transfer Fee (the “**Transfer Fee**” and, collectively with the Operations Fee, the “**Fees**”) in the amount of \$300.00 per Lot and shall be due and payable at the time of any sale, transfer or re-sale of any single-family dwelling unit constructed on a Lot which has a certificate of occupancy.

2. The Fees shall not be imposed on real property actually conveyed or dedicated to non-profit owners’ associations, governmental entities or utility providers.

3. The Fees shall constitute a statutory and perpetual charge and lien upon the Property pursuant to Section 32-1-1001(1)(j), C.R.S., from the date the same becomes due and payable until paid. The lien shall be perpetual in nature as defined by the laws of the State of Colorado on the Property and shall run with the land and such lien may be foreclosed by the District in the same manner as provided by the laws of Colorado for the foreclosure of mechanics’ liens. This Resolution shall be recorded in the real property records of the Clerk and Recorder of Arapahoe County, Colorado.

4. The District shall be entitled to institute such remedies and collection proceedings as may be authorized under Colorado law, including, but not limited to, foreclosure of its perpetual lien. The defaulting Owner shall pay all costs, including attorney fees, incurred by the District in connection with the foregoing. In foreclosing such lien, the District will enforce the lien only to the extent necessary to collect the Delinquent Balance and costs of collection (including, but not limited to, reasonable attorney fees).

5. Judicial invalidation of any of the provisions of the Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstances shall

not affect the validity of the remainder of the Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

6. Any inquiries pertaining to the Fees may be directed to the District's Manager at: Jim Worley, Pinnacel Consulting Group, Inc., 5110 Granite Street, Suite C, Loveland, CO 80538, phone number: 970-669-3611.


7. This Resolution shall take effect immediately upon its adoption and approval.

SIGNATURE PAGE FOLLOWS

[SIGNATURE PAGE TO RESOLUTION IMPOSING DISTRICT FEES]

APPROVED AND ADOPTED THIS 23rd day of September, 2016.

HIGHLINE CROSSING METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By:  _____
President

Attest:

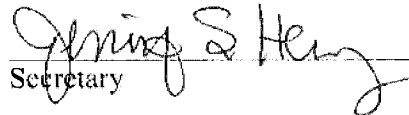
By:  _____
Secretary

EXHIBIT A

Legal Description of the Property

KNOW ALL PEOPLE BY THESE PRESENTS THAT THE UNDERSIGNED WARRANT IT IS THE OWNER OF A PARCEL OF LAND SITUATED IN THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 4 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ARAPAHOE, STATE OF COLORADO, BEING PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 22 AND CONSIDERING THE NORTH LINE OF SAID NORTHEAST QUARTER OF SECTION 22 TO BEAR NORTH 89°34'54" EAST, WITH ALL BEARINGS HEREON RELATIVE THERETO:

THENCE NORTH 89°34'54" EAST ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER OF SECTION 22 A DISTANCE OF 66.41 FEET; THENCE SOUTH 00°25'06" EAST A DISTANCE OF 79.71 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF EAST MISSISSIPPI AVENUE DESCRIBED IN BOOK 6992 AT PAGES 193, 199 AND 205 OF THE RECORDS OF THE ARAPAHOE COUNTY CLERK AND RECORDER AND THE **POINT OF BEGINNING**;

THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY OF EAST MISSISSIPPI AVENUE THE FOLLOWING TWO (2) COURSES:

- 1) ALONG A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 02°26'39", A RADIUS OF 5,797.25 FEET, AN ARC LENGTH OF 247.30 FEET AND A CHORD THAT BEARS SOUTH 89°11'47" EAST A DISTANCE OF 247.28 FEET;
- 2) NORTH 89°34'54" EAST A DISTANCE OF 281.91;

THENCE NORTH 89°34'54" EAST A DISTANCE OF 110.01 FEET;

THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY-LINE OF EAST MISSISSIPPI AVENUE THE FOLLOWING SEVEN (7) COURSES:

