

PRAIRIESTAR METROPOLITAN DISTRICT NO. 2

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 PrairieStar community! Your home resides within the boundaries of PrairieStar Metropolitan District No. 2 (“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 PrairieStar community does not have a Homeowner’s Association, but rather, the District performs such functions as covenant control, design review and grounds maintenance services including, but not limited to; open space areas, community parks, community fencing, monumentation, and snow removal on public sidewalks and along the public parks within the community, as well as other management services for your community. These operational services are paid for through your yearly property tax assessment, rather than through an assessment of dues, such as an HOA would impose.

The District’s Limited Tax General Obligation Bond debt service is also paid for through your yearly property tax assessment. Further information on this subject can be obtained by referencing the General Information and Disclosure Sheet (which is a part of this Welcome Packet); via the District’s Service Plan (which is available upon request) or, by contacting the District Manager, Lisa A. Jacoby 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 PrairieStar community: Part of SDMS’ role is to conduct routine inspections of the community in order to ensure compliance with the Declaration of Protective Covenants and the Rules and Design Guidelines. The Declaration of Protective Covenants and the Rules and Design Guidelines set forth the policies, restrictions, covenant enforcement and design review criteria. You can expect inspections to occur monthly during the growing season (April-September), and quarterly throughout the rest of the year.

A milestone you should be aware of relating to timing for backyard improvements: As specified in the Declaration of Protective Covenants of PrairieStar, (Section 3.13); landscaping is required to be installed within **180 days** after acquisition of title to the property. For properties for which title is acquired after June 30th, of any given year, the 180 days shall automatically be extended to July 1st of the following year. This is to allow adequate seasonal timing to install such landscaping. Per the Declaration of Protective Covenants for PrairieStar and the PrairieStar Filing #1 & #3 Rules and Design Guidelines, landscape design review submittal to the PrairieStar Design Review Committee (PDRC) is required prior to installing your landscaping. For more information on this processes, as well as guidelines for minimum standards required for approval, please see the Rules and Design Guidelines found in this packet.

United Waste Systems:

Trash removal is provided by United Waste Systems. Please contact United Waste Systems to set up your trash and recycling service at unitedwastesystems@gmail.com or (970) 532-0803.

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

1. **“PrairieStar Community Resources”** (a quick reference guide).
2. **“PrairieStar Filing #1 & #3 Rules and Design Guidelines”** (the Rules and Design Guidelines provide design criteria regarding the construction of new homes, home additions, fencing, landscaping and other alterations to same).
3. **“Declaration of Protective Covenants for PrairieStar” (aka CC&R’s)** (the Declaration of Protective Covenants sets forth the policies for restrictions and covenant enforcement and design review).
4. **“Resolutions Adopting the Policies and Procedures Governing the Enforcement of the Protective Covenants of PrairieStar” and “Resolution Regarding the Imposition of Transfer Fees and Design Review Fees”.**
5. **“General Information and Disclosure”** (the General Information and Disclosure is intended to provide an overview of significant information related to the District).
6. **“Newsletters”** (the most recent newsletters for the community).

Should you have any questions or require more information regarding the matters presented in this letter, please contact me at 303-987-0835. Once again, we would like to welcome you to PrairieStar.

Warm Regards,

PrairieStar Metropolitan District No. 2



Peggy Ripko
District Manager

PRAIRIESTAR METROPOLITAN DISTRICTS NO. 2

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Community Resources

PrairieStar Community Resources

| | NAME | ADDRESS / LOCATION | PHONE |
|--|--|--|------------------------------|
| UTILITIES: | | | |
| Post Office | USPS | 425 3 rd St., Berthoud, CO 80513 | 800-275-8777 |
| Electric | Xcel Energy | 1901 E. Horsetooth Rd., Fort Collins, CO 80525 | 800-895-4999 |
| Gas | Xcel Energy | 1901 E. Horsetooth Rd., Fort Collins, CO 80525 | 800-895-4999 |
| Water / Sewer / Wastewater / Storm Drainage | Town of Berthoud Utility Billing | | 970-532-2643 |
| Trash / Recycling | United Waste Systems | P.O. Box 1618, Berthoud, CO 80513 (unitedwastesystems@gmail) | 970-532-0803 |
| Phone | Qwest | | 800-244-1115 |
| Cable TV | Comcast | 1582 W 1 st St., Loveland, CO 80537 | 970-663-2000 |
| | | | |
| POLICE / FIRE / BERTHOUD COMMUNITY INFORMATION | | | |
| Police | Berthoud Police Department | 328 Massachusetts Ave., Berthoud, CO 80513 | 970-532-2611 |
| Fire | Berthoud Fire Protection District | 275 Mountain Ave.; Box 570 Berthoud, CO 80513 | 970-532-2264 |
| Town of Berthoud | Berthoud Town Hall | 328 Massachusetts Ave., Berthoud, CO 80513 | 970-532-2643 |
| Chamber of Commerce | Berthoud Area Chamber of Commerce | 428 Mountain Ave., Berthoud, CO 80513 | 970-532-4200 |
| | | | |
| PARKS / RECREATION / TRANSPORTATION: | | | |
| Management of the PrairieStar Community Parks and Recreation | PrairieStar Metropolitan District: Managed by SDMSI Town of Berthoud Parks and Recreation | 141 Union Blvd., Suite 150, Lakewood, CO 80228 100 10th St., Berthoud, CO 80513 | 303-987-0835 970-532-1600 |
| Swimming Pool (seasonal) | Berthoud Community Pool | 200 7th St., Berthoud, CO 80513 | 970-622-2524 |
| Senior Center | Berthoud Area Community / Senior Center | 248 Welch Ave., Berthoud, CO 80513 | 970-532-3667 |
| Basketball, Tennis, Volleyball, Swimming Pool, Playground, Picnic Tables, Picnic Shelters, Baseball Fields | Berthoud Park | Town Park at the south dead-end of 6th & 7th Streets | |
| Community Pool | Berthoud Pool | 200 7th St., Berthoud, CO 80513 | 970-532-3667 |
| Recreation Center | Berthoud Community Center | 248 Welch Ave., Berthoud, CO 80513 | 970-532-2730 |
| Fitness trail, playground, baseball and softball fields | Bein Park | 10 th and Spartan Ave., Berthoud, CO 80513 | |
| Lighted tennis courts, sculpture, picnic tables, open space | Fickel Park | Mountain Ave. & 6th St., Berthoud, CO | |
| Open grass area for picnic, and family activities | Pioneer Park | Iowa Ave. & E. 2nd Ave., Berthoud, CO | |
| Picnic table, old depot | Railroad Park | 3 rd St. & Mountain Ave., Berthoud, CO | |
| Skate Park | Berthoud Skate Park | 2 nd Ave & Mountain Ave., Berthoud, CO | |
| 11 acre park, walking trail, nature kiosk | Hillsdale Park | south of Kansas Ave., Berthoud, CO | |
| Fishing, boating, camping, hiking, marina, swimming | Carter Lake Reservoir | County Road 56, Larimer County, CO | 970-661-1062 |
| Fishing, boating, camping, hiking, swimming. | Horsetooth Reservoir | County Road 38E, Larimer County, CO | |
| Stocked pond, walking path, dock, plenty of waterfowl | Roberts Lake | 920 10th St., Berthoud, CO 80513 | |
| Transportation | Berthoud Transportation (BATS) | | 970-532-3049 |
| | | | |
| SCHOOLS / LIBRARY / MUSEUMS | | | |
| | Thompson School District | 800 S. Taft Ave., Loveland, CO 80537 | 970-613-5000 |
| | McCarty-Fickel Home House Museum | 645 7th St., Berthoud, CO | 970-532-2147 |
| | Berthoud Community Library | 236 Welch Ave | 970-532-2757 |
| | Loveland Public Library | 300 Adams Ave. Loveland, CO 80537 | 970-962-2345 |
| | Little Thompson Valley Pioneer Museum | 224 Mountain Ave. Berthoud, CO | 970-532-2147 |
| | Loveland Museum and Gallery | 503 N Lincoln Ave., Loveland, CO 80537 | 970-962-2410 |
| | Rocky Mountain National Park Library | | 970-586-1362 |
| | | | |
| HOSPITALS AND HEALTHCARE: | | | |
| | Berthoud Animal Hospital | 115 Turner Ave, Berthoud, CO | 970-532-2726 |

PrairieStar Community Resources

| NAME | ADDRESS / LOCATION | PHONE |
|---|--|--------------|
| Berthoud Dental Care | 430 Birnson Ave, Berthoud, CO | 970-532-4209 |
| Berthoud Drug Store | 330 Mountain Ave, Berthoud, CO | 970-532-2034 |
| Berthoud Family Physicians | 401 10 th St, Berthoud, CO | 970-532-4910 |
| Longmont United Hospital | 1950 Mountain Ave. Longmont, CO | 303-651-5111 |
| McKee Medical Center | 2000 Boise Ave. Loveland, CO | 970-669-4640 |
| Milestone Family Medicine | 549 Mountain Ave, Berthoud, CO | 970-532-4644 |
| Poudre Valley Hospital | North Lemay, Fort Collins, CO | 970-495-7000 |
| CHURCHES: | | |
| Berthoud Baptist Church | 1040 North Fourth St., Berthoud, CO | 970-443-7772 |
| Berthoud Family Church | 3982 Nations Way, Berthoud, CO | 970-532-0717 |
| Berthoud Foursquare Church | Fourth & Mountain Ave., Berthoud, CO | 970-532-4903 |
| Calvary Berthoud | 357 Mountain Ave., Berthoud, CO | 970-315-3370 |
| Christ Life Tabernacle | 370 Welch Ave., Berthoud, CO | 970-532-2779 |
| Church of Christ | 730 Sixth St., Berthoud, CO | 970-532-2513 |
| Church of Jesus Christ of Latter-Day Saints | 550 Spartan Ave., Berthoud, CO | 970-532-2155 |
| Congregation of Jehovah's Witnesses | 309 North County Road 21, Berthoud, CO | 970-532-2714 |
| First Presbyterian Church | 531 South Eighth St., Berthoud, CO | 970-532-2192 |
| First United Methodist Church | Ninth and Lake Ave., Berthoud, CO | 970-532-2142 |
| Grace Place | 250 Mountain Ave., Berthoud, CO | 970-532-9886 |
| VEHICLE / VOTER REGISTRATION / COUNTY INFORMATION: | | |
| Department of Motor Vehicle (DMV) | 205 East Sixth St. First Floor, Loveland, CO 80537 | 970-679-4521 |
| | 118 E. 29th St., Loveland, CO 80538 | 970-667-7247 |
| | 529 Coffman St., Longmont, CO 80501 | 303-413-7710 |
| | 917 S. Main St., Unit #600, Longmont, CO 80501 | 303-776-4073 |
| Voter Registration | 200 W. Oak St., 5th Floor, Fort Collins, CO 80521 | |
| County | www.larimer.org | |

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**Rules &
Design
Guidelines**



**PrairieStar Filing #1 & #3
Rules and Design Guidelines
(Amended 2.16.17 to Supersede All Previous Versions)**

I. WELCOME TO PRAIRIESTAR

These guidelines have been prepared to assist homeowners in the design and construction of new homes, home additions or alterations, and fences and landscape improvements in PrairieStar. These guidelines provide design direction so that new housing will be developed that is visually consistent and architecturally compatible with the overall community theme.

II. PURPOSE AND INTENT

These Rules and Design Guidelines have been established for design direction in an effort to assure owners and residents of PrairieStar that proper standards of development and construction will be maintained for the benefit of all. These guidelines have been adopted by the Authorized Entity, pursuant to the PrairieStar Declaration of Protective Covenants.

DESIGN REVIEW SUBMITTAL IS REQUIRED UNLESS EXPLICITLY STATED OTHERWISE IN THIS DOCUMENT PER SECTION 2.1 OF THE COVENANTS: "NO IMPROVEMENTS SHALL BE CONSTRUCTED, ERECTED, PLACED, ALTERED, PLANTED, APPLIED, INSTALLED OR MODIFIED, UPON ANY LOT UNLESS SAID IMPROVEMENTS ARE IN FULL COMPLIANCE;" ANY IMPROVEMENT MUST CONFORM WITH THE DECLARATION OF PROTECTIVE COVENANTS, THE RULES AND DESIGN GUIDELINES and THE TOWN OF BERTHOUD REQUIREMENTS, UNLESS APPROVED OTHERWISE BY THE AUTHORIZED ENTITY.

III. DESIGN PHILOSOPHY AND COMMUNITY THEME

It is the Master Developer's desire, intent and purpose to create a neighborhood community of high quality development and construction and in which the natural character of the area is preserved and maintained. The general theme of PrairieStar utilizes a blend of "Contemporary, Country, and Craftsman," architectural forms.

The intent of these guidelines is to accomplish a community development that achieves harmony among homes and between each home and its surrounding landscape, yet allows individual identity to the home. The guidelines apply primarily to the following:

- A. Assuring compatibility and harmony of exterior color materials and design so the exteriors of the structures are complimentary in a manner to avoid negative contrast within the neighborhood.
- B. Relating proposed improvements to the natural features of the land and to the neighboring structures and other improvements.
- C. Maintaining sustainable, diversified landscaping that is water efficient.
- D. Conforming to the plans and overview as defined in the FDP (as defined in the Declaration of Protective Covenants of PrairieStar Filing #1) and the Subdivision Plat developed within the Town of Berthoud.



IV. GENERAL PROVISIONS

Conditions Not Defined:

Any matter, condition or material not defined herein shall be determined as defined by the Declaration of Protective Covenants of PrairieStar.

Variances:

The Authorized Entity reserves the right to vary at any time from procedure or standards as established herein. The Authorized Entity further reserves the right to amend, supplement or repeal these Guidelines and Review Procedure at any time. The fee schedule as defined below in **Section X** can be modified by Authorized Entity without notice.

Zoning Ordinance and Declarations:

Additional standards and requirements are set forth in the applicable subdivision plat and Covenants as well as Section 2, Design Standards in the Town of Berthoud Development Code. Each owner must read and become familiar with all such documents, thus avoiding violations of the standards and requirements set forth therein. Copies of all such documents are available from the Authorized Entity.

V. SUBMITTAL REQUIREMENTS

Additional Design Review Request Instructions and a Review Request Form can be found under "**APPENDIX A**". To make a request for design review, complete the Review Request Form and submit with all back-up documents necessary.

Submittals can be made via US Mail or email to mgesikowska@sdmsi.com.

The Fee schedule is located under Section X of this document. Fees should be made in person or via US Mail to:

PrairieStar Metropolitan District
141 Union Blvd., Suite 150
Lakewood, CO 80228
Phone Contact: 303-987-0835

All Improvements must be made in accordance with the Master Declaration of Covenants of PrairieStar, these Rules and Design Guidelines and the Town of Berthoud Standards. Please review these referenced documents carefully, and make sure your plans comply with their requirements. Unless specifically exempt pursuant to these Design Guidelines, all Improvements must be approved by the Authorized Entity.

Pursuant to the Declaration of Protective Covenants, the Authorized Entity shall review each request for approval and make a decision within forty-five (45) days after the complete submission of plans, specifications and other materials and information which the Authorized Entity may require in conjunction therewith.



Site and Grade Plan:

Include a plot plan showing in detail the location of main buildings on the lot, at a scale of not less than 1" = 20'. Show what you intend to accomplish. Indicate existing conditions as well as your proposed improvements. For example, if you will be installing rock or bark mulch in planting beds, specify the type, color and size. If you are using edging, specify the type of edging. If you are installing a retaining wall, you must indicate how it will be constructed, etc. **YOU MAY NOT ALTER THE DRAINAGE ON YOUR LOT; GRADING MUST REMAIN CONGRUENT PER THE GRADING/IMPROVEMENT CERTIFICATE OF YOUR PROPERTY.**

Plot plan is to also include the following:

1. Legal description; north arrow; name, address and telephone number of owner.
2. Property lines.
3. Building envelope dimensions with envelope established in relation to property lines.
4. Front, rear and side yard dimensions to buildings from property lines.
6. Drives, parking areas and walkways.
5. Square footage of the building footprint for each building.
7. Topographic of site in 1' intervals showing existing contours and drainage courses and proposed changes to contours and drainage courses and cut/fill areas.
8. Location and elevation of access road and off-street parking lot design, if any, including ingress and egress points.
9. Location, elevation and square footage of other improvements such as basketball courts, swimming pools and patios.
10. Reference to adjoining properties, streets, utility and other easements, drainage courses and reference to buildings on adjoining properties and their uses.
11. A copy of the Grading Certification/Improvement Location Certification you received upon purchase of your property.