- 1) NORTH 89°34'54" EAST A DISTANCE OF 245.79 FEET TO A POINT OF CURVATURE;
- 2) ALONG A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 03°00'05", A RADIUS OF 5,785.00 FEET, AN ARC LENGTH OF 303.04 FEET AND A CHORD THAT BEARS NORTH 88°04'51" EAST A DISTANCE OF 303.01 FEET TO A POINT OF REVERSE CURVATURE;
- 3) ALONG A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 93°00'15", A RADIUS OF 25.00 FEET, AN ARC LENGTH OF 40.58 FEET AND A CHORD THAT BEARS SOUTH 46°55'04" EAST A DISTANCE OF 36.27 FEET;
- 4) NORTH 83°06'08" EAST A DISTANCE OF 60.39 FEET TO A POINT OF CURVATURE;
- 5) ALONG A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 85°54'23", A RADIUS OF 25.00 FEET, AN ARC LENGTH OF 37.48 FEET AND A

CHORD THAT BEARS NORTH 42°32'15" EAST A DISTANCE OF 34.07 FEET TO A POINT OF REVERSE CURVATURE;

6) ALONG A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00°03'30", A RADIUS OF 5,785.00 FEET, AN ARC LENGTH OF 5.89 FEET AND A CHORD THAT BEARS NORTH 85°27'51" EAST A DISTANCE OF 5.89 FEET TO A POINT OF CURVATURE;

7) ALONG A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 01°28'32", A RADIUS OF 5,675.00 FEET, AN ARC LENGTH OF 146.15 FEET AND A CHORD THAT BEARS NORTH 86°10'22" EAST A DISTANCE OF 146.15 FEET;

THENCE SOUTH 00°23'10" EAST A DISTANCE OF 785.09 FEET;

THENCE NORTH 89°39'34" EAST A DISTANCE OF 195.00 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF SOUTH GALENA WAY DESCRIBED IN BOOK 7237 AT PAGES 321, 324 AND 327 OF THE RECORDS OF THE ARAPAHOE COUNTY CLERK AND RECORDER;

THENCE SOUTH 00°23'36" EAST ALONG SAID WESTERLY RIGHT-OF-WAY LINE A DISTANCE OF 19.77 FEET;

THENCE SOUTH 89°39'34" WEST A DISTANCE OF 541.11 FEET;

THENCE NORTH 00°26'17" WEST A DISTANCE OF 435.55 FEET;

THENCE SOUTH 89°34'54" WEST A DISTANCE OF 1,135.06 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SOUTH DAYTON STREET DESCRIBED IN SAID BOOK 6992 AT PAGES 193, 199 AND 205;

THENCE ALONG THE EASTERLY RIGHT-OF-WAY OF SAID SOUTH DAYTON STREET THE FOLLOWING THREE (3) COURSES:

1) NORTH 03°18'04" EAST A DISTANCE OF 111.37 FEET;

2) NORTH 00°35'38" WEST A DISTANCE OF 214.09 FEET TO A POINT OF CURVATURE;

3) ALONG A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 92°37'31", A RADIUS OF 25.00 FEET, AN ARC LENGTH OF 40.42 FEET AND A CHORD THAT BEARS NORTH 45°42'45" EAST A DISTANCE OF 36.16 FEET TO THE **POINT OF BEGINNING**;

SAID PARCEL CONTAINS AN AREA OF 667,536 SQUARE FEET, OR 15.33 ACRES, MORE OR LESS.

HAVE LAID OUT, PLATTED, AND SUBDIVIDED THE SAME INTO LOTS, BLOCKS AND TRACTS AS SHOWN ON THIS PLAT, UNDER THE NAME AND STYLE OF HIGHLINE SUBDIVISION FILING NO. 1, AND BY THESE PRESENTS DO HEREBY DEDICATE TO THE CITY OF AURORA, COLORADO, FOR THE PERPETUAL USE OF THE PUBLIC, THE STREETS AND EASEMENTS AS SHOWN HEREON AND NOT PREVIOUSLY DEDICATED TO THE PUBLIC.

**FIRST AMENDMENT TO RESOLUTION NO. 2016-09-04
RESOLUTION OF THE BOARD OF DIRECTORS OF THE HIGHLINE CROSSING
METROPOLITAN DISTRICT REGARDING THE IMPOSITION OF DISTRICT FEES**

A. On September 23, 2016, Highline Crossing Metropolitan District (the “**District**”) adopted Resolution No. 2016-09-04 Regarding the Imposition of District Fees (the “**Resolution**”).

B. The District desires to amend the Resolution due to a change in the District’s contact information.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Highline Crossing Metropolitan District, Arapahoe County, Colorado:

1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Resolution.

2. Amendment to Section 6 of Resolution. Section 6 of the Resolution is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

“6. Any inquiries pertaining to the Fees may be directed to the District’s Manager at: Lisa Johnson, Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, CO 80228; phone number: (303) 987-0835.”

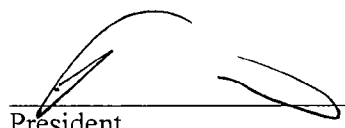
3. Except as expressly set forth herein, the Resolution continues to be effective without modification.

[SIGNATURE PAGE FOLLOWS]


[SIGNATURE PAGE TO FIRST AMENDMENT TO RESOLUTION NO. 2016-09-04]

RESOLUTION APPROVED AND ADOPTED ON June 26, 2017.

HIGHLINE CROSSING METROPOLITAN DISTRICT

By:  _____
President

Attest:

 _____
Secretary

Highline Crossing Metropolitan District

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

**Resolution Regarding
Adopting the Policies
and Procedures
Governing the
Enforcement of the
Protective Covenants of
Highline**

RESOLUTION NO. 2017-03-03

RESOLUTION OF THE BOARD OF DIRECTORS OF THE HIGHLINE CROSSING METROPOLITAN DISTRICT ADOPTING THE POLICIES AND PROCEDURES GOVERNING THE ENFORCEMENT OF THE PROTECTIVE COVENANTS OF HIGHLINE

WHEREAS, the Highline Crossing Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado located in the City of Aurora (the “**City**”), Arapahoe County, Colorado; and

WHEREAS, the District operates pursuant to its Service Plan approved by the City on March 21, 2016, as the same may be amended and/or modified from time to time (the “**Service Plan**”); and

WHEREAS, pursuant to Section 32-1-1001(1)(m), C.R.S., the District has the power “to adopt, amend and enforce bylaws and rules and regulations not in conflict with the constitution and laws of this state for carrying on the business, objects, and affairs of the board and of the special district;” and

WHEREAS, pursuant to Section 32-1-1001(1)(j)(I), C.R.S., the District has the power “to fix and from time to time to increase or decrease fees, rates, tolls, penalties or charges for services, programs, or facilities furnished by the special district;” and

WHEREAS, Meritage Homes of Colorado, Inc., (the “**Developer**”) has caused to be recorded the Declaration of Protective Covenants of Highline, recorded on March 21, 2017, at Reception No. D7031771 of the Arapahoe County, Colorado, real property records, as the same may be amended and/or modified from time to time (the “**Covenants**”) applicable to the real property within the District (the “**Property**”); and

WHEREAS, pursuant to Section 32-1-1004(8), C.R.S., and pursuant to the District’s Service Plan, a metropolitan district may provide covenant enforcement within the district if the declaration, rules and regulations, or any similar document containing the covenants to be enforced for the area within the metropolitan district name the metropolitan district as the enforcement and design review entity; and

WHEREAS, the Covenants provide that it is the intention of the Developer to empower the District to provide covenant enforcement services to the Property; and

WHEREAS, pursuant to the Covenants, the District may promulgate, adopt, enact, modify, amend, and repeal rules and regulations concerning and governing the Property and the enforcement of the Covenants; and