Building Plan:

Indicate for all buildings the following at a scale of 1/8"=1' or 1/4"=1':

1. Roof Plan: Pitch, valleys, hips, materials and overhang help display requirements.
2. Floor Plan: Main structures and all accessory structures including balconies, decks and square footage of each floor within the main building and square footage of each accessory out-building should be submitted.
3. All exterior elevations with materials, dimensions, final and original grade lines and finished floor elevations should be clearly indicated.
4. Sections: Should include finish grade, finish floor and maximum roof height.

Additions or Alterations:

Any additions or alterations after the completion affecting the finished grade of the site, exterior appearance of any structure or landscaping will require submittal to and approval by the Authorized Entity.

The Authorized Entity should be contacted to determine if the addition or alteration as submitted is consistent with the approved guidelines for the area. The Authorized Entity



will advise the applicant if authorized entity approval is required and what information is needed.

VI. LANDSCAPE GUIDELINES AND REQUIREMENTS (reference Section 3.13 of the Declaration of Protective Covenants)

PrairieStar is a model community for planning and design integrity of structure and landscape. From the beginning of the project, the development team has focused on form and creativity through the natural topography.

These Design Guidelines are not intended to hinder in any way, unique designs or creative expression by the design professional or the owner. By establishing elements of requirements for site planning, these guidelines will ensure an overall cohesiveness to the PrairieStar development.

YOU MAY NOT ALTER THE DRAINAGE ON YOUR LOT; GRADING MUST REMAIN CONGRUENT PER THE GRADING CERTIFICATION /IMPROVEMENT LOCATION CERTIFICATE OF YOUR PROPERTY.

Backyard Landscape Requirements:

As specified in the Declaration of Protective Covenants of PrairieStar, Section 1.8; the below standards for backyard landscaping are designed to serve as a guide for minimum standards which are required by the Authorized Entity for Design Review approval. The homeowner is welcome to exceed or vary from these standards in the number of trees, bushes and amount of ground coverage.

1. There shall be a minimum of 100% ground coverage installed and maintained in the area considered the backyard which shall be defined by the area within the face of the rear of the house to the rear property line, and the entire width of the lot, from side property line to side property line.
2. The homeowner shall plant a minimum of 1 tree which shall be from the approved tree list of the Town of Berthoud.
3. The homeowner shall plant a minimum of 3, 2-gallon bushes, additionally there shall be no requirement for a sprinkler system for backyard landscaping.
4. All work and permitting shall be in accordance with the Town of Berthoud Zoning and Building Code.
5. Berms must have max 3:1 slope with the soil stabilized by ground cover, appropriate xeriscape materials, or mulch to prevent runoff and erosion. All soil should be re-seeded by the start of the next planting season. No part of the site is to be left barren.
6. Any raised planter or garden box may not exceed 2' (two feet) in height and may only be installed in the back yard.

Drought Tolerant Planting

Approval is required. Using drought tolerant plantings and other water conservation methods of landscaping is encouraged; however, the design must be approved. Appropriate xeriscape plantings or materials may be utilized in place of numbers 2 and 3 listed above.

Timing for Backyard Improvements:

As specified in the Declaration of Protective Covenants of PrairieStar, Section 3.13, landscaping is required to be installed within 180 days after acquisition of title to the



property. For properties for which title is acquired after June 30, of any given year, the 180 days shall automatically be extended to July 1 of the following year. This is to allow adequate seasonal timing to install such landscaping. Submittal of a Design Review Request doesn't constitute completion of your landscaping; please ensure submittal of your landscaping plans will allow for the review period of up-to forty five (45) days for approval, taking into consideration your specific conditions as it relates to the installation deadline.

Softscape Elements and Materials Requirements:

Softscape elements are comprised of deciduous and evergreen trees, shrubs and ground covers. Vines, lawns, flowers, perennials grasses and wild flowers, in quality and quantity and size at time of planting, shall be chosen for form, color, environmental appropriateness, and seasonal variety and must be installed per industry standards.

Trees and Shrubs:

- Canopy, shade trees, and ornamental trees – 2” caliper minimum.
- All coniferous trees - 4' minimum height.
- Ornamental and multi-stem trees – minimum 10' height.
- Shrubs must be no smaller than 2-gallon container size.

Larger trees are recommended and may be used, as they are visually more desirable.

Maintenance Requirements:

Watering and fertilizing, weeding, pruning and tree wound dressing is required. All weed and insect control which impacts drainage and soil quality must include appropriate safety flags and notices be well labeled at the time of application. Dead plant material must be removed or replaced within 30 days.

Irrigation Requirements:

Although there is no requirement for a pressurized irrigation system, in the event an irrigation system is installed, irrigation systems must be designed and installed according to the Town of Berthoud's applicable codes and regulations. In the event a homeowner wishes to install a pressurized irrigation system, no approval shall be necessary from the Authorized Entity.

Views and Screening:

Selection of materials to enhance views is critical from each side - control should be taken to not mask own views and views of neighbors - views of entries to properties, private areas and less desirable areas must be taken into account in landscape design via masking with plantings, fencing, other screenings and appropriate design measures. The Authorized Entity may require specific placement of trees and/or shrubs as necessary to protect view corridors.

VII. FENCING GUIDELINES

Although fencing is not required (unless required otherwise in these Rules and Design Guidelines), standards for fencing as outlined below are preapproved and DO NOT require approval by the Authorized Entity if the following requirements are met:



Approved rear and side yard fencing, if provided, shall be:

1. Minimum height: 48"
2. Maximum height: 6'0"
3. Post sizes permitted are: 4x4, 4x6 or 6x6
4. Wing fencing is fencing between two houses as seen from the street. The minimum setback for wing fencing from front of house to back, shall be 6'0".
5. One 3'0" gate to open space is permitted.
6. Gate feature permitted to 8'0" height by 4'0" width.
7. Fencing on lot adjacent to a lot must be on your own property, unless there is an agreement with adjoining property owner.
8. Finished side of fence should face the street (or away from your house).
9. Only natural wood, vertical privacy fencing with top and bottom rail **per preapproved fencing "EXHIBIT A" examples 1, 2 or 3**, with sealer treatment permitted, or wrought iron, example 4, for fences adjacent to open space only. **"EXHIBIT A"** must be followed.
10. Fences must be treated with clear waterproof stain or natural stain.
11. Any new materials added to existing, need to be stained to match existing.
12. No chain link, steel, wire mesh or vinyl fencing.

All other materials require Authorized Entity approval.

Front yard fencing is not permitted except by review and approval of Authorized Entity.

VIII. OTHER SITE AMENITIES AND IMPROVEMENTS

Front Yard Improvements/Modifications:

Front yard improvements or modifications REQUIRE SUBMITTAL and approval by the Authorized Entity. Any changes which increase planting areas or reduce turf areas require submittal. Adding plantings to non-turf areas (e.g. replacing rock beds and flower beds) DOES NOT require submittal.

Decks, Patios, and Walkways/Paths:

Decks, patios, walkways/paths DO NOT require approval by the Authorized Entity if the following criteria are met: A primary deck, patio, walkway/path must be located in the backyard. Decks, patios, walkways/paths may be constructed of stone, rock, concrete, wood or any other hardscape material as long as the surface does not exceed 18" (eighteen inches) above finish grade. Deck and railings if made of wood material must be treated to match fence or home color. Considerations shall be taken for the location and size of all decks so as not to obstruct the view from adjacent lots. **Patios or decks larger than 180 square feet REQUIRE SUBMITTAL and approval by the Authorized Entity**, and appropriate softscape areas must be maintained; 100% ground coverage must be maintained in the backyard as defined under Backyard Landscape Requirements (page 4, item 1).

Decks and patios exceeding 18" (eighteen inches) above finish grade require submittal to the Authorized Entity and are considered an "Addition" for the purposes of defining the appropriate Design Review Fee required when submitting.



Accessory and Shed Structures:

All accessory and shed structures REQUIRE SUBMITTAL and approval by the Authorized Entity, and must abide by the below criteria. Structures shall be architecturally compatible with the dwelling. Structures must be screened from street view behind a 6' (six foot) rear yard wood perimeter fence, **per preapproved fencing "EXHIBIT A" examples 1, 2 or 3**. No chickens or chicken enclosures/buildings are permitted.

1. Sheds must be located in the backyard or side yard, and screened from street view behind a 6' (six foot) wood perimeter fence, per preapproved fencing "EXHIBIT A" examples 1, 2, or 3 of the Rules and Design Guidelines. Structures must have a setback of a minimum of 5' (five feet) from property lines.
2. Massing and scale, as well as forms, roof pitch, materials, colors, and other detailing shall be coordinated with the primary residence on the site (e.g. wood materials painted to match the primary residence).
3. No metal sheds will be permitted.
4. Plastic sheds will be permitted for structures five (5) feet or less in height; screened from street view; behind a 6' (six foot) wood perimeter fence, per preapproved fencing "EXHIBIT A" examples 1, 2, or 3 of the Rules and Design Guidelines.
5. In all cases, structures must comply with Town of Berthoud requirements and permits; shall be constructed within the building envelope on a level concrete pad; shall not alter drainage patterns of the Site, shall not exceed eight feet by ten feet in size (or other configuration not to exceed 80 square feet), and not exceed seven feet in height at its highest point.

Enclosures, Shelters, and Dog Runs:

Pet/dog enclosures, houses, shelters, and runs DO NOT require submittal and approval by the Authorized Entity if the following requirements are met:

1. Pet/dog enclosure, house, shelter or run are not permitted in front yards.
2. Pet/dog enclosure, house, shelter or run must be screened from street view behind a 6' (six foot) rear yard wood perimeter fence, **per preapproved fencing "EXHIBIT A" examples 1, 2 or 3**.
3. Pet/dog houses and shelters must be painted to match house colors, or if wooden, can be sealed to match fencing.
4. Pet/dog enclosure, house, shelter, or run may not exceed 4' (four feet) in height.
5. Dog runs shall be maintained at a reasonable and acceptable level of cleanliness.
6. 100% ground coverage must be maintained in the backyard as defined under Backyard Landscape Requirements (page 4, item 1).

No chickens or chicken enclosures/buildings are permitted.

Spas and at-grade Swimming Pools:

Spas (including saunas, hot tubs) and at grade swimming pools DO NOT require submittal and approval by the Authorized Entity if the following criteria is met: spas and at grade Swimming Pools must be constructed with materials and colors that are in harmony with the architecture of the home. Such amenities shall be designed as an integral part of any associated deck or patio. Spas and at grade swimming pools shall be located in the side or rear yards in such a way that they are screened from street view by a



6'0" (six foot) privacy fence **per preapproved fencing "EXHIBIT A" examples 1, 2 or 3**. Consideration shall be given to potential noise impacts to neighboring properties. Special attention shall be given to the safety of private spas and swimming pools. Any fencing determined to be necessary must abide by all setbacks and fencing guidelines. **Above grade swimming pools require Authorized Entity approval.**

Play Structures:

Play Structures DO NOT require approval by the Authorized Entity if Play Structure is made of wood; must be located in the backyard and screened from street view behind a 6' (six foot) rear yard wood perimeter fence, **per preapproved fencing "EXHIBIT A" examples 1, 2 or 3**. Structures must be setback a minimum of 5' (five feet) from property lines and are not allowed in front yards.

Trampolines:

Trampolines DO NOT require submittal and approval by the Authorized Entity if Trampoline is less than 10' (ten feet) in height; must be located in the backyard and screened from street view behind a 6' (six foot) rear yard wood perimeter fence, **per preapproved fencing "EXHIBIT A" examples 1, 2 or 3**. Trampolines must be setback a minimum of 5' (five feet) from property lines and are not allowed in front yards.

Basketball Backboards:

Standard size backboards may be erected upon the roof fascia of a garage structure and painted to match the house. Any deviation from these guidelines, such as, but not limited to, free standing boards, boards attached to side of house, garage, etc., require submittal and approval by the Authorized Entity.

Air Conditioners: Air Conditioning units DO NOT require submittal and approval by the Authorized Entity if the following criteria are met: air conditioning units must abide by Section 3.5.3 of the Declaration of Protective Covenants of PrairieStar. Where possible, they must be incorporated into the main building or with other detached structures, and be architecturally compatible (including color) with the residence. Air conditioning units shall be ground mounted and screened from street view by a wing fence or appropriate plantings. If screened from view by a wing fence, the fence must be a minimum of 4' (four foot) tall. Units will not be permitted on rooftops or in front of residences. If in a window, only flush mount units will be permitted. All air conditioners will be located as far from the front and side property lines as reasonably possible. Swamp coolers are not permitted.

Trash/Garbage and Recycling Receptacles and Service:

When not out for the purposes of pick-up, trash and recycling receptacles will be screened from street view; behind wing fencing, or enclosed in the garage or an accessory building. All receptacles and storage enclosures shall be planned as a part of the total fencing and landscape design, and may be subject to the Authorized Entity's approval.

The Trash/Garbage and Recycling service provider has been contracted through the District, and has been designated as *only* United Waste; 207 1st St. Berthoud, CO 80513; 970-532-0803. Homeowners are responsible for establishing their account directly with United Waste for their service needs. Billing will occur between United Waste and the homeowner.



IX. BUILDING DESIGN GUIDELINES

Home Selection Guidelines:

PrairieStar has engaged several home builders that each has unique home design options to be utilized throughout the subdivision. It is the intent of PrairieStar to not repeat any one home design on two adjacent lots. Should a purchaser opt for a combination that includes a home concept on an adjacent lot already reserved with that home design, approval by the authorized entity is required. Approval by the Authorized Entity may involve architectural modification to preserve the individuality within PrairieStar. The costs of such modifications shall be at the buyer's expense who is requesting the duplication.

Site Considerations:

The Authorized Entity, or its appointed representative, will review each plan for a building in relation to the specific characteristics of the subject lot and its surroundings. The basic objective is to achieve compatibility of the building and other improvements with the subject lot and the immediate surroundings. The site consideration review is, in summary, specific to the site itself. Location of the main buildings, and any proposed addition, should take into consideration the following:

1. Natural and proposed final grade contours.
2. Street grades as installed.
3. Presence of vegetation, trees and shrubs.
4. Existing and final views.
5. Privacy of subject and surrounding lots, including building improvements on adjoining lots.
6. Access driveways and off-street parking.
7. Setback requirements as defined by the FDP (as defined in the Declaration of Protective Covenants of PrairieStar Filing #1).
8. Site grading and drainage which minimize required natural grade alterations; drainage accommodation from adjoining lots in such a manner that does not cause soil erosion or impede drainage flows or result in excessive drainage onto adjacent lots.

Architectural Elements:

Design Concepts: The home site plans and elevations are intended to incorporate architectural elements such as shingle style siding, lap siding, stone and stucco, roofs, colors, wide window trim, curved front porches, stone wrapped columns and roof forms comprised of gables and hips.

Exterior Colors:

The primary goal of the Design Guidelines with regard to exterior color is to encourage and promote a harmonious blend of color in the PrairieStar neighborhood. Color combinations should tend to accentuate and contrast the architectural detail. Many times, trim and detail are a contrasting color from the body color. Bold, primary colors are discouraged as body colors. Acceptable colors include neutralized shades of green, gray, blue, sand, soft reds, warm terra cotta, taupes and browns. Other colors require approval by the Authorized Entity. Exterior color schemes must comply with "EXHIBIT B" of this document. Any other color schemes desired require approval by the Authorized Entity.

All projections including, but not limited to, chimney flues, vents, gutters, down spouts, utility boxes, and porches shall match the permanent color of the surface from which they project or shall be of the approved trim color scheme.

Building Height Limit: Building height shall be limited to 3 Story or 40' (forty feet) from average final grade and subject structure.

Roof Slope: Generally the roof pitch for the principle roof form, if not a flat roof, and accessory structures should be a minimum of 6:12. Secondary roof forms, including the wrap-around porches, should not be less than 4:12 pitch. "Roof Pitch" means the slope of the roof or the angle that is formed between the roof and the horizontal plane. Flat roofs should have ample parapet of varied elevation and height.

Siding and Trim:

Exterior siding may be of brick, wood, painted hardboard, cultured stone, stone, rock, stucco and shingle. Application shall be continuous and consistent on all elevations to achieve a uniform and complete design statement.

Windows:

Window frames and appurtenances shall be approved by the Authorized Entity. Window design shall be consistent with these guidelines in size, proportions, detail and placement on the elevation.