WHEREAS, pursuant to the Covenants, the District has the right to send demand letters and notices, to levy and collect fines, to negotiate, to settle, and to take any other actions with respect to any violation(s) or alleged violation(s) of the Covenants; and

WHEREAS, the District desires to provide for the orderly and efficient enforcement of the Covenants by adopting rules and regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HIGHLINE CROSSING METROPOLITAN DISTRICT:

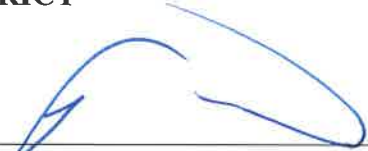
1. The Board of Directors of the District hereby adopt the Policies and Procedures Governing the Enforcement of the Protective Covenants of Highline as described in Exhibit A, attached hereto and incorporated herein by this reference (“**Policies and Procedures**”).
2. The Board of Directors declare that the Policies and Procedures are effective as of January 1, 2017.
3. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstances, shall not affect the validity of the remainder of this Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION NO. 2017-03-03]

APPROVED AND ADOPTED this 9th day of March, 2017.

HIGHLINE CROSSING METROPOLITAN DISTRICT

By:  _____
President

Attest:

 _____
Secretary or Assistant Secretary

EXHIBIT A
POLICIES AND PROCEDURES GOVERNING THE ENFORCEMENT OF THE
PROTECTIVE COVENANTS OF HIGHLINE

Preamble

The Board of Directors of the Highline Crossing Metropolitan District (the “**District**”), has adopted the following Policies and Procedures Governing the Enforcement of the Protective Covenants of Highline (“**Policies and Procedures**”) pursuant to Sections 32-1-1001(1)(j)(I), 32-1-1001(1)(m), and Section 32-1-1004(8), C.R.S. These Policies and Procedures provide for the orderly and efficient enforcement of the Declaration of Protective Covenants of Highline, dated March 9, 2017, and recorded on March 21, 2017, at Reception No. D7031771 of the Arapahoe County, Colorado real property records, and as may be amended from time to time (the “**Covenants**”).

Pursuant to the Covenants, it is the intention of Meritage Homes of Colorado, Inc. (the “**Developer**”) to empower the District to provide covenant enforcement services to the residents of the District.

The District, pursuant to the provisions of its Service Plan, which was approved by the City of Aurora, Colorado, on March 21, 2016, as it has been and may be amended from time to time, and pursuant to the Covenants, may enforce the Covenants through any proceeding in law or in equity against any Person(s) violating or attempting to violate any provision therein. Possible remedies include all of those available at law or in equity. In addition, the District has the right to send demand letters and notices, to levy and collect fines, to negotiate, to settle, and to take any other actions, with respect to any violation(s) or alleged violation(s) of the Covenants.

Unless otherwise specified, all references to the “District” made herein shall refer to the Highline Crossing Metropolitan District and its Board of Directors. The District has retained a management company (the “**District Manager**”) to assist it in managing its affairs, including the assessment and collection of penalties for violations of the Covenants under these Policies and Procedures.

ARTICLE 1. SCOPE OF POLICIES AND PROCEDURES

1.1 Scope. These Policies and Procedures shall apply to the enforcement of the Covenants, including the Design Review Guidelines adopted pursuant thereto, as well as any reimbursable costs incurred by the District for enforcing the Covenants and for correction of noncompliance with the Covenants, including but not limited to, abatement of unsightly conditions, towing and storage of improperly parked vehicles, removal of trash, and removal of non-complying landscaping or improvements.

ARTICLE 2. VIOLATIONS OF THE COVENANTS

2.1 Violations. Any Person violating any provisions of the Covenants shall be liable to the District for any expense, loss, or damage occasioned by reason of such violation and shall also be liable to the District for the penalties set forth in Article 2.3 below.