Storm Doors:

Storm doors DO NOT require submittal and approval by the Authorized Entity if color of frame and handle match or compliment the house color and design.

Elevation Treatments:

Architectural design shall incorporate a consistent level of style and architectural interest on all elevations.

Foundations:

No more than 12 inches of exposed concrete may be visible on any elevation.

Garages:

There shall be a minimum of two and a maximum of four fully enclosed garage spaces for each single family dwelling unit. Dimensions for each space shall meet the Town of Berthoud code. It is the intent to minimize the visual impact of garage doors by such measures as, but not limited to, siting of the building, protective overhangs or projections, special door facing materials, landscaping or door design which blends or enhances the overall architectural statement, and a front yard setback of 22' (twenty two feet) minimum.

Driveways and Private Lanes:

All driveways and private lanes shall be concrete. Asphalt or colored stamped concrete may be used upon approval of the Authorized Entity. Driveways and private lanes shall be constructed to specifications that consider vehicle loads such as trash trucks and moving vans; appropriate measures must be taken to contain edges and control erosion



and washouts. Placement of driveways shall be around and integrated between street trees spacing of 40' where possible.

Parking Areas:

Off drive parking bays or areas and circular driveways require submittal to and approval by the Authorized Entity.

House Address Numbers:

Address numbers shall be used on the dwelling unit. The address number at the dwelling unit shall not exceed in overall size a total of ½ square foot for each number, i.e. a three number address, 367, shall not be greater than 1.5 square feet.

Antennas/Satellite Dishes:

All Satellite and Antenna equipment must comply with "APPENDIX B" of this document. "

Exterior Mechanical Equipment:

All exterior mechanical equipment or tanks shall be either incorporated into the overall form of the dwelling or permanently enclosed by a material, other than plant material, approved by the authorized entity.

Exterior Lighting:

Exterior lighting which is subdued and whose light source is not visible from adjoining dwellings shall be permitted, subject to approval, for purposes such as illuminating entrances, decks, driveways and parking areas. Driveway lights on poles or fascia-mounted floodlights are not permitted due to glare onto adjoining properties. Holiday lighting is limited per the Town of Berthoud code.

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 12" x 12". 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 for 45 days prior to the election and 7 days after, and political signs shall not exceed 36" by 48" in size.

An Owner or resident may display a service flag or sign 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 or sign may be displayed on the inside of a window or door of the home on the Lot. The flag or sign may not be larger than nine (9) inches by sixteen (16) inches.

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



Holiday Decorations and Flags/Flagpoles

All holiday decorations and lighting are to be displayed only on holidays and must not be placed earlier than (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.

Approval is required for any freestanding flagpole, and for approval flag pole must be constructed of a permanent material. Approval is not required for flagpoles mounted to the front of the residence provided that the American flag is displayed. Flags of a temporary nature, such as those displayed on holidays or in celebration of specific events, may only be displayed during said holiday or event, and removed shortly thereafter. 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. Flags may not be illuminated without prior written approval of the Authorized Entity. 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.

X. 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, Deck, Patio, Site Plan, Footprint (including Driveway) Review - \$100
- Paint Color - \$50
- All other items - \$50

Builders as defined in the Declaration of Protective Covenants are exempt from Fees.

XI. General Policies, Procedures, & Fines for Covenant Violations

General procedures and potential fines for Violations of the Declaration of Protective Covenants of PrairieStar. Further details can be found in Article 5 of the Covenants, and in Resolution No. 2016-04-03: "Resolution Adopting the Policies and Procedures Governing the Enforcement of the Protective Covenants of PrairieStar."



EXHIBIT A
FENCING EXAMPLES



EXHIBIT A - 1



EXHIBIT A - 2

EXHIBIT A - 3



EXHIBIT A - 4

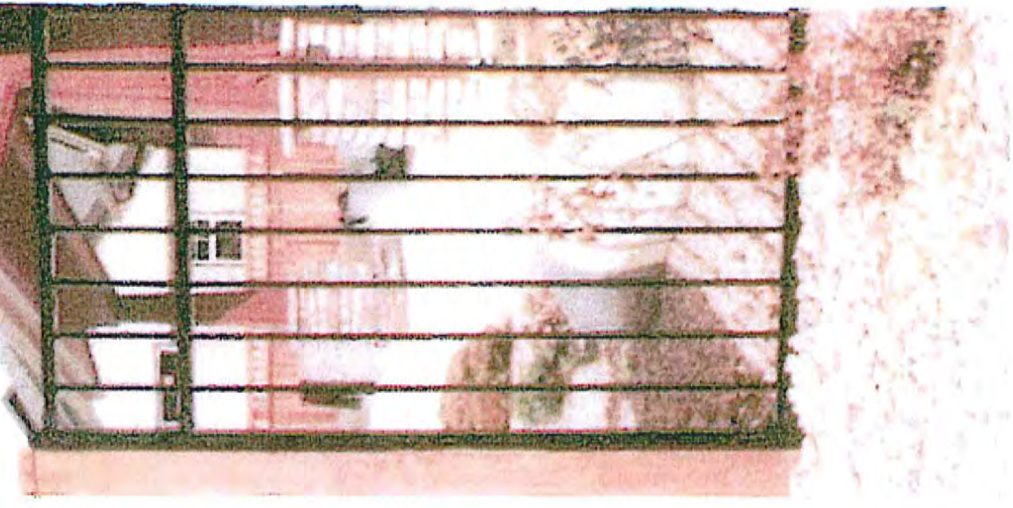




EXHIBIT B
EXTERIOR COLOR SCHEMES

Sherwin Williams – Exterior Paint Color Schemes

| Scheme# | Body Color | Trim | Door/Accent | Stone |
|---------|--------------------------|---------------------------|-------------------------------|----------------------------|
| 1 | SW 6200 Link Gray | SW 6184 Austere Gray | SW 6034 Arresting Auburn | Northwoods Mountain Ledge |
| 2 | SW 6145 Thatch Brown | SW 6143 Basket Beige | SW 7748 Green Earth | Mississippi Southern Ledge |
| 3 | SW 6199 Rare Gray | SW 7571 Casa Blanca | SW 6208 Pewter Green | Mesa Verde Southern Ledge |
| 4 | SW 6158 Sawdust | SW 6156 Ramie | SW 7034 Status Bronze | Mississippi Southern Ledge |
| 5 | SW 6148 Wool Skein | SW 7540 Artisan Tan | SW 7034 Status Bronze | Northwoods Mountain Ledge |
| 6 | SW 7621 Silvermist | SW 7005 Pure White | SW 6223 Still Water | Mesa Verde Southern Ledge |
| 7 | SW 6081 Down Home | SW 6100 Practical Beige | SW 7630 Raisin | Mississippi Southern Ledge |
| 8 | SW 6143 Basket Beige | SW 6104 Kaffee | SW 6133 Muslin | Northwoods Mountain Ledge |
| 9 | SW 6169 Sedate Gray | SW 6171 Chatroom | SW 6994 Greenblack | Mesa Verde Southern Ledge |
| 10 | SW 6199 Rare Gray | SW 6182 Ethereal White | SW 6013 Bitter Chocolate | Northwoods Mountain Ledge |
| 11 | SW 6073 Perfect Greige | SW 6098 Pacer White | SW 6257 Gibraltar | Mesa Verde Southern Ledge |
| 12 | SW 6107 Nomadic Desert | SW 6105 Divine White | SW 6166 Eclipse | Mississippi Southern Ledge |
| 13 | SW 6150 Universa Khaki | SW 6172 Hardware | SW 7745 Muddled Basil | Mississippi Southern Ledge |
| 14 | SW 7739 Herbal Wash | SW 6672 Morning Sun | SW 6167 Garden Gate | Northwoods Mountain Ledge |
| 15 | SW 7672 Knitting Needles | SW 7009 Pearly White | SW 7625 Mount Etna | Mesa Verde Southern Ledge |
| 16 | SW 7032 Warm Stone | SW 6170 Techno Gray | SW 6992 Inkwell | Mesa Verde Southern Ledge |
| 17 | SW 7036 Accessible Beige | SW 7045 Intellectual Gray | SW 7645 Thunder Gray | Northwoods Mountain Ledge |
| 18 | SW 6078 Realist Beige | SW 2820 Downing Earth | SW 2847 Roycraft Bottle Green | Mississippi Southern Ledge |
| 19 | SW 7032 Warm Stone | SW 6106 Kiliam Beige | SW 7083 Darkroom | Mississippi Southern Ledge |
| 20 | SW 7032 Warm Stone | SW 7038 Tony Taupe | SW 6027 Cordovan | Northwoods Mountain Ledge |



APPENDIX A

DESIGN REVIEW REQUEST INSTRUCTIONS

To make a request for design review, complete a request form and submit (with all back-up documents necessary) to:

PrairieStar Metropolitan District
141 Union Blvd., Suite 150
Lakewood, CO 80228
Phone Contact: 303-987-0835

SUBMISSION REQUIREMENTS

All Improvements must be made in accordance with the Declaration of Protective Covenants of PrairieStar and these Rules and Design Guidelines. Please review these referenced documents carefully, and make sure your plans comply with their requirements. Unless specifically exempt, all Improvements must be approved by the Authorized Entity.

Pursuant to the Declaration of Protective Covenants, the Authorized Entity shall review each request for approval and make a decision within forty-five (45) days after the complete submission of plans, specifications and other materials and information which the Authorized Entity may require in conjunction therewith.

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, Deck, Patio, Site Plan, Footprint (including Driveway) Review - \$100
- Paint Color - \$50
- All other items - \$50

Landscaping - Include a plot plan showing in detail what you intend to accomplish. Be sure to show existing conditions as well as your proposed improvements. If you will be planting trees and shrubs, be sure to indicate the type and size on the plan. In order to ensure and acknowledge that you did not alter the drainage on your lot, please include a copy of the Grading Certification/Improvement Location Certification you received upon purchase of your property. See "Exhibit C" attached to the Design Review Request Form for an example of this documentation.

If you will be installing rock or bark mulch in planting beds, be sure to specify the type, color and size. If you are using edging, be sure to specify the type of edging. If you are installing a retaining wall you must indicate how it will be constructed.

THIS IS EXTREMELY IMPORTANT - YOU MAY NOT ALTER THE DRAINAGE ON YOUR LOT.

Painting – if requesting a paint color other than the preapproved colors provided in "EXHIBIT B", submit paint samples and indicate the color in general terms of the houses on either side of your (example: light beige with brown trim). Large samples help give a better impression of color than small samples.



Fencing – Be sure to show the location of the proposed fencing on a plot plan and describe the type of fence. Fences must be treated with clear waterproof stain or natural stain. Installed fence finished side should face away from your house.

Roofing – Submit manufacturer's sample or brochure showing the type and color of shingle you intend on using.

Patio Covers or Gazebos – You must submit a plot plan showing the proposed location in addition to elevations showing construction and exterior appearance. Also include exterior finish if other than natural.



DESIGN REVIEW REQUEST FORM

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

FOR OFFICE USE ONLY

Date Received _____
Crucial Date _____
Date Sent to Entity _____
Date Rcvd from Entity _____

HOMEOWNER'S NAME(S): _____
ADDRESS: _____
PHONE(S): _____

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

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

Include two (2) sets of a plot plans and describe improvements, showing in detail what you intend to accomplish. Be sure to show existing conditions as well as your proposed improvements. Example: If you will be planting trees and shrubs, be sure to indicate the type and size on the plan. For landscaping, fencing, deck/patio slab, patio cover, accessory building/shed/room addition, and drive/walk additions you must also include the Grading Certification/Improvement Location Certification you received upon purchase of your property (see attached "Exhibit C").

I understand that I must receive approval from the Authorized Entity in order to proceed with installation of Improvements if Improvements vary from the Rules and Design Guidelines or, are not specifically exempt. I understand that I may not alter the drainage on my lot. I understand that the Authorized Entity 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 Authorized Entity and the members thereof, as well as the District, the Board of Directors, or any representative of the Authorized Entity, shall not be liable for any loss, damage or injury arising out of or in any way connected with the performance of the Authorized Entity 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 Authorized Entity shall be completed within the time limits established specified below, but if not specified, not later than one year after the approval was granted.

Date: _____ Homeowner's Signature: _____

Authorized Entity Action:

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

- Disapproved for the following reasons:

All work to be completed no later than: _____

Authorized Entity Signature: _____ Date: _____



SUBMITTAL FEES

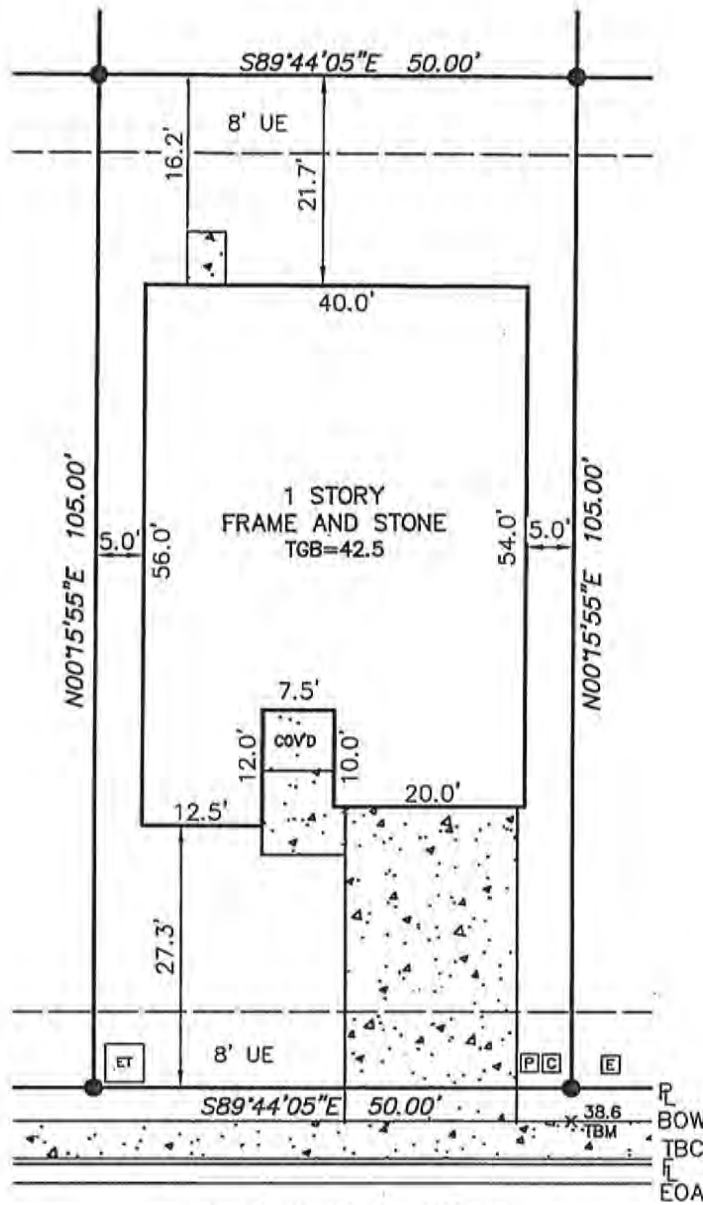
Submittal Fees shall be charged on the following schedule each submittal:

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- A Main Building Addition, Addition of Accessory Building, Deck, Patio, Site Plan, Footprint (including Driveway) Review - \$100
- Paint Color - \$50
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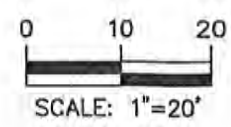
EXHIBIT C

SAMPLE GRADING CERTIFICATION/IMPROVEMENT LOCATION CERTIFICATE



- UE=UTILITY EASEMENT
- ☐=CONCRETE
- =FOUND #4 REBAR WITH ALUM. CAP PLS NO. 25379
- ⊞=ELECTRIC PEDESTAL
- ⊞=CABLE TV PEDESTAL
- ⊞=TELEPHONE PEDESTAL
- ⊞=ELECTRIC TRANSFORMER

PRARIESTAR DRIVE



1023-659
I.L.C. UPDATE
01/27/17

LEGAL DESCRIPTION

PRAIRIE STAR FILING NO. 1
 TOWN OF BERTHOUD,
 COUNTY OF LARIMER,
 STATE OF COLORADO.

BASIS OF BEARING

BEARINGS ARE BASED ON THE ASSUMPTION THAT THE EAST LINE OF LOT 13, BLOCK 9 BEARS N00°15'55"E, SHOWN ON THE RECORDED PLAT OF PRAIRIE STAR FILING NO. 1.

FLOOD INFORMATION

ACCORDING TO THE FIRM (FLOOD INSURANCE RATE MAP) INDEX 080101 0001-278 FOR LARIMER COUNTY COLORADO, REVISED MARCH 23, 1999, PRAIRIE STAR FILING NO. 1 IS COVERED BY PANELS 0801010256-B AND 0801010257-B, WHICH ARE NON-PRINTED PANELS, AND THEREFORE IS WITHIN FLOOD ZONE C, AREAS OF MINIMAL FLOODING, AND IS NOT WITHIN A 100-YEAR FLOOD PLAIN.

NOTE: THIS CERTIFICATE WAS PREPARED WITHOUT THE BENEFIT OF A CURRENT TITLE COMMITMENT, THE RECORDED INFORMATION, WHICH IS REFERENCED HEREON, IS THE RESULT OF RESEARCH PERFORMED BY LANGE LAND SURVEYS AND IS NOT NECESSARILY COMPLETE OR CONCLUSIVE.

IMPROVEMENT LOCATION CERTIFICATE





APPENDIX B

ANTENNA / SATELLITE DISH RULES AND REGULATIONS

Definition

Antenna / Satellite Dish – Any device for the receipt of broadcast services, including direct broadcast satellite (DBS), television broadcast, and multichannel multipoint distribution service (MMDS). A mast, cabling, supports, guy wires, conduits, wiring, fasteners, or other accessories necessary for the proper installation, maintenance, and use of a reception antenna shall be considered part of the antenna.

"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 the 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.

Installation of Antennae/Satellite Dishes

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.

- A. All Permitted Antennas shall be no larger, nor installed more visibly, than is necessary for reception of an acceptable signal.
- B. 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.
- C. 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.
- D. All other antennas, not addressed above, are prohibited.

Maintenance and Repair

Maintenance and repair of antenna are absolutely the responsibility of the homeowner and should be properly maintained so as not to pose a potential safety hazard to any person or property. Any repairs or maintenance should be dealt with quickly and properly by the homeowner when required to avoid safety hazards. In the event the DRC/Authorized Entity determines that an antenna requires attention, the homeowner shall be notified in writing that they must resolve the problem within the time frame determined by the DRC/Authorized Entity.

Liability

The homeowner shall be responsible for any and all real or personal property, or for any injury resulting from the installation of the antenna and/or its use, including but not limited to damage to any real or personal property caused by, related to, or arising from the installation due to dislodgement, use, or maintenance of any antenna.

Examples

Please see below pictures for an example of property installed Satellite Dishes placed in the rear of the house, below the roofline, and not visible from the street.





APPENDIX C

ADDITIONAL INFORMATIONAL MATERIAL

The following is a guide to homeowners, architects and contractors performing residential design and construction in PrairieStar.

Permits, Approvals and Inspection, including but not limited to:

- PrairieStar Authorized Entity
- Town of Berthoud
- All applicable Town and County Building department permits and inspections.

Applicable Codes and Regulations

- Uniform Fire Code and Natural Life Safety Code
- Uniform Building Code
- Uniform Plumbing Code
- Uniform Mechanical Code
- Occupational Safety and Health Act (OSHA)

Soil, Drainage and Geology

All homeowners should verify their site and soils conditions. Soil reports and legal surveys may be required.

Location of Easements and Utilities

All homeowners are responsible for locating all water, sewer, gas, electrical, cable television or other utility lines or easements related to their sites. Homeowners should not construct any structural improvements within the easement areas without the consent of the affected utility.

DESIGN REVIEW SUBMITTAL IS REQUIRED UNLESS EXPLICITLY STATED OTHERWISE IN THIS DOCUMENT PER SECTION 2.1 OF THE COVENANTS: "NO IMPROVEMENTS SHALL BE CONSTRUCTED, ERECTED, PLACED, ALTERED, PLANTED, APPLIED, INSTALLED OR MODIFIED, UPON ANY LOT UNLESS SAID IMPROVEMENTS ARE IN FULL COMPLIANCE." ANY IMPROVEMENT MUST CONFORM WITH THE DECLARATION OF PROTECTIVE COVENANTS, THE RULES AND DESIGN GUIDELINES and THE TOWN OF BERTHOUD REQUIREMENTS, UNLESS APPROVED OTHERWISE BY THE AUTHORIZED ENTITY.

PRAIRIESTAR METROPOLITAN DISTRICTS NO. 2

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

**Declaration of
Protective
Covenants for
PrairieStar**

After Recording Return to:
Kimberly E. Lord, Esq.
Packard Dierking
2595 Canyon Blvd., Suite 200
Boulder, Colorado 80302

**DECLARATION OF PROTECTIVE COVENANTS
OF PRAIRIESTAR**

**DECLARATION OF PROTECTIVE
COVENANTS OF PRAIRIESTAR**

THIS DECLARATION OF PROTECTIVE COVENANTS OF PRAIRIESTAR ("Covenants") is made as of this 14 day of November, 2014, by PRAIRIESTAR, INC., a Colorado corporation ("Master Developer").

WITNESSETH:

WHEREAS, Master Developer is the owner of that certain real property in the Town of Berthoud, County of Larimer, State of Colorado (the "Town"), which includes that property to be developed as Filing No. 1 of the PrairieStar development and as described on the Final Plat for Filing No. 1, attached as Exhibit A (the "Property"); and

WHEREAS, Master Developer desires to subject and place upon the Property certain covenants, conditions, restrictions, easements, reservations, rights-of-ways, obligations, liabilities and other provisions; and

WHEREAS, these Covenants do not create a Common Interest Community, as defined by the Colorado Common Interest Ownership Act at C.R.S. §38-33.3-103(8); therefore, these Covenants shall not be governed by the Colorado Common Interest Ownership Act; and

WHEREAS, pursuant to C.R.S. §32-1-1004(8), it is the intention of Master Developer, in imposing these Covenants on the Property, to empower PrairieStar Metropolitan District No. 2, a metropolitan district that governs the Property, to furnish covenant enforcement, easement services and design review services for the Property and to use revenues therefore that are derived from the Property.

NOW, THEREFORE, Master Developer hereby declares that the Property shall be held, sold, and conveyed subject to the following covenants, conditions, restrictions, easements, reservations, rights-of-way, obligations, liabilities, and other provisions set forth herein.

**ARTICLE 1.
DEFINITIONS**

Section 1.1 APARTMENTS.

"Apartments" means a multiple family dwelling structure containing two or more dwelling units and commonly known as an apartment building constructed on any Lot.

Section 1.2 AUTHORIZED ENTITY.

"Authorized Entity" means the entity with design approval rights under these Covenants, which is the Master Developer until expiration of the Master Development Period and thereafter the governing board of the Metropolitan District; provided, however, Master Developer may assign its

rights and obligations regarding the design review to the Metropolitan District prior to termination of the Master Development Period.

Section 1.3 BUILDER.

“**Builder**” means (i) any Person who acquires ten or more Lots for the purpose of constructing a residential structure on each such Lot for sale to the public, (ii) any Person who acquires one or more Lots for the purpose of constructing Apartments on such Lot, and (iii) any Person who acquires ten or more lots Lot for sale to any Person fitting the description in Section 1.3(i) and/or for constructing a residential structure on any of such Lots for sale to the public.

Section 1.4 CARRIAGE UNIT.

“**Carriage Unit**” means an accessory dwelling integrated within a single-family dwelling, or located in a detached accessory building and located on the same lot as single-family dwellings.

Section 1.5 COVENANT’S.

“**Covenants**” means these Protective Covenants of PrairieStar, as amended and supplemented.

Section 1.6 FINAL DEVELOPMENT PLAN.

“**Final Development Plan**” or “**FDP**” means the Final Development Plan for PrairieStar approved by the Town Board of Trustees on March 18, 2014, as may be amended.

Section 1.7 PRAIRIESTAR DESIGN REVIEW COMMITTEE OR PDRC.

“**PrairieStar Design Review Committee**” or “**PDRC**” means the committee appointed by the Master Developer until termination of the Master Development Period, and thereafter appointed by the Metropolitan District, all as provided in Section 2.1 of these Covenants; provided, however, Master Developer may assign its rights and obligations regarding the PDRC to the Metropolitan District prior to termination of the Master Development Period. The PDRC may be designated by the Master Developer and/or Metropolitan District as more fully provided in these Covenants as the representative to review requests for design review approval and make determinations for approval or disapproval.

Section 1.8 IMPROVEMENTS.

“**Improvements**” means all exterior improvements, structures, and any appurtenances thereto or components thereof of every type or kind, and all landscaping features, including buildings, outbuildings, environmental sustainability improvements, including geothermal systems, solar systems, swimming pools, hot tubs, satellite dishes, patios, patio covers, awnings, solar collectors, painting or other finish materials on any visible structure, additions, walkways, sprinkler systems, garages, driveways, fences, including gates in fences, basketball backboards and hoops, swing sets or other play structures, screening walls, retaining walls, stairs, decks, landscaping, exterior light fixtures, poles, signs, exterior tanks, and exterior air conditioning, cooling, heating and water softening equipment, if any.

Section 1.9 LOT.

“Lot” means each platted lot that is now or hereafter included within the Property which is shown upon any recorded plat or any parcel of land that may be sold or conveyed without violation of the provisions of Colorado law pertaining to the subdivision of land. The foregoing shall include each platted lot and each parcel of real estate on which one or more apartment lots may now or hereafter be located.

Section 1.10 MASTER DEVELOPER.

“Master Developer” means PrairieStar, Inc., a Colorado corporation, and/or any other Person to whom the Master Developer may assign one or more of the Master Developer’s rights under these Covenants (which shall be the extent of the Master Developer’s rights to which such assignee succeeds); provided, that no assignment of any Master Developer rights shall be effective unless such assignment is duly executed by the assignor Master Developer and recorded in Larimer County, Colorado.

Section 1.11 MASTER DEVELOPMENT PERIOD.

“Master Development Period” means the period of time commencing on recordation of these Covenants in Larimer County, Colorado, and expiring upon conveyance of all of the Lots to Owners other than Master Developer or Builders. Any supplemental real property subjected to these Covenants through a Supplemental Declaration shall be subject to a Master Development Period for the supplemental real property commencing on the recordation of the Supplemental Declaration.

Section 1.12 METROPOLITAN DISTRICT.

“Metropolitan District” means PrairieStar Metropolitan District No. 2, and/or any other metropolitan district, to which the then-Metropolitan District may transfer or assign any or all of the rights and duties of the Metropolitan District under these Covenants. Each such assignment or transfer, if any, shall be effective upon recording in Larimer County, Colorado, of a document of transfer or assignment, duly executed by the then-Metropolitan District. The Metropolitan District shall furnish covenant enforcement and easement services and further, shall provide design review services upon the first to occur of (i) termination of the Master Development Period or (ii) upon assignment by Master Developer.

Section 1.13 OWNER.

“Owner” means each fee simple title holder of a Lot, including Master Developer, any Builder and any other Person who owns a Lot, but does not include a Person having an interest in a Lot solely as security for an obligation.

Section 1.14 PERSON.

“Person” means a natural person, a corporation, a limited liability company, a partnership, a trust, a joint venture, an unincorporated association, or any other entity or any combination thereof and

includes each Owner, the Master Developer, each Builder, the Metropolitan District, the governing body of the Metropolitan District, and the PDRC.

Section 1.15 PROPERTY.

“Property” means the real estate described on the attached Exhibit A, as supplemented and amended, as the same may now or hereafter be improved, and as the Master Developer may now or hereafter subdivide or re-subdivide any portion thereof; provided, however, that the Property shall not include any property that has been withdrawn. Any supplemental real property shall be made subject to these Covenants through a Supplemental Declaration.

**ARTICLE 2.
DESIGN REVIEW**

Section 2.1 COMPOSITION OF PDRC.

The PDRC shall consist of two (2) or more people requiring unanimous agreement for any approvals until termination of the Master Development Period and thereafter, shall consist of three (3) or more people requiring majority agreement. Until termination of the Master Development Period, as provided in Section 1.11 of these Covenants, the Master Developer has the right to appoint the PDRC; subsequent to such date, the PDRC shall be appointed by the governing board of the Metropolitan District; provided, however, Master Developer may assign its rights and obligations regarding design review and the PDRC to the Metropolitan District prior to termination of the Master Development Period. The appointments of all then-current members of the PDRC who were appointed by the Master Developer shall automatically terminate at such time as the Master Developer’s power to appoint members of the PDRC expires. The appointment of a PDRC is at the discretion of the Master Developer during the Master Development Period and thereafter, at the discretion of the Metropolitan District. In the event that a PDRC is not appointed then design review shall be conducted solely through the Authorized Entity and all of the rights and obligations of the PDRC set forth in this Article shall instead apply to the Authorized Entity.

Section 2.2 DESIGN REVIEW REQUIREMENTS.

2.2.1 No Improvements shall be constructed, erected, placed, altered, planted, applied, installed or modified, upon any Lot, unless said Improvements are in full compliance with the provisions of these Covenants and the Guidelines (as hereinafter defined). Finally, all Improvements shall also be in compliance with all Town requirements, as more fully provided in Section 2.2.4 hereof, including the FDP and Town Design Standards. At least two (2) sets of complete plans and specifications of proposed Improvements (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, windbreaks and grading plan, as well as such other materials and information as may be required), shall be submitted to the PDRC or Authorized Entity, in the event there is no PDRC, for review and then approval in writing.

2.2.2 The PDRC and the Authorized Entity shall exercise their reasonable judgment to the end that all Improvements conform to and harmonize with the existing surroundings, residences, landscaping and structures. However, neither the PDRC nor the Authorized Entity will determine whether any proposed Improvement complies with governmental requirements, such as those of the Town. Rather, as provided in Section 2.2.4, below, the applicant is also required to submit proposed Improvements to the applicable governmental entities for a determination of compliance with governmental requirements. In its review of such plans, specifications and other materials and information, the PDRC may require, as a condition to its considering an approval request, that the applicant(s) pay and/or reimburse the PDRC and/or the Authorized Entity, as applicable, for the expenses incurred in the process of review and approval or disapproval. A schedule of fees shall be adopted and set forth in the Design Guidelines. All fees must be paid by the applicant at the time of submittal.

2.2.3 Any request for proposed Improvements which includes a Carriage Unit is subject to the imposition of an additional fee associated with the approval of the Carriage Unit and payable to the Master Developer.

2.2.4 In addition to the foregoing review and approvals, and notwithstanding anything to the contrary in these Covenants, 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, including the Town, 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 Town, if required, shall be a precondition to commencement of any construction of, alteration of, addition to or change in any Improvement.

2.2.5 The Authorized Entity may, at any time, appoint a representative to act on its behalf. If so, then the actions of such representative shall be the actions of its assignor, subject to the right of appeal as provided below. However, if such a representative is appointed, then the entity with design approval rights under these Covenants shall have full power over such representative, including the power to at any time withdraw from such representative any of such representative's authority to act on behalf of the assignor and the power to at any time remove or replace such representative. The PDRC shall be the initial representative of the Authorized Entity for design review and approval.

Section 2.3 GUIDELINES.

The Authorized Entity has the authority to promulgate architectural standards, rules, regulations and/or guidelines (collectively the "Guidelines") to interpret and implement the provisions of this Article and these Covenants; but the Guidelines shall not be in conflict with any requirement of applicable law, regulation, or the Town Design Standards or these Covenants. Such provisions may include: clarifying the designs and materials that may be considered in design approval, requirements for submissions, procedural requirements, specification of acceptable Improvement(s) that may be installed without prior review or approval; and permitting the Authorized Entity and Metropolitan District with respect to any violation(s) or alleged violation(s) of

any of these Covenants and/or the Guidelines, to send demand letters and, notices, levy and collect fines, and negotiate, settle and take any other actions. In addition, such provisions may provide for blanket approvals, interpretations, or restrictions. 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, or may state that only one or more types of fences are acceptable and no other types will be approved. All Improvements proposed to be constructed, and any Guidelines that are adopted, shall be done and used in accordance with these Covenants.

Section 2.4 MASTER DEVELOPER AND BUILDER EXEMPTION.

2.4.1 Master Developer shall be exempt from the provisions of this Article except for the requirements contained in Sections 2.2.4 hereof. This exemption shall terminate upon expiration of the Master Development Period.

2.4.2 Notwithstanding anything to the contrary contained in these Covenants, as long as a Builder has received design approval of landscape plans, site plans, fencing plans, and home elevations, for each Lot, from Master Developer, such Builder shall be exempt from the design review provisions of this Article 2 contained in 2.2.1, 2.2.2, and 2.5. This exemption shall terminate upon expiration of the Master Development Period.