2.2 Notice of Violation. A Notice of Violation shall be sent upon a determination, following investigation, by the District Manager that a violation is likely to exist. Such Notice of Violation shall set forth the specifics of the alleged violation and the time period within which the alleged violation must be corrected, pursuant to the following classification guidelines:

a. Class I Violation: a violation that, in the sole discretion of the District, can be corrected immediately and/or does not require submission to, and approval by, the District of any plans and specifications. Class I Violations include, but are not limited to, parking violations, trash violations and other violations of the Covenants concerning annoying lights, sounds or odors. Class I Violations can in most cases be corrected within seven (7) days of notification. If the violation is not corrected within seven (7) days of notification, the District may take any appropriate action necessary to remedy the violation, including but not limited to, abatement of unsightly conditions, towing and storage of improperly parked vehicles, and removal of trash, etc.

b. Class II Violation: a violation that, in the sole discretion of the District, cannot be corrected immediately and/or require plans and specifications to be submitted to, and approval by, the District prior to any corrective action. Class II Violations include, but are not limited to, violations of the Covenants related to landscaping and construction of, or modification to, improvements. Class II Violations can in most cases be corrected within thirty (30) days of notification. If the violation is not corrected within thirty (30) days of notification, the District may take any appropriate action necessary to remedy the violation, including but not limited to, removing the non-complying landscaping or improvement.

2.3 Penalties. Penalties for violations of the Covenants shall be assessed as follows. Any penalties that have not been paid by the applicable due date shall be considered delinquent (the "**Delinquent Account**").

- a. First Offense – Notice of Violation, no penalty
- b. Second Offense – Fee of up to \$100.00
- c. Third Offense – Up to \$250.00
- d. Continuing Violation – Up to \$500 each day violation continues (each day constitutes a separate violation).

ARTICLE 3. INTEREST

3.1 Interest. Interest charges shall accrue and shall be charged on all amounts not paid by the applicable due date, including delinquent penalties and any amounts expended by the District to cure a violation of the Covenants or amounts expended by the District to repair damages caused as a result of a violation of the Covenants. Interest charges shall accrue and shall be charged at the maximum statutory rate of eighteen percent (18%) per annum.

ARTICLE 4.
LIEN FILING POLICIES AND PROCEDURES

4.1 Perpetual Lien. Pursuant to Section 32-1-1001(1)(j)(I), C.R.S., all Fees and Charges, until paid, shall constitute a perpetual lien on and against the Property to be served by the District. Except for the for the lien against the Property created by the imposition of property taxes by the District and other taxing jurisdictions pursuant to Section 32-1-1202, C.R.S., all liens for unpaid Fees and Charges shall to the fullest extent permitted by law, have priority over all other liens of record affecting the Property and shall run with the Property and remain in effect until paid in full. All liens contemplated herein may be foreclosed as authorized by law at such time as the District in its sole discretion may determine. Notwithstanding the foregoing, the lien policies and procedures set forth herein shall be implemented in order to ensure an orderly and fair execution of the lien filing and collections process.

4.2 District Manager's Procedures. The District Manager shall be responsible for collecting Fees and Charges imposed by the District against the Property. In the event payment of Fees and Charges is delinquent, the District Manager shall perform the procedures listed below. Any Fees and Charges which have not been paid by the applicable due date are considered delinquent:

a. Fifteen (15) Business days Past Due. A delinquent payment "Reminder Letter" shall be sent to the address of the last known owner of the Property according to the District Manager's records. In the event the above mailing is returned as undeliverable, the District Manager shall send a second copy of the Reminder Letter to: (i) the Property; and (ii) the address of the last known owner of the Property as found in the real property records of the Arapahoe County Assessor's office (collectively the "**Property Address**"). Said Reminder Letter shall request prompt payment of amounts due.

b. On the Fifteenth (15) Business day of the Month Following the Scheduled Due Date for Payment. A "Warning Letter" shall be sent to the Property Address requesting prompt payment and warning of further legal action should the Property owner fail to pay the total amount owing. Along with the Warning Letter, a summary of these Policies and Procedures, and a copy of the most recent account ledger reflecting the total amount due and owing to the District according to the records of the District Manager shall also be sent.