Section 2.5 PROCEDURES.

The PDRC shall review each request for approval and make a decision within forty-five (45) days after the complete submission of the plans, specifications and other materials and information which the PDRC may require in conjunction therewith. If the PDRC fails to review and make a determination on any request within forty-five (45) days after the complete submission of the plans, specifications, materials and other information with respect thereto, then Owner shall notify the PDRC in writing of the failure to provide a determination and provide the PDRC with an additional thirty (30) days to review and make a determination. In the event, that the PDRC does not make a determination in response to an Owner's second request for review and approval within thirty (30) days of such request then the request for approval is deemed approved.

Section 2.6 PROSECUTION OF WORK AFTER APPROVAL.

After approval of any proposed Improvement, the proposed Improvement shall be accomplished as promptly and diligently as possible and in complete conformity with all conditions and requirements of the approval. Except for the Master Developer, failure to complete the proposed Improvement within one (1) year after the date of approval of the application or to complete the Improvement in complete conformance with the conditions and requirements of the approval, shall constitute noncompliance; provided, however, that the PDRC or Authorized Entity may grant extensions of time for completion of any proposed Improvements. Non-compliance with any provision of these Covenants may result in any of the remedies that are provided for in Article 5 of these Covenants.

Section 2.7 NOTICE OF COMPLETION.

Upon the completion of any Improvement, the applicant for approval of the same shall give a written "Notice of Completion" to the PDRC. Until the date of receipt of such Notice of Completion, the PDRC shall not be deemed to have notice of completion of any Improvement on which approval has been sought and granted as provided in this Article.

Section 2.8 INSPECTION OF WORK.

The PDRC shall have the right to inspect any Improvement 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 Article. However, such right of inspection shall terminate sixty (60) days after the PDRC has received a Notice of Completion from the applicant.

Section 2.9 NOTICE OF NONCOMPLIANCE.

If, as a result of inspections or otherwise, the PDRC determines that any Improvement has been done without obtaining the required approval, or was not done in substantial compliance with the approval that was granted, or was not completed within one (1) year after the date of approval (except for the Master Developer who is not subject to such time requirement), subject to any extensions of time granted pursuant to Section 2.7 hereof, the PDRC shall notify the applicant in writing of the noncompliance; which notice of noncompliance shall be given within sixty (60) days after the PDRC receives a Notice of Completion from the applicant. The notice of noncompliance shall specify the particulars of the noncompliance.

Section 2.10 CORRECTION OF NONCOMPLIANCE.

If the PDRC determines that a noncompliance exists, the Person responsible for such noncompliance shall remedy or remove the same, and return the subject property or structure to its original condition or a condition acceptable to the PRDC in conformity with the conditions and requirements of approval of the Improvements, or submit a new request for approval pursuant to the procedures set forth in Section 2.5 hereof, within a period of not more than forty-five (45) days from the date of receipt of the notice of noncompliance. If such Person does not comply with the ruling within such period, the PDRC, or the Authorized Entity may, at their option, record a notice of noncompliance against the Lot on which the noncompliance exists, may remove the non-complying Improvement or may otherwise remedy the noncompliance, and the Person responsible for such noncompliance shall reimburse the PDRC or the Authorized Entity: as applicable, upon demand, for all costs and expenses incurred with respect thereto.

Section 2.11 COOPERATION.

The PDRC and the Authorized Entity shall each have the right and authority to enter into agreements and otherwise cooperate with any other architectural review committees, or one or more other boards or committees that exercise architectural or design review functions, or any other Person, in order to increase consistency or coordination, reduce costs, or as may otherwise be deemed appropriate or beneficial by the PDRC or the Authorized Entity. The costs and expenses for

all such matters, if any, shall be shared or apportioned between such Persons and the Authorized Entity, as the Authorized Entity may determine. The foregoing shall include collection; payment, and disbursement of fees, charges, or other amounts.

Section 2.12 ACCESS EASEMENT TO PDRC AND AUTHORIZED ENTITY.

Each Lot shall be subject to an easement in favor of the PDRC and the Authorized Entity, including the agents, employees and contractors thereof, for performing any of the actions contemplated in this Article. If damage is inflicted, or a strong likelihood exists that it will be inflicted, on any other property or any Lot, the Person responsible for the damage or expense to avoid damage, or the PDRC, or the Authorized Entity, if either of the latter is responsible for such damage, is liable for the cost of prompt repair. Further, 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 Lot; except that no such notice shall be required in connection with any exterior, non-intrusive maintenance; and except that in emergency situations entry upon a Lot may be made at any time, provided that the Owner(s) or occupant(s) of each affected Lot shall be notified of emergency entry as early as is reasonably possible. The interior of any residence shall not be subject to the easements provided for in this Section.

Section 2.13 NO LIABILITY.

In reviewing or approving any matter, the PDRC, and the Authorized Entity, shall not be responsible for the safety, whether structural or otherwise, of the Improvements submitted for review, nor the conformance with applicable building codes or other governmental laws or regulations, nor compliance with any other standards or regulations, and any approval of an Improvement by the Authorized Entity 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 granted by the Authorized Entity. This provision of non-liability is in addition to, and not in place of, the limitation on liability contained in Section 6.10.

Section 2.14 VARIANCE.

The PDRC and the Authorized Entity may grant reasonable variances or adjustments from any conditions and restrictions imposed by these Covenants, 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 these Covenants, and is not a variance from the requirements of the Town or any other governmental or quasi-governmental agency or entity.

Section 2.15 WAIVERS; NO PRECEDENT.

The approval or consent of the entity with design approval rights under these Covenants, 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 such Person, 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.

**ARTICLE 3.
RESTRICTIONS**

Section 3.1 TOWN REQUIREMENTS; ADDITIONAL RESTRICTIONS.

Notwithstanding anything in these Covenants to the contrary, the Property is subject to all requirements, covenants, restrictions, ordinances, regulations, and other matters of the Town, including those stated on the recorded plats of the Property, or any portion thereof, as well as on all other documents recorded in the office of the Clerk and Recorder of Larimer County, Colorado, as amended. In addition to, and not in substitution of Town requirements, the Master Developer declares that all of the Lots shall be held and shall henceforth be sold, conveyed, used, improved, occupied, owned, resided upon and hypothecated, subject to the following provisions, conditions, limitations, restrictions, agreements and covenants, as well as those contained elsewhere in these Covenants.

Section 3.2 RESIDENTIAL USE; PROFESSIONAL OR HOME OCCUPATION.

Lots 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, except set forth below, unless all of the following conditions are satisfied:

3.2.1 The business conducted is clearly secondary to the residential use of the home and is conducted entirely within the home;

3.2.2 the existence or operation of the business is not detectable from outside of the home by sight, sound, smell or otherwise, or by the existence of signs indicating that a business is being conducted;

3.2.3 the business does not result in an increase in volume of traffic or parking;

3.2.4 the business conforms to all zoning requirements and is lawful in nature; and

3.2.5 the business conforms to the Guidelines as well as any rules and regulations that may be imposed by the entity with design approval rights under these Covenants.

Section 3.3 HOUSEHOLD PETS.

The Owners and residents of each Lot may keep household pets as permitted by the Berthoud Town Code, as may be amended from time to time. Such pets shall not be kept in such number or in such manner as to create a nuisance to any resident of the Lots. All household pets shall be controlled by their Owner and shall not be allowed off the Owner's Lot except when properly leashed and accompanied by the Owner or his or her representative, who shall be responsible for collecting and

properly disposing of any animal waste. The Authorized Entity can adopt rules and regulations governing the disposal of animal waste and noise.

Section 3.4 TEMPORARY STRUCTURES; UNSIGHTLY CONDITIONS.

Except as hereinafter provided, no structure of a temporary character, including a house trailer, tent, shack, storage shed, or outbuilding shall be placed or erected upon any Lot; provided, however, that during the actual construction, alteration, repair or remodeling of a structure or other Improvements, necessary temporary structures for storage of materials may be erected and maintained by the Person doing such work. The work of constructing, altering or remodeling any structure or other Improvements shall be prosecuted diligently from the commencement thereof until the completion thereof. Further, no unsightly conditions, structures, facilities, equipment or objects shall be so located on any Lot as to be visible from a street or from any other Lot.

Section 3.5 MISCELLANEOUS IMPROVEMENTS.

In addition to complying with Town requirements:

3.5.1 No advertising or signs of any character shall be erected, placed, permitted, or maintained on any Lot other than a name plate of the occupant and a street number or security sign of not more than three (3) square feet in the aggregate; except that temporary signage including "For Sale," "Open House," "For Rent signs are permissible, and other temporary signage such as those advertising garage sales, block parties, or similar community events, or political signs, are also permissible so long as they are in accordance with the Design Guidelines or have been submitted to the PDRC for review and approval prior to posting of such signs. Notwithstanding the foregoing, signs, advertising, or billboards used by the Master Developer (or by any Builder with the express written consent of the Master Developer, not to be unreasonably withheld) in connection with the sale or rental of the Lots, or otherwise in connection with development of or construction on the Lots, shall be permissible.

3.5.2 No wood piles or storage areas shall be so located on any Lot so as to be visible from a street or from the ground level of any other Lot.

3.5.3 Other than approved sustainability Improvements, including solar panels, no types of refrigerating, evaporative cooling, cooling or heating apparatus shall be permitted on a roof. Further, no such apparatus shall be permitted elsewhere on a Lot except when appropriately screened and approved by the entity with design approval rights under these Covenants. Without limiting the foregoing, conventional air conditioning units located on the ground of a Lot are permissible when approved in accordance with the preceding sentence.

3.5.4 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 Lot, except inside a residence or otherwise concealed from view; provided, however, that any such devices may be erected or installed by the Master Developer or by any

Builder during its sales or construction upon the Lots; and provided further, however, that the requirements of this subsection shall not apply to those "antenna" (including certain satellite dishes) which are specifically covered by the Telecommunications Act of 1996 and/or applicable regulations, as amended. The governing board of the Metropolitan District shall be empowered to adopt rules and regulations governing the types of "antenna" (including certain satellite dishes) that are permissible hereunder and, to the extent permitted by the Telecommunications Act of 1996 and/or applicable regulations, as amended, establish reasonable, non-discriminatory restrictions relating to appearance, safety, location and maintenance.

3.5.5 Other than fences which may be constructed, installed or located by the Master Developer (or by a Builder as part of Improvements approved in accordance with Article 2 hereof) in its development of, or construction of, Improvements in the Property, no fences shall be permitted except with the prior written approval of the Authorized Entity, as well as compliance with all Town requirements and issuance of all Town-required permits. Any fences constructed on a Lot shall be maintained by the Owners of that Lot. The installation of fences by an Owner within an easement is at the Owner's risk and subject to removal at easement owner's request.

Section 3.6 VEHICULAR PARKING, STORAGE AND REPAIRS.

3.6.1 Except as may otherwise be provided in the Guidelines, vehicles may be parked only in the garages, in the driveways, if any, serving the Lots, or in appropriate spaces or areas which may be designated by the PDRC or other entity with design approval rights under these Covenants, except that, any vehicle may be otherwise parked as a temporary expedient for loading, delivery, or emergency.

3.6.2 Except as may otherwise be provided in the Guidelines, commercial vehicles, vehicles with commercial writing on their exteriors, vehicles primarily used or designed for commercial purposes, tractors, mobile homes, recreational vehicles, trailers (either with or without wheels), campers, camper trailers, boats and other watercraft, recreational vehicles, golf carts and boat trailers, shall be parked only in enclosed garages or specific areas, if any, which may be designated by the entity with design approval rights under these Covenants. This restriction, however, shall not restrict trucks or commercial vehicles which are necessary for construction or for the maintenance of any portion of the Property or any Improvements located thereon, nor shall such restriction prohibit vehicles that may be otherwise parked as a temporary expedient for loading, delivery or emergency. Stored vehicles and vehicles which are inoperable or do not have current operating licenses shall not be permitted in the Property except within enclosed garages. For purposes of this Section, a vehicle shall be considered "stored" if, for example, it is up on blocks or covered with a tarpaulin and remains on blocks or so covered for seventy two (72) consecutive hours without the prior approval of the entity with design approval rights under these Covenants.

3.6.3 In the event the Metropolitan District determines that a vehicle is parked or stored in violation of subsections 3.6.1 or 3.6.2 hereof, then a written notice describing

said vehicle shall be personally delivered to the owner thereof (if such owner can be reasonably ascertained) or shall 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 Metropolitan District, then the Metropolitan District may have the vehicle removed at the sole expense of the owner thereof.

3.6.4 No activity, including maintenance, repair, rebuilding, dismantling, repainting or servicing of any kind of vehicles, trailers or boats, may be performed or conducted on or within the Property unless it is done within completely enclosed structure(s) which screen the sight and sound of the activity from the street and from adjoining property. Any Owner or other Person undertaking such activities shall be solely responsible for, and assumes all risks of such activities, including adoption and utilization of any and all necessary safety measures, precautions and ventilation. MASTER DEVELOPER AND EACH BUILDER HEREBY DISCLAIM ANY AND ALL OBLIGATIONS REGARDING, RELATING TO OR ARISING OUT OF THE PERFORMANCE OF ANY MAINTENANCE, SERVICING, REBUILDING, REPAIR, DISMANTLING, OR REPAINTING OF ANY TYPE OF VEHICLE, BOAT, TRAILER, MACHINE OR DEVICE OF ANY KIND WITHIN ANY LOT BY ANY OWNER OR OTHER PERSON. The foregoing restriction shall not be deemed to prevent washing and polishing of any motor vehicle, boat, trailer, motor driven cycle, or other vehicle on a Lot, together with those activities normally incident and necessary to such washing and polishing.

Section 3.7 NUISANCES.

No nuisance shall be permitted which is visible or audible within or otherwise affects any portion of the Property, nor any use, activity or practice which interferes with the peaceful enjoyment or possession and proper use of any Lot, or any portion thereof, by its residents. As used herein, the term "nuisance" shall include each violation of these Covenants and the Guidelines, if any, but shall not include any activities of the Master Developer or of a Builder. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done or placed on any Lot which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others. Further, no unlawful use shall be permitted or made of the Property or any portion thereof. All laws, ordinances and regulations of all governmental bodies having jurisdiction over the Property, or any portion thereof, shall be observed.

Section 3.8 NO HAZARDOUS ACTIVITIES; NO HAZARDOUS MATERIALS OR CHEMICALS.

No activities shall be conducted on any Lot or within Improvements constructed on any Lot which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any Lot and no open fires shall be lighted or permitted on any Lot except in a contained barbecue while attended and in use for cooking purposes or within an interior fireplace or within an outdoor fire pit powered by natural gas, propane, or something similar. Further, no hazardous materials or chemicals shall at any time be located, kept or stored in, on or at any Lot 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 3.9 NO ANNOYING LIGHTS, SOUNDS OR ODORS.

No light shall be emitted from any Lot which is unreasonably bright or causes unreasonable glare; no sound shall be emitted from any Lot which is unreasonably loud or annoying; and no odor shall be permitted from any Lot which is noxious or offensive to others.

Section 3.10 RESTRICTIONS ON TRASH AND MATERIALS/CENTRALIZED TRASH AND RECYCLING.

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 composting that has been specifically approved by the PRDC, on any Lot nor shall such items be deposited on a street, unless placed in a suitable, tightly-covered container that is located solely for the purpose of garbage, trash or recycling pickup. Further, no trash or materials shall be permitted to accumulate in such a manner as to be visible from any Lot. No garbage or trash cans or receptacles shall be maintained in an exposed or unsightly manner. Trash and recycling service shall be centralized. The Master Developer or Metropolitan District shall select and contract with a trash and recycling company(ies) for the Property with the company(ies) to bill each Owner separately and report its billings to the Master Developer or Metropolitan District or to bill the Master Developer or Metropolitan District which shall then bill each Owner separately, in the discretion of the Master Developer or Metropolitan District. All Owners are required to use the trash and recycling company engaged by the Master Developer or Metropolitan District.

Section 3.11 LOTS TO BE MAINTAINED.

Each Lot shall at all times be kept in a clean and sightly condition by the Owner(s) thereof.

Section 3.12 LEASES.

The term "lease," as used herein, shall include any agreement for the leasing or rental of a Lot, or any portion thereof, and shall specifically include month-to-month rentals and subleases. Any Owner shall have the right to lease his residence, or any portion thereof including an approved Carriage Unit, and any Apartments as long as all leases provide that the terms of the lease and lessee's occupancy of the leased premises shall be subject in all respects to the provisions of these Covenants and the Guidelines; 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. No lease shall be for less than thirty (30) days.

Section 3.13 LANDSCAPING.

Landscaping shall be installed by the Owner of each Lot (other than the Master Developer or a Builder), on the earlier of: (a) as required by all applicable FDPs; or (b) within one hundred eighty (180) days after acquisition of title to such Lot by the first Owner of such Lot (other than the Master Developer or a Builder). Landscaping plans must be submitted to the PDRC for review, and the

approval of such plans prior to the installation of landscaping, except where installed by the Master Developer or a Builder. Each Owner shall maintain all landscaping on such Owner's Lot in a neat and attractive condition, including periodic and horticulturally correct pruning, removal of weeds and debris, and replacement of landscaping. No property within the Community shall be permitted to fall into disrepair and all property within the Community, including any Improvements, shall be kept and maintained in a clean, attractive, and sightly condition. Maintenance, repair, and upkeep of each Lot shall be the responsibility of the Owner.

(a) Lots shall be landscaped in accordance with a plan submitted to and approved in writing by the PDRC. Landscaping standards shall meet minimum requirements set forth in the Town Design Guidelines and/ or Town Code. Landscaping plans will follow water standards as adopted by the Town and shall be consistent with the FDP and conform to the Guidelines. The Authorized Entity may adopt a water budget and enforce compliance with the same.

(b) The landscaped areas, having once been installed, shall be maintained by each Owner in a neat and adequate manner which shall include lawns mowed, hedges trimmed, irrigation when needed, and removal of weeds from planted areas.

(c) The approved plan for landscaping the Lot may not be altered without submitting the revised plan for written approval of the PDRC.

(d) Each Owner (or tenant, if applicable) shall keep its premises, buildings, Improvements and appurtenances in a safe, clean, neat, wholesome condition, and shall comply in all respects with all government, health, and police requirements. Each Owner (or tenant, if applicable) shall remove at its own expense any rubbish or trash of any character which may accumulate on its property and shall keep unlandscaped areas in a neat condition and mowed when necessary.

Section 3.14 GRADE AND DRAINAGE; IRRIGATION RECOMMENDATIONS; DRAINAGE EASEMENT; MAINTENANCE OF SURFACE DRAINAGE IMPROVEMENTS AND UNDERDRAINS.

3.14.1 Each Owner shall maintain the grading upon his Lot, and grading around the building foundation, at the slope and pitch fixed by the final grading thereof, so as to maintain the established drainage. Each Owner agrees that he will not in any way interfere with the established drainage pattern over his Lot. In the event that it is necessary or desirable to change the established drainage over any Lot, then the Owner thereof shall submit a plan to the PDRC for review, and shall obtain approval by the Authorized Entity, in accordance with Article 2 of these Covenants, and any such change shall also be made in accordance with all laws, regulations, requirements and resolutions of the Town and other applicable governmental entities. For purposes of this Section, "established drainage" is defined as drainage which exists at the time final grading of a Lot by the Master Developer, or by a Builder, is completed.

3.14.2 The rights and obligations granted in this Section 3.14 may be exercised only during reasonable hours after reasonable notice to the Owner(s) or occupant(s) of any affected Lot; except that no such notice shall be required in connection with any exterior, non-intrusive maintenance; and except that in emergency situations entry upon a Lot may be made at any time, provided that the Owner(s) or occupant(s) of each affected Lot shall be notified of emergency entry as early as is reasonably possible.

**ARTICLE 4.
RESERVATION OF DEVELOPMENT RIGHTS AND EASEMENTS**

Section 4.1 DEVELOPMENT RIGHTS.

During the Master Development Period, Master Developer reserves the right to subject additional real property to the terms, condition and restrictions of these Covenants. Furthermore, the Master Developer reserves the right to subject all or any portion of such additional real property to such other covenants, conditions and restrictions as Master Developer deems appropriate by recording supplemental covenants subject to the approval rights set forth in Section 6.3.

Section 4.2 GRANT AND RESERVATION OF UTILITY EASEMENTS.

Master Developer hereby reserves for itself and the Metropolitan District, a blanket easement on, over, under and across the Property, including all Lots, for installation, use, repair and maintenance of utilities, including but not limited to water, sewer, gas, telephone, electricity, cable, and satellite.

Section 4.3 DRAINAGE EASEMENTS.

4.3.1 Master Developer hereby reserves to itself, and grants to the Metropolitan District, easements for drainage and drainage facilities, across the five (5) rear and five (5) side feet of each Lot; provided, however, that if a residence or outbuilding 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 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 and side yard drainage easements. Master Developer reserves to itself and to the Metropolitan District the right to enter in and upon each such rear and side yard drainage easements, at any time, to construct, repair, replace or change drainage pipes, structures or drainage ways, or to perform such grading, drainage or corrective work as Master Developer or the Metropolitan District may determine; provided, however, that such right and authority in the Master Developer terminates at such time as the Master Development Period terminates, as provided in Section 1.6 of these Protective Covenants, at which time said reserved right and easement shall vest solely in the Metropolitan District.

4.3.2 The Metropolitan District shall provide maintenance, repair and replacement of all surface drainage Improvements and appurtenances, including detention ponds, channels, swales, and infiltration beds, now or hereafter installed in, on or under the Property, by or for the Master Developer, for or incidental to surface drainage. The Metropolitan District, including the agents, employees and contractors thereof, is hereby granted an easement on, under, over and across the Property and each Lot therein, in order to perform such maintenance, repair and replacement.

4.3.3 Retention ponds and/or Detention ponds may be constructed within property owned by the Metropolitan District to hold and release storm water. The Metropolitan District will be responsible for maintaining any such ponds.

4.3.4 The rights and obligations granted in this Section 4.3 may be exercised only during reasonable hours after reasonable notice to the Owner(s) or occupant(s) of any affected Lot; except that no such notices shall be required in connection with any exterior, non-intrusive maintenance; and except that in emergency situations entry upon a Lot may be made at any time, provided that the Owner(s) or occupant(s) of each affected Lot shall be notified of emergency entry as soon as is reasonably possible.

ARTICLE 5. ALTERNATIVE DISPUTE RESOLUTION

Section 5.1 INTENT OF ARTICLE, APPLICABILITY OF ARTICLE, AND APPLICABILITY OF STATUTES OF LIMITATION.

5.1.1 Each Bound Party (as defined below) agrees to encourage the amicable resolution of disputes, without the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees to submit any Claims (as defined below) to the procedures set forth in Section 5.5 hereof.

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

5.1.3 Any applicable statute of limitation shall apply to the alternative dispute resolution procedures set forth in this Article.

Section 5.2 DEFINITIONS APPLICABLE TO THIS ARTICLE.

For purposes of this Article only, the following terms have the meanings set forth in this Section:

5.2.1 “JAG” means the Judicial Arbiter Group or any other Person agreed to by the Claimant and Respondent in writing for the purpose of performing the functions of the Judicial Arbiter Group under these Covenants.

5.2.2 “Bound Party” means each of the following: Master Developer, its officers, directors, employees and agents; any Builder or contractor, and their respective directors,

officers, members, partners, employees and agents, who construct or place residences or other Improvements on the Property; the PDRC; the Metropolitan District officers, directors, members and agents; all Persons subject to these Covenants; and any Person not otherwise subject to these Covenants who agrees to submit to this Article. Notwithstanding the foregoing, **"Bound Party"** shall not include any of the parties identified in this Section 5.2.2, if such parties have jointly entered into a separate written agreement providing for dispute resolution applicable to the Claim; in such circumstance, the dispute resolution mechanism set forth in such separate written agreement between such parties shall apply with respect to such Claim unless the parties mutually agree to submit such Claim to the provisions of this Article.

5.2.3 **"Claimant"** means any Bound Party having a Claim.

5.2.4 **"Claim"** means, except as exempted by the terms of this Article, any claim, grievance or dispute between one Bound Party and another, regardless of how the same may have arisen or on what it might be based, including those arising out of or related to (i) the interpretation, application or enforcement of any of the Governing Documents or the rights, obligations and duties of any Bound Party under any of the Governing Documents; (ii) the design or construction of Improvements; (iii) any statements, representations, promises, warranties, or other communications made by or on behalf of any Bound Party.

5.2.5 **"Governing Documents"** means these Covenants and the Guidelines, if any.

5.2.6 **"Notice"** means the written notification given by a Claimant to a Respondent and which shall comply with the requirements of Section 5.5.1 hereof.

5.2.7 **"Party"** means the Claimant and the Respondent individually; **"Parties"** means the Claimant and the Respondent collectively.

5.2.8 **"Respondent"** means any Bound Party against whom a Claimant asserts a Claim.

5.2.9 **"Termination of Mediation"** means a period of time expiring thirty (30) days after submission of the matter to mediation (or within such other time as determined by the mediator or agreed to by the Parties) and upon the expiration of which the Parties have not settled the Claim.

5.2.10 **"Termination of Negotiations"** means a period of time expiring thirty (30) days after the date of the Notice (or such other period of time as may be agreed upon by the Parties) and upon the expiration of which the Parties have not resolved a Claim.

Section 5.3 COMMENCEMENT OR PURSUIT OF CLAIM AGAINST BOUND PARTY.

5.3.1 A Bound Party may not commence or pursue a Claim against any other Bound Party except in compliance with this Article.

5.3.2 Prior to any Bound Party commencing any proceeding to which another Bound Party is a party, the Respondent shall have the right to be heard by the Claimant, and to access, inspect, correct the condition of, or redesign any portion of any Improvement as to which a defect is alleged or otherwise correct the alleged dispute.

Section 5.4 CLAIMS.

Unless specifically exempted below, all Claims between any of the Bound Parties shall be subject to the provisions of Section 5.5 hereof. Notwithstanding the foregoing, unless all Parties thereto otherwise agree, the following shall not be Claims and shall not be subject to the provisions of Section 5.5 hereof:

5.4.1 any suit by the governing board of the Metropolitan District or Master Developer to obtain a temporary restraining order or injunction (or equivalent emergency equitable relief) and such other ancillary relief as they may deem necessary in order to enforce any of the provisions of these Covenants;

5.4.2 any suit between or among Owners, which does not include Master Developer, Builder, or the governing board of the Metropolitan District as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Governing Documents; and

5.4.3 any suit in which any indispensable party is not a Bound Party.

Section 5.5 MANDATORY PROCEDURES.

5.5.1 Notice. Prior to proceeding with any claim against a Respondent, each Claimant shall give a Notice to each Respondent, which Notice shall state plainly and concisely:

5.5.1.1 the nature of the Claim, including all Persons involved and Respondent's role in the Claim;

5.5.1.2 the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);

5.5.1.3 the proposed remedy; and

5.5.1.4 the fact that Claimant will give the Respondent an opportunity to inspect all Property and Improvements potentially involved with the Claim, and that Claimant will meet with Respondent not sooner than thirty (30) days after such inspection to discuss in good faith ways to resolve the Claim.

5.5.2 Negotiation and Mediation.

5.5.2.1 The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested

in writing, accompanied by a copy of the Notice, the governing board of the Metropolitan District may appoint a representative to assist the Parties in negotiation.

5.5.2.2 Upon a Termination of Negotiations, Claimant shall have thirty (30) days to submit the Claim to mediation under the auspices of JAG in accordance with the rules of JAG in effect on the date of the notice that is provided for in Section 5.5.1 of these Covenants.

5.5.2.3 If Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to any Person other than the Claimant.

5.5.2.4 Any settlement of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. If a Termination of Mediation occurs, the mediator shall issue a notice of Termination of Mediation. The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.

5.5.2.5 Each Party shall bear its own costs of the mediation, including attorneys' fees, and each Party shall share equally all charges rendered by the mediator.

5.5.2.6 If the Parties agree to a resolution of any Claim through negotiation or mediation in accordance with Section 5.5.2 and any Party thereafter fails to abide by the terms of such agreement, then any other Party may file suit or initiate arbitration proceedings to enforce such agreement without the need to again comply with the procedures set forth in Section 5.5 hereof. In such event, the Party taking action to enforce the agreement shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement, including attorneys' fees and court costs.

5.5.3 Binding Arbitration.

5.5.3.1 Upon Termination of Mediation, if Claimant desires to pursue the Claim, Claimant shall thereafter be entitled to initiate final, binding arbitration of the Claim under the auspices of JAG in accordance with the rules of JAG in effect on the date of the Notice that is provided for in Section 5.5.1 of these Covenants. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Claim. Unless otherwise mutually agreed to by the Parties, there shall be one arbitrator who, to the extent feasible, shall have expertise in the area(s) of dispute, which may include legal expertise if legal issues are involved.

5.5.3.2 Each Party 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 unsuccessfully contests the validity or scope of arbitration in a court of law, the arbitrator shall award reasonable attorneys' fees and expenses incurred in defending such contests, including those incurred in trial or on appeal, to the non-contesting Party. All decisions respecting the arbitrability of any Claim shall be decided by the arbitrator.

5.5.3.3 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 nor an arbitrator may disclose the existence, content, or results of any arbitration without the prior written consent of all Parties.

ARTICLE 6. GENERAL PROVISIONS

Section 6.1 ENFORCEMENT.

6.1.1 This subsection is subject to Article 5 of these Covenants (Alternative Dispute Resolution). Enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in these Covenants, as amended, may be by any proceeding at law or in equity against any Person(s) violating or attempting to violate any such provision, and possible remedies include all of those available at law or in equity. The Master Developer, Metropolitan District, and any aggrieved Owner, shall have the right, but not the duty, to institute, maintain and prosecute any such proceedings. No remedy shall be exclusive of other remedies that may be available. Except as otherwise provided in Article 5 hereof, in any action instituted or maintained under these Covenants or any other such documents, the prevailing party shall be entitled to recover its costs and attorney fees incurred in asserting or defending the claim, as well as any and all other sums. Failure by the Master Developer, the Metropolitan District, or any Owner, to enforce any covenant, restriction or other provision herein contained, shall in no event give rise to any liability, nor shall such non-enforcement be deemed a waiver of the right to thereafter enforce any covenant, restriction or other provision of these Covenants.

6.1.2 The foregoing shall include the right of the Metropolitan District, except with respect to the Master Developer or any Builder, to send demand letters and notices, to levy and collect fines, to negotiate, settle and to take any other actions, with respect to any violation(s) or alleged violation(s) of any of these Covenants, the Guidelines, and/or any rules and regulations, or other regulations or requirements, of the Metropolitan District.

Section 6.2 SEVERABILITY.

All provisions of these Covenants are severable. Invalidation of any of the provisions, including any provision(s) of Article 5 of these Covenants (Alternative Dispute Resolution), 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 6.3 DURATION, REVOCATION AND AMENDMENT.

6.3.1 Each and every provision of these Covenants shall run with and bind the land, perpetually from the date of recording of these Covenants. Except as otherwise provided in these Covenants, these Covenants may be amended by a vote or agreement of the Owners of at least sixty-seven percent (67%) of the Lots; provided that, during the Master Development Period, no amendment of these Covenants shall be effective without the prior, written consent of the Master Developer and Master Developer's lenders, Citywide Banks and RCS-PrairieStar Triloan, LLC. The requirement of Master Developer's lender consent to amendments applies for so long as the "Deeds of Trust" subject to the "Lender Consent and Subordination" have not been fully released.

6.3.2 Notwithstanding anything to the contrary contained in these Covenants, these Covenants or any map or plat, may be amended in whole or in part, at any time, by the Master Developer without the consent or approval of any other Owner or any other Person, in order to correct clerical, typographical, or technical errors, or to clarify these Covenants or any provision hereof. The Master Developer's right of amendment set forth in the preceding sentence shall terminate upon termination of the Master Development Period.

6.3.3 Notwithstanding anything to the contrary contained in these Covenants, these Covenants, or any map or plat, may be amended in whole or in part, at any time, by the Master Developer without the consent or approval of any other Owner or any other Person, in order to comply with the requirements, standards, or guidelines of the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, including the Federal Housing Administration, the Veterans Administration, or any other governmental or quasi-governmental agency, or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by any of such entities. The Master Developer's right of amendment set forth in the preceding sentence shall terminate upon termination of the Master Development Period.

Section 6.4 MINOR VIOLATIONS OF SETBACK RESTRICTIONS.