c. First (1) Business day of the Month Following the Postmark Date of the Warning Letter. Once the total amount owing on the Property, inclusive of Interest and Costs of Collections as defined below, has exceeded One Hundred Twenty Dollars (\$120.00) and the District Manager has performed its duties outlined in these Policies and Procedures, the District Manager shall refer the Delinquent Account to the District's General Counsel (the "**General Counsel**"). However, if the amount owing on the Delinquent Account is less than One Hundred Twenty Dollars (\$120.00), the District Manager shall continue to monitor the Delinquent Account until the amount owing on such account is One Hundred Twenty Dollars (\$120.00) or greater, at which point the Delinquent Account shall be referred to General Counsel. At the time of such referral, the District Manager shall provide General Counsel with copies of all notices and letters sent and a copy of the most recent ledger for the Delinquent Account.

4.3 General Counsel Procedures. Upon referral of a Delinquent Account from the District Manager, General Counsel shall perform the following:

a. Upon Referral of the Delinquent Account from the District Manager. A “Demand Letter” shall be sent to the Property Address, notifying the Property owner that his/her Property has been referred to General Counsel for further collections enforcement, including the filing of a lien against the Property. Along with the Demand Letter, a copy of the most recent account ledger reflecting the total amount due and owing the District according to the records of the District Manager shall also be sent.

b. No Earlier Than Thirty (30) Business days from the Date of the Demand Letter. A Notice of Intent to File Lien Statement, along with a copy of the lien to be filed, shall be sent to the Property Address of the Delinquent Account notifying the Property owner that a lien will be filed within thirty (30) days of the Notice of Intent to File Lien Statement postmark date.

c. No Earlier Than Ten (10) Business days from the Postmark Date of the Notice of Intent to File Lien Statement. A lien for the total amount owing as of the date of the lien shall be recorded against the Property with the County Clerk and Recorder’s Office; all Fees and Charges, Interest, and Costs of Collection (as defined below) will continue to accrue on the Delinquent Account and will run with the Property until the total amount due and owing the District is paid in full.

ARTICLE 5. COSTS OF COLLECTIONS

“Costs of Collections” are generated by the District Manager and General Counsel’s collection efforts. They consist of the following fixed rates and hourly fees and costs:

5.1 Action Fees. The following fixed rate fees shall be charged to a Delinquent Account once the corresponding action has been taken by either the District Manager or General Counsel:

a. Reminder Letter Fee. No charge for the Reminder Letter. This action is performed by the District Manager.

b. Warning Letter Fee. Fifteen Dollars (\$15.00) per Warning Letter sent. This action is performed by the District Manager.

c. Demand Letter Fee. Fifty Dollars (\$50.00) per Demand Letter sent. This action is performed by General Counsel.

d. Notice of Intent to File Lien Fee. One Hundred Fifty Dollars (\$150.00) per Notice of Intent to File Lien Statement sent. This action is performed by General Counsel.

e. Lien Recording Fee. One Hundred Fifty Dollars (\$150.00) per each lien recorded on the Property. This action is performed by General Counsel.

f. Lien Release Fee. One Hundred Fifty Dollars (\$150.00) per each lien recorded on the Property. This action is performed by General Counsel.

5.2 Attorney Hourly Fees and Costs. After a lien has been filed, all hourly fees and costs generated by General Counsel to collect unpaid Fees and Charges shall also be assessed to the Delinquent Account.

5.3 Recovery of Costs of Collections. In accordance with Section 29-1-1102(8), C.R.S., nothing in these Policies and Procedures shall be construed to prohibit the District from recovering all the Costs of Collections whether or not outlined above.

ARTICLE 6.
WAIVER OF INTEREST AND COSTS OF COLLECTIONS

6.1 Waiver of Interest. The District Manager and General Counsel shall each have authority and discretion to waive or reduce portions of the Delinquent Account attributable to Interest. Such action shall be permitted if either the District Manager or General Counsel, in its discretion, determines that such waiver or reduction will facilitate the payment of the penalties due. Notwithstanding, if the cumulative amount due and owing the District on the Delinquent Account exceeds One Thousand Dollars (\$1,000.00), neither the District Manager nor General Counsel shall have any authority to waive or reduce any portion of the Interest. In such case, the person or entity owing in excess of One Thousand Dollars (\$1,000.00) shall first submit a request for a waiver or reduction, in writing, to the District, and the District shall make the determination in its sole discretion.