If upon the erection of any structure, it is disclosed by survey that a minor violation or infringement of setback lines has occurred, such violation or infringement shall be deemed waived by the Owners of each Lot immediately adjoining the structure which is in violation of the setback, and such waiver shall be binding upon all other Owners. However, nothing contained in this Section shall prevent the prosecution of a suit for any other violation of these Covenants or the Guidelines, if any. A "minor violation," for the purpose of this Section, is a violation of not more than one (1) foot beyond the required setback lines or Lot lines. This provision shall apply only to the original structures and shall not be applicable to any alterations or repairs to, or replacements of, any of such

structures. In addition to the foregoing, setback requirements are set by the Town, such that any violation of the same is subject to review by, and approval of, the Town.

Section 6.5 SUBDIVISION OR REPLATTING OF LOTS.

The Master Developer hereby reserves the right to subdivide or replat any Lot(s) owned by the Master Developer, provided that each subdivision or replatting is subject to review and approval by the Town. Each such subdivision or replatting may change the number of Lots in the Property. The foregoing reservation includes the right to move any lot line(s) on Lot(s) for the purpose of accommodating Improvements which are, or may be constructed. The rights provided for in this Section shall terminate upon termination of the Master Development period.

Section 6.6 WITHDRAWAL.

During the Master Development Period, the Master Developer reserves the right to withdraw the Property, or any portion thereof, including one or more Lots, from these Covenants, so long as the Master Developer owns the portion of the Property to be withdrawn. Each withdrawal, if any, may be affected by the Master Developer recording a withdrawal document in the office of the Clerk and Recorder of the county in which such withdrawn property is located. A withdrawal as contained in this paragraph constitutes a divestiture, withdrawal, and de-annexation of the withdrawn property from these Covenants so that after the date of recording a withdrawal document, the property so withdrawn shall not be part of the Property. Notice of any such withdrawal shall be given to the Town.

Section 6.7 ANNEXATION.

The Master Developer may, at any time, 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 and unequivocally provides that the property described therein shall be subject to these Covenants and all terms and provisions hereof. However, any such annexation may include provisions which, as to the property described therein, adds to or changes the rights, responsibilities and other requirements of these Covenants. Any such additional or changed provisions may be amended with the consent of the Owners of 67% of the Lots to which those provisions apply. Notice of any such annexation shall be given to the Town.

Section 6.8 MASTER DEVELOPER'S AND BUILDER'S USE.

Notwithstanding anything to the contrary contained in these Covenants, it shall be expressly permissible and proper for Master Developer, its employees, agents, and contractors, as well as any Builder (but only with the express written consent of the Master Developer, such consent not to be unreasonably withheld), to perform such reasonable activities, and to maintain upon portions of the Lots as Master Developer or Builder deems reasonably necessary or incidental to the construction and sale of Lots and development and construction of Improvements. The foregoing includes locating, maintaining and relocating management offices, signs, model Lots and sales offices, in such numbers, of such sizes, and at such locations as it determines. Further, nothing contained in these

Covenants shall limit the rights of Master Developer or any Builder (but only with the express written consent of the Master Developer, such consent not to be unreasonably withheld) or require the Master Developer or any Builder (but only with the express written consent of the Master Developer, such consent not to be unreasonably withheld) to obtain approvals:

6.8.1 to excavate, cut, fill or grade any property (with the consent of the Owner thereof) or to construct, alter, demolish or replace any Improvements;

6.8.2 to use any Improvements on any property (with the consent of the Owner thereof) as a construction, management, model home or sales or leasing office in connection with the development, construction or sale of any property; and/or

6.8.3 to seek or obtain any approvals under these Covenants for any such activity.

Section 6.9 NOTICES.

Any notice permitted or required in these Covenants shall be deemed to have been given and received upon the earlier to occur of (a) personal delivery upon the Person to whom such notice is to be given; or (b) two (2) days after deposit in the United States mail, registered or certified mail, postage prepaid, return receipt requested, addressed to the Owner at the address for such Owner's Lot.

Section 6.10 LIMITATION ON LIABILITY.

The Master Developer, any Builder, the Metropolitan District, the PDRC, and their respective directors, officers, shareholders, members, partners, agents or employees, shall not be liable to any Person for any action or for any failure to act arising out of these Covenants and the Guidelines, if any, unless the action or failure to act was not in good faith and was done or withheld with malice. Further, the Metropolitan District does not waive and no provision of these Covenants shall be deemed a waiver of, the immunities and limitations to which the Metropolitan 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 6.14 (Waiver) shall apply to this Section. This limitation is addition to, and not in place of, the non-liability for design review in Article 2.

Section 6.11 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 Master Developer, any Builder, the Metropolitan District, the PDRC, or by any of their officers, directors, shareholders, members, partners, agents or employees, in connection with any portion of the Property, or any Improvement, its 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 specifically set forth in writing. The release and waiver set forth in Section 6.14 (Waiver) shall apply to this Section.

Section 6.12 DISCLAIMER REGARDING SAFETY.

MASTER DEVELOPER, THE BUILDERS, THE METROPOLITAN DISTRICT, THE PDRC, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, SHAREHOLDERS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, HEREBY DISCLAIM ANY OBLIGATION REGARDING THE SECURITY OF ANY PERSONS OR PROPERTY WITHIN THE PROPERTY. BY ACCEPTING A DEED TO A LOT WITHIN THE PROPERTY, EACH OWNER ACKNOWLEDGES THAT MASTER DEVELOPER, THE BUILDERS THE METROPOLITAN DISTRICT, THE PDRC, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, SHAREHOLDERS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, ARE OBLIGATED TO DO THOSE ACTS SPECIFICALLY ENUMERATED HEREIN OR IN THE GUIDELINES, IF ANY, AND ARE NOT OBLIGATED TO DO ANY OTHER ACTS WITH RESPECT TO THE SAFETY OR PROTECTION OF PERSONS OR PROPERTY WITHIN THE PROPERTY. THE RELEASE AND WAIVER SET FORTH IN SECTION 6.14 (WAIVER) SHALL APPLY TO THIS SECTION.

Section 6.13 DEVELOPMENT WITHIN AND SURROUNDING THE PROPERTY.

Each Owner acknowledges that development within and surrounding the Property 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 Property, views of or from the Property or the Lots, surrounding land uses, open space or facilities, traffic volumes or patterns, privacy or other aspects or amenities. Development also may entail noise, odors, unsightliness, dust and other inconveniences or disruptions. By accepting a deed to a Lot, each Owner accepts title to such Lot subject to the foregoing, and waives and releases any claim against the Master Developer, any Builders, the Metropolitan District, the PDRC, and their respective 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 6.14 (Waiver) shall apply to this Section.

Section 6.14 WAIVER.

By acceptance of a deed to a Lot, each Owner hereby releases, waives, and discharges the Master Developer, each Builder, the Metropolitan District, the PDRC, and their respective 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 these Covenants, including those contained in Sections 6.10, 6.11, 6.12 and 6.13.

Section 6.15 HEADINGS.

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

Section 6.16 RUNS WITH THE LAND; BINDING UPON SUCCESSORS.

The benefits, burdens, and all other provisions contained in these Covenants shall be covenants running with and binding upon the Property and all Improvements which are now or hereafter become a part of the Property. The benefits, burdens, and all other provisions contained in these Covenants shall be binding upon, and inure to the benefit of the Master Developer, the Builders and all Owners, and upon and to their respective heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the undersigned, being the Master Developer herein and the Owner of the Property, has hereunto set its hand this 14th day of November, 2014.

MASTER DEVELOPER:

PRAIRIESTAR, INC., a Colorado corporation

By: _____

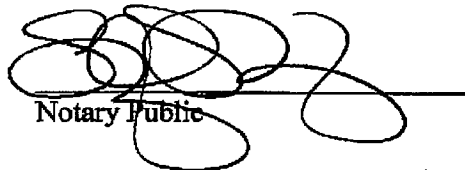
Its: PRESIDENT

STATE OF COLORADO)
) ss.
COUNTY OF Boulder)

The foregoing instrument was acknowledged before me this 14th day of November, 2014, by Scott Sarbaugh, as President of Prairie Star, Inc., a Colorado Corporation

Witness my hand and official seal.

{SEAL}


Notary Public


My Commission Expires 10/23/17

SUZAN R. DEBERG
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 18974019409
MY COMMISSION EXPIRES 10/23/2017

Lender Consent and Subordination
(CITYWIDE BANKS)

CITYWIDE BANKS, LLC, a Colorado limited liability company, being the beneficiary by virtue of assignment of that certain Deed of Trust dated May 4, 2006, executed and delivered by Cooperland, LLC for the benefit of the Mile High Banks, formerly known as Horizon Banks, N.A., and recorded on May 10, 2006, in the records of the Clerk and Recorder for the County of Larimer, Colorado (the "Records"), as Reception No. 2006-0035239, as modified by that certain Modification of Deed of Trust dated January 9, 2007, and recorded on January 16, 2007, in the Records, as Reception No. 20070004236, as further modified by that certain Modification of Deed of Trust dated September 28, 2009 and recorded on October 2, 2009, in the Records as Reception Number 20090067520 and that certain Deed of Trust dated August 5, 2013, executed and delivered by PrairieStar, Inc. for the benefit of RCS-PrairieStar, and recorded on September 18, 2013 in the Records as Reception No. 20130071308 (collectively, the "Deeds of Trust"), hereby consents to the making and recording of the foregoing Declaration of Protective Covenants of PraireStar, Filing No. 1 (the "Covenants") and agrees and declares that the Deeds of Trust and all other agreements, deeds of trust, encumbrances, options and instruments that benefit CITYWIDE BANKS and that concern any portion of the property subject to the Covenants are and shall be subordinate to the Covenants, and agrees that no foreclosure or other enforcement action under the Deeds of Trust or any other such agreements, deeds of trust, encumbrances, options or instruments shall have the effect of terminating or otherwise impairing the effect of the Covenants.

CITYWIDE BANKS, a Colorado banking corporation

By: 
Name: Thomas W. McDermott
Title: EVP

STATE OF Colorado)
) ss.
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 14th day of November 2014, by Thomas W. McDermott, as EVP of CITYWIDE BANKS, a Colorado banking corporation, on behalf of such company.

Witness my hand and official seal.

My commission expires: 5/10/17


LINDSAY A. BARBER
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID: 20054014737
MY COMMISSION EXPIRES MAY 10, 2017


Lindsay A. Barber
Notary Public

Lender Consent and Subordination
(COOPERLAND)

COOPERLAND, LLC, a Colorado limited liability company, being the beneficiary of that certain Deed of Trust dated May 4, 2006, executed and delivered by the PrairieStar, Inc., a Colorado corporation, and recorded on September 18, 2013, in the records of the Clerk and Recorder for the County of Larimer, Colorado, as reception number 20130071309 (the "Deed of Trust"), hereby consents to the making and recording of the foregoing Declaration of Protective Covenants of PrairieStar, Filing No. 1 (the "Covenants") and agrees and declares that the Deed of Trust and all other agreements, deeds of trust, encumbrances, options and instruments that benefit COOPERLAND and that concern any portion of the property subject to the Covenants are and shall be subordinate to the Covenants, and agrees that no foreclosure or other enforcement action under the Deeds of Trust or any other such agreements, deeds of trust, encumbrances, options or instruments shall have the effect of terminating or otherwise impairing the effect of the Covenants.

COOPERLAND, LLC,
a Colorado limited liability company

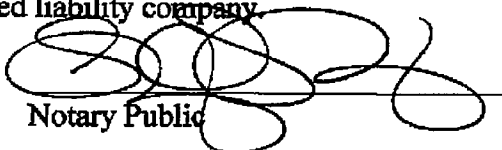
By: 
Richard L. McCabe, Manager

By: 
Scott Sarbaugh, Manager

STATE OF COLORADO)
) ss
COUNTY OF Boulder)

The foregoing instrument was acknowledged before me, this 14th day of ~~February~~ November, 2014, a Notary Public in and for the County of Boulder, State of Colorado, by Richard L. McCabe, as Manager of Cooperland, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.


Notary Public

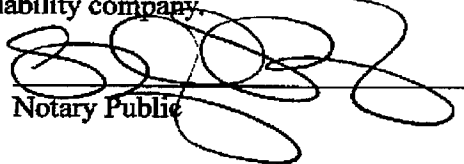
My commission expires: 10/23/17

SUZAN R. DEBERG
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19974019409
MY COMMISSION EXPIRES 10/23/2017

STATE OF COLORADO)
)
COUNTY OF Boulder) ss
)

The foregoing instrument was acknowledged before me, this 14th November day of ~~February~~, 2014, a Notary Public in and for the County of Boulder, State of Colorado, by Scott Sarbaugh, as Manager of Cooperland, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.


Notary Public

My commission expires: 10/23/17

**SUZAN R. DEBERG
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19974019409
MY COMMISSION EXPIRES 10/23/2017**

EXHIBIT A
(THE PROPERTY)

**Town of Berthoud
PrairieStar Subdivision
Development Agreement, Addendum "A"**

LEGAL DESCRIPTION

PRAIRIESTAR SUBDIVISION PROPERTY DESCRIPTION

Filing No. 1

A tract of land located in the S1/2 of Section 2, T4N, R69W of the 6th P.M., County of Larimer, State of Colorado, described as follows:

COMMENCING at the Southwest Corner of said Section 2, from which the W1/4 Corner of said Section 2 bears N00°37'55"W, 2663.62 feet (Basis of Bearing), thence N00°37'55"W, 1775.83 feet along the West Line of said S1/2 of Section 2 to the Northerly Right-of-Way Line of Parcel 232A conveyed to Department of Transportation, State of Colorado, as described in Rule and Order recorded May 28, 2003, at Reception No. 20030065028 of the records of Larimer County, Colorado and the POINT OF BEGINNING;

Thence continuing N00°37'55"W, 887.78 feet along said West Line of the S1/2 of Section 2 to said W1/4 Corner of Section 2;

Thence N89°19'30"E, 1480.64 feet along the North Line of said S1/2 of Section 2;

Thence S00°15'55"W, 209.40 feet to a non-tangent point of curve to the right;

Thence 36.16 feet along the arc of said curve, concave to the Southwest, said arc having a radius of 58.00 feet, a central angle of 35°42'38", and being subtended by a chord which bears S43°07'24"E, 35.57 feet to a non-tangent point;

Thence S89°44'05"E, 91.16 feet;

Thence S00°15'55"W, 840.01 feet;

Thence N89°44'05"W, 1485.04 feet to the Easterly Right-of-Way Line of said Parcel 232a conveyed to the Department of Transportation, State of Colorado, as described in said Rule and Order recorded May 28, 2003, at Reception No. 20030065028;

Thence Northerly along said Easterly Right-of-Way Line of Parcel 232a the following three (3) courses:

- 1) N00°14'09"E, 6.17 feet;

2) N13°58'20"W, 163.02 feet;

3) S89°22'05"W, 57.01 feet to the POINT OF BEGINNING;

Area = 1,650,160 square feet or 37.882 acres, more or less.

Filing No. 2

A tract of land located in the S1/2 of Section 2, T4N, R69W of the 6th P.M., County of Larimer, State of Colorado, described as follows:

COMMENCING at the Southwest Corner of said Section 2, from which the W1/4 Corner of said Section 2 bears N00°37'55"W, 2663.62 feet (Basis of Bearing), thence N89°36'41"E, 60.00 feet along the South Line of said S1/2 of said Section 2 to the Easterly Line of Parcel 232 conveyed to the Department of Transportation, State of Colorado, as described in Rule and Order recorded May 28, 2003, as Reception No. 20030065028 of the records of Larimer County, Colorado and the POINT OF BEGINNING;

Thence Northerly and Easterly along said Easterly and along the Northerly Line of said Parcel 232 conveyed to the Department of Transportation, State of Colorado, as described at said Reception No. 20030065028, the following five (5) courses:

1) N01°21'00"E, 343.17 feet;

2) N45°48'28"E, 72.05 feet;

3) S89°44'05"E, 2184.56 feet;

4) S80°34'52"E, 518.60 feet;

5) S89°44'05"E, 809.48 feet to the Westerly Right-of-Way Line of the Burlington Northern & Santa Fe Railroad;

Thence S03°06'38"E, 270.69 feet along said Westerly Right-of-Way Line of the Burlington Northern & Santa Fe Railroad to said South Line of the S1/2 of Section 2;

Thence S89°36'41"W, 3580.15 feet along said South Line to the POINT OF BEGINNING;

Area = 1,241,733 square feet or 28.506 acres, more or less.