6.2 Waiver of Delinquent Penalties and Costs of Collections. Neither the District Manager nor General Counsel shall have the authority to waive any portion of delinquent penalties or Costs of Collections. Should the Property owner desire a waiver of such costs, she/he shall submit a written request to the District, and the District shall make the determination in its sole discretion.

6.3 No Waiver of Future Interest. Any waiver or reduction of Interest or other costs granted pursuant to Sections 6.1 and 6.2 hereof shall not be construed as a waiver or reduction of future Interest, or as the promise to waive or reduce future Interest. Nor shall any such waiver or reduction be deemed to bind, limit, or direct the future decision making power of the District, District Manager, or General Counsel, whether related to the Property in question or other properties within the District.

ARTICLE 7.
OPPORTUNITY TO BE HEARD

7.1 Opportunity to be Heard. Individuals who receive any notice or demand pursuant to these Policies and Procedures may request a hearing in accordance with the procedures set forth herein, or in the alternative, may elect to follow the Alternative Dispute Resolution procedures set forth in the Covenants.

7.2 Hearing Process. The hearing and appeal procedures established by this Article shall apply to all complaints concerning the interpretation, application, or enforcement of the Covenants, as each now exists or may hereafter be amended.

a. Complaint. Complaints concerning the interpretation, application, or enforcement of the Covenants must be presented in writing to the District Manager, or such representative as he or she may designate. Upon receipt of a complaint, the District Manager or designated representative, after a full and complete review of the allegations contained in the complaint, shall take such action and/or make such determination as may be warranted and shall notify the complainant of the action or determination by mail within fifteen (15) business days after receipt of the complaint. Decisions of the District Manager which impact the District financially will not be binding upon the District unless approved by the Board of Directors of the District at a special or regular meeting of the District.

b. Hearing. In the event the decision of the District Manager or his representative is unsatisfactory to the complainant, the complainant may submit to the District a written request for formal hearing before a hearing officer ("**Hearing Officer**"), which may be a member of the Board of Directors or such other Person as may be appointed by the Board of Directors. Such request for a formal hearing must be submitted within twenty (20) business days from the date written notice of the decision of the District Manager or designated representative was mailed.

Upon receipt of the request, if it be timely and if any and all other prerequisites prescribed by these Policies and Procedures have been met, the Hearing Officer shall conduct a hearing at the District's convenience but in any event not later than fifteen (15) business days after the submission of the request for formal hearing. The formal hearing shall be conducted in accordance with and subject to all pertinent provisions of these Policies and Procedures. Decisions of the Hearing Officer which impact the District financially will not be binding upon the District unless approved by the Board of Directors at a special or regular meeting of the District.

c. Rules. At the hearing, the Hearing Officer shall preside and the hearing shall be recorded. The complainant and representatives of the District shall be permitted to appear in person, and the complainant may be represented by any Person (including legal counsel) of his or her choice.

The complainant or his or her representative and the District representatives shall have the right to present evidence and arguments; the right to confront and cross-examine any Person; and the right to oppose any testimony or statement that may be relied upon in support of or in opposition to the matter complained of. The Hearing Officer may receive and consider any evidence which has probative value commonly accepted by reasonable and prudent Persons in the conduct of their affairs.

The Hearing Officer shall determine whether clear and convincing grounds exist to alter, amend, defer, or cancel the interpretation, application, and/or enforcement of the Policies and Procedures that are the subject of the complaint. The Hearing Officer's

decision shall be based upon evidence presented at the hearing. The burden of showing that the required grounds exist to alter, amend, defer, or cancel the action shall be upon the complainant.

d. Findings. Subsequent to the formal hearing, the Hearing Officer shall make written findings and an order disposing of the matter and shall mail a copy thereto to the complainant not later than fifteen (15) business days after the date of the formal hearing.

e. Appeals. In the event the complainant disagrees with the findings and order of the Hearing Officer, the complainant may, within fifteen (15) business days from the date such findings and order were mailed, file with the District a written request for an appeal thereof to the Board of Directors. The request for an appeal shall set forth with specificity the facts or exhibits presented at the formal hearing upon which the complainant relied and shall contain a brief statement of the complainant's reasons for the appeal. The District shall compile a written record of the appeal consisting of (1) a transcript of the recorded proceedings at the formal hearing, (2) all exhibits or other physical evidence offered and reviewed at the formal hearing, and (3) a copy of the written findings and order. The District shall consider the complainant's written request and the written record on appeal at its next regularly scheduled meeting held not earlier than ten (10) days after the filing of the complainant's request for appeal. The District's consideration of the appeal shall be limited exclusively to a review of the record on appeal and the complainant's written request for appeal. No further evidence shall be presented by any Person or party to the appeal, and there shall be no right to a hearing de novo before the Board of Directors.

f. District Board of Directors Findings. The Board of Directors shall make written findings and an order concerning the disposition of the appeal presented to it and shall cause notice of the decision to be mailed to the complainant within thirty (30) days after the Board of Directors' meeting at which the appeal was considered. The Board of Directors will not reverse the decision of the Hearing Officer unless it appears that such decision was contrary to the manifest weight of the evidence made available at the formal hearing.

g. Notices. A complainant shall be given notice of any hearing before the District Manager, the hearing officer, or before the Board of Directors, by certified mail at last seven (7) business days prior to the date of the hearing, unless the complainant requests or agrees to a hearing in less time. When a complainant is represented by an attorney, notice of any action, finding, determination, decision, or order affecting the complainant shall also be served upon the attorney.

h. Costs. All costs of the formal hearing and appeal processes shall be paid by the complainant, including, but not limited to, certified mailing, transcription of the recorded proceedings, and General Counsel fees.

ARTICLE 8. PAYMENT PLANS

8.1 Payment Plans. Neither the District Manager nor General Counsel shall have the authority to enter into or establish payment plans for the repayment of a Delinquent Account. Should the Property owner desire to enter into a payment plan with the District, such owner shall

first submit a written request to the District and the District shall make the determination in its sole discretion.

ARTICLE 9.
RATIFICATION OF PAST ACTIONS

9.1 Ratification of Past Actions. All waivers and payment plans heretofore undertaken by the District Manager or General Counsel that would otherwise have been authorized by these Policies and Procedures are hereby affirmed, ratified, and made effective as of the date said actions occurred.

ARTICLE 10.
ADDITIONAL ACTIONS

10.1 Additional Actions. The District directs and authorizes its officers, staff and consultants to take such additional actions and execute such additional documents as are necessary to give full effect to the intention of these Policies and Procedures.

ARTICLE 11.
COLORADO AND FEDERAL FAIR DEBT COLLECTIONS ACTS

11.1 Acts Not Applicable. Protective covenant enforcement as described herein is not a consumer transaction and, therefore, is not subject to the Colorado Fair Debt Collection Practices Act or the Federal Fair Debt Collections Practices Act.

ARTICLE 12.
SEVERABILITY

12.1 Severability. If any term or provision of these Policies and Procedures is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable term or provision shall not affect the validity of these Policies and Procedures as a whole but shall be severed herefrom, leaving the remaining terms or provisions in full force and effect.

ARTICLE 13.
SAVINGS PROVISION

13.1 Savings Provision. The failure to comply with the procedures set forth herein shall not affect the status of the Fees and Charges as a perpetual lien subject to foreclosure in accordance with law. Failure by the District Manager, General Counsel, or other authorized representative to take any action in accordance with the requirements as specifically provided herein shall not invalidate subsequent efforts to collect the Fees and Charges.