PRAIRIESTAR METROPOLITAN DISTRICTS NO. 2

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

Resolutions

When recorded return to:
MaryAnn McGeady
McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203

RESOLUTION NO. 2016-04-04

**JOINT RESOLUTION OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 1
AND THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 2**

**RESOLUTION REGARDING THE IMPOSITION OF TRANSFER FEES AND DESIGN
REVIEW FEES**

WHEREAS, the PrairieStar Metropolitan District No. 1 (the “**Operating District**”) and the PrairieStar Metropolitan District No. 2 (the “**Taxing District**” and together with the Operating District, the “**Districts**”) are quasi-municipal corporations and political subdivisions of the State of Colorado located in the Town of Berthoud (the “**Town**”), Larimer County, Colorado; and

WHEREAS, the Districts operate pursuant to their respective Service Plans approved by the Town on July 27, 2010, as the same may be amended and/or modified from time to time (the “**Service Plans**”); and

WHEREAS, the Districts were formed to provide those services listed in the Service Plans, including but not limited to the design, acquisition, construction, installation, financing, and operation and maintenance of certain water, sanitation (including storm and sanitary sewer), streets, safety protection, park and recreation, television relay and translation, transportation, mosquito control and limited fire protection facilities and services to benefit the property within their boundaries and/or service areas, as such service area/boundaries may be modified from time to time (the “**Property**”); and

WHEREAS, PrairieStar is a residential community located within the Property; and

WHEREAS, PrairieStar, Inc. (the “**Master Developer**”) has caused to be recorded the Declaration of Protective Covenants of PrairieStar, recorded on November 18, 2014, at Reception No. 20140066221 of the Larimer County, Colorado, real property records (the “**Covenants**”); and

WHEREAS, the Covenants provide that it is the intention of the Master Developer to empower the Taxing District to provide covenant enforcement and design review services to the residents of the Taxing District (the “**Services**”); and

WHEREAS, the Taxing District has entered into a Facilities Funding, Construction and Operations Agreement (the “**FFCO**”) with the Operating District whereby the Operating District agreed to perform the Services on behalf of the Taxing District; and

WHEREAS, pursuant to the Covenants, the FFCO and pursuant to § 32-1-1004(8) C.R.S., the Districts may provide design review services and covenant enforcement to PrairieStar; and

WHEREAS, the Districts are authorized pursuant to their Service Plans and pursuant to Section 32-1-1001(1)(j)(I), C.R.S., to fix fees and penalties for services or facilities provided by the Districts; and

WHEREAS, the Districts have determined that in order to offset administrative costs associated with a transfer of ownership of any dwelling unit located within the Property, the Taxing District shall impose certain Transfer Fees (the "Transfer Fees") on the Property, as described herein; and

WHEREAS, the Districts have determined that in order to offset the costs associated with the PrairieStar Design Review Committee (the "PRDC") design review process, the Taxing District shall impose certain Design Review Fees (the "Design Review Fees," and together with the Transfer Fee, the "Fees") on the Property, as more particularly described herein; and

WHEREAS, the Districts desire to offset the costs associated with the transfer of ownership of dwelling units and the design review process by setting a schedule of Transfer and Design Review Fees; and

WHEREAS, the Districts have determined that for efficiency purposes and pursuant to the FFCO, it is appropriate for the Operating District to collect the Fees on behalf of the Taxing District; and

WHEREAS, this Resolution shall be recorded on the Property to put the current and future owners of the Property on notice of the imposition and collection of the Fees.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARDS OF DIRECTORS OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 1 AND THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 2:

1. The Boards of Directors do hereby determine that it is in the best interests of the Districts and its taxpayers and inhabitants that the Taxing District impose the Transfer Fees and Design Review Fees as described in **Exhibit A**, attached hereto and incorporated herein by this reference ("Transfer and Design Review Fees").
2. The Transfer and Design Review Fees are applicable to the Property, as more fully described in **Exhibit B**.
3. The Boards of Directors declare that the Transfer and Design Review Fees are effective as of April 5, 2016.
4. 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. 2016-04-04]

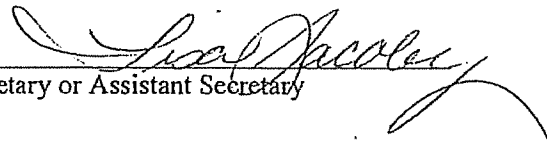
APPROVED AND ADOPTED this 5th day of April, 2016.

PRAIRIESTAR METROPOLITAN
DISTRICT NO. 1

By: 

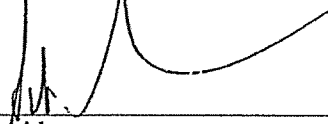
President

Attest:



Secretary or Assistant Secretary

PRAIRIESTAR METROPOLITAN
DISTRICT NO. 2

By: 

President

Attest:



Secretary or Assistant Secretary

EXHIBIT A
TRANSFER AND DESIGN REVIEW FEES

Preamble

The Board of Directors of the PrairieStar Metropolitan District No. 1 (the "Operating District") and the Board of Directors of the PrairieStar Metropolitan District No. 2 (the "Taxing District" and together with the Operating District, the "Districts"), determined that it is in the best interests of the Districts and its taxpayers and inhabitants that it impose the Transfer Fees and Design Review Fees (the "Fees") on the property within the Districts' boundaries and/or service areas, as such service area/boundaries may be modified from time to time (the "Property"), pursuant Section 32-1-1001(1)(j)(I), C.R.S.

The Districts have retained a management company (the "District Manager") to assist it in managing its affairs, including the assessment and collection of fee payments as provided herein. Inquiries regarding the Fees may be directed to the District Manager.

ARTICLE 1. TRANSFER FEES

1.1 Costs In order to offset administrative costs associated with the transfer of ownership of a dwelling unit within the Property, the Taxing District hereby imposes the following Transfer Fees. The Transfer Fees shall be due and payable to the Operating District at the time of any sale, transfer, or resale of any dwelling unit that has a certificate of occupancy:

a. Property Ownership Transfer Fee: A Transfer Fee of Fifty Dollars (\$50.00) per completed dwelling unit within the Property shall be due upon the sale or transfer of any completed dwelling unit within the Property.

b. Title Company Status Letter Fee: A Title Company Status Fee of Twenty-five Dollars (\$25.00) shall be due upon request for a title company status letter per completed dwelling unit within the Property.

ARTICLE 2. DESIGN REVIEW FEES

2.1 Costs In order to offset costs associated with the PrairieStar Design Review Committee's (the "PRDC") design review process, the District hereby imposes the following Design Review Fees as generally described below and as more particularly described in the Declaration of Protective Covenants of PrairieStar, recorded on November 18, 2014, at Reception No. 20140066221 of the Larimer County, Colorado, real property records, as the same may be amended and/or modified from time to time (the "Covenants"). The Design Review Fees shall be due and payable to the Operating District at the time of submittal of a request for design review:

a. Landscape and/or Fence Review Fee: A Landscape and/or Fence Review Fee of Fifty Dollars (\$50.00) per plan shall be due upon submittal of the plan for PRDC review.

b. Main Building Addition, Addition of Accessory Building, Site Plan, Footprint (including Driveway) Review Fee: A Main Building Addition, Addition of Accessory Building, Site Plan, Footprint (including Driveway) Review Fee of One Hundred Dollars (\$100.00) per plan shall be due upon submittal of the plan for PRDC review.

c. Paint Color Review Fee: A Paint Color Review Fee of Fifty Dollars (\$50.00) per plan shall be due upon submittal of the plan for PRDC review.

d. Sustainable Appearance and Screening Fee: A Sustainable Appearance and Screening Fee of Fifty Dollars (\$50.00) per plan shall be due upon submittal of the plan for PRDC review.

e. Other Review Fee: All other items not contemplated or listed above, submitted to the PRDC for review shall incur a Fee of Fifty Dollars (\$50.00) per plan.

ARTICLE 3. FEES AND LIENS

3.1 Pursuant to Section 32-1-1001(1)(j)(I), C.R.S., all Fees, until paid, shall constitute a perpetual lien on and against the property. Except for the lien against the property created by the imposition of property taxes by the Districts and other taxing jurisdictions pursuant to Section 32-1-1202, C.R.S., all liens for unpaid Fees 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.

EXHIBIT B

LEGAL DESCRIPTION OF THE PROPERTY

Filing No. 1

LEGAL DESCRIPTION

PART OF THE 51/2 OF SECTION 2, T44, R00W OF THE 6TH P.M., TOWN OF BERTHOLD, COUNTY OF LARIMER, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 2, FROM WHICH THE 1/4 CORNER OF SAID SECTION 2 BEARS N00°37'55"W, 283.62 FEET (BASIS OF BEARING), THENCE N00°37'55"W, 1775.63 FEET ALONG THE WEST LINE OF SAID 51/2 OF SECTION 2 TO THE NORTHERLY RIGHT-OF-WAY LINE OF PARCEL 232A, CONVEYED TO DEPARTMENT OF TRANSPORTATION, STATE OF COLORADO, AS DESCRIBED BY RULE AND ORDER RECORDED MAY 28, 2003, AT RECEIPTION NO. 20030085028 OF THE RECORDS OF LARIMER COUNTY, COLORADO AND THE POINT OF BEGINNING;

THENCE CONTINUING N00°37'55"W, 887.78 FEET ALONG SAID WEST LINE OF THE 51/2 OF SECTION 2 TO SAID 1/4 CORNER OF SECTION 2;

THENCE N89°10'30"E, 1480.84 FEET ALONG THE NORTH LINE OF SAID 51/2 OF SECTION 2;

THENCE S00°15'55"W, 209.40 FEET TO A NON-TANGENT POINT OF CURVE TO THE RIGHT;

THENCE 36.15 FEET ALONG THE ARC OF SAID CURVE, CONVEX TO THE SOUTHWEST, SAID ARC HAVING A RADIUS OF 58.00 FEET, A CENTRAL ANGLE OF 33°42'56", AND BEING SUBTENDED BY A CHORD WHICH BEARS S43°07'24"E, 35.57 FEET TO A NON-TANGENT POINT;

THENCE S89°44'05"E, 81.18 FEET;

THENCE S00°15'55"W, 840.01 FEET;

THENCE N89°44'05"W, 1485.04 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF SAID PARCEL 232A, CONVEYED TO THE DEPARTMENT OF TRANSPORTATION, STATE OF COLORADO, AS DESCRIBED BY SAID RULE AND ORDER RECORDED MAY 28, 2003, AT RECEIPTION NO. 20030085028;

THENCE NORTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF PARCEL 232A THE FOLLOWING THREE (3) COURSES:

1. N00°14'09"E, 6.17 FEET;
2. N13°58'20"W, 183.02 FEET;
3. S89°22'05"W, 57.01 FEET TO THE POINT OF BEGINNING;

AREA = 1,850,180 SQUARE FEET OR 37.862 ACRES, MORE OR LESS.

Filing No. 2

LEGAL DESCRIPTION

PART OF THE S1/2 OF SECTION 2, T4N, R69W OF THE 6TH P.M., TOWN OF BERTHOUD, COUNTY OF LARIMER, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 2, FROM WHICH THE W1/4 CORNER OF SAID SECTION 2 BEARS N00°37'55"W, 2663.62 FEET (BASIS OF BEARING). THENCE N89°36'41"E, 60.00 FEET ALONG THE SOUTH LINE OF SAID S1/2 OF SAID SECTION 2 TO THE EASTERLY LINE OF PARCEL 232 CONVEYED TO THE DEPARTMENT OF TRANSPORTATION, STATE OF COLORADO, AS DESCRIBED BY RULE AND ORDER RECORDED MAY 28, 2003, AS RECEPTION NO. 20030065020 OF THE RECORDS OF LARIMER COUNTY, COLORADO AND THE POINT OF BEGINNING:

THENCE NORTHERLY AND EASTERLY ALONG SAID EASTERLY AND ALONG THE SOUTHERLY LINE OF SAID PARCEL 232 CONVEYED TO THE DEPARTMENT OF TRANSPORTATION, STATE OF COLORADO, AS DESCRIBED AT SAID RECEPTION NO. 20030065020, THE FOLLOWING FIVE (5) COURSES:

1. N01°21'00"E, 343.17 FEET;
2. N45°48'28"E, 72.05 FEET;
3. S89°44'05"E, 2184.56 FEET;
4. S80°34'52"E, 618.60 FEET;
5. S89°44'05"E, 809.48 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF THE BURLINGTON NORTHERN & SANTA FE RAILROAD;

THENCE S05°06'38"E, 270.69 FEET ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF THE BURLINGTON NORTHERN & SANTA FE RAILROAD TO SAID SOUTH LINE OF THE S1/2 OF SECTION 2;

THENCE S89°36'41"W, 3580.16 FEET ALONG SAID SOUTH LINE TO THE POINT OF BEGINNING:

AREA = 1,241,733 SQUARE FEET OR 28.506 ACRES, MORE OR LESS.

PRAIRIESTAR METROPOLITAN DISTRICTS NO. 2

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

**General
Information &
Disclosure**

PRAIRIESTAR METROPOLITAN DISTRICT NOS. 1 AND 2 GENERAL INFORMATION AND DISCLOSURE SHEET

GENERAL INFORMATION

This General Information Sheet has been prepared by PrairieStar Metropolitan District Nos. 1 and 2 (“District No. 1” and “District No. 2”, collectively, the “Districts”) to provide prospective property owners with general information regarding the Districts and their operations. This information sheet is intended to provide an overview of pertinent information related to the Districts and does not purport to be comprehensive or definitive. You are encouraged to independently confirm the accuracy and completeness of all statements contained herein.

ORGANIZATION OF DISTRICTS

The Districts were organized, together with PrairieStar Metropolitan District Nos. 3 and 4 (“District Nos. 3 and 4”), pursuant to an order and decree entered by the District Court of Larimer County and recorded in the real property records of Larimer County (“County”) on December 8, 2010. The Districts each operate pursuant to their respective Service Plans approved by the Town of Berthoud (the “Town”) on July 27, 2010 (the “Service Plans”). The Districts are quasi-municipal corporations and political subdivisions of the State of Colorado. The property within the PrairieStar development (“Development”) is located within the boundaries of the Districts. A map of the Districts is attached hereto as **Exhibit A**.

DISTRICTS’ BOARD OF DIRECTORS

Each District is governed by a five-member Board of Directors. Board members are elected by the property owners within their respective Districts and are elected to staggered four-year terms of office. Any individual who resides within the boundaries of the respective District, or who owns taxable real or personal property situated within the boundaries of the respective District and is a registered voter in Colorado, is eligible to serve on the respective District’s Board of Directors. The Districts’ regular meeting dates, as well as a copy of each District’s Service Plan, may be obtained from the District Manager, Special District Management Services, Inc., at: 141 Union Blvd., Suite 140, Lakewood, CO 80228; (303) 987-0835.

DISTRICTS’ POWERS, IMPROVEMENTS AND SERVICES

The purpose of the Districts is to plan for, design, acquire, construct, install, relocate, redevelop and finance certain “Public Improvements”, as defined in the Service Plans. The Districts intend to dedicate the Public Improvements to the Town, or other appropriate jurisdictions, in a manner consistent with the development plan or other process established by the Town for identifying Public Improvements necessary for facilitating development of the area to be serviced by the Districts, as well as other rules and regulations of the Town and applicable provisions of the Town’s Development Code. The Districts shall not be authorized to operate and maintain any part or all of the Public Improvements unless the provisions of such operation and maintenance are pursuant to an agreement with the Town. However, the Districts intend to provide operations and maintenance services of some Public Improvements.

Under the Service Plans, the Districts have authority to issue general obligation debt in the aggregate amount of Thirty-Eight Million One Hundred Fifty Thousand Dollars (\$38,150,000) to provide and pay for public infrastructure improvement costs. In 2016, District No. 2 issued Limited Tax General Obligation Bonds, Series 2016 in the Aggregate Principal Amount of \$6,195,000.

All bonds are to be repaid through ad valorem property taxes imposed by District No. 2 on all taxable property located within the Districts, together with other rates, fees, tolls, and charges imposed by the Districts and dedicated to repayment of the bonds.

TAXES AND FEES IMPOSED ON PROPERTIES WITHIN THE DISTRICTS

Ad Valorem Property Taxes

The Districts’ primary source of revenue to repay any bonds and to pay for operations and maintenance obligations will be from property taxes imposed on property within the Districts. Along with other taxing entities, the Districts may certify a mill levy by December 15th of each year which determines the taxes paid by each property owner in the following year. District No. 2 serves as the District which certifies the mill levy each year. The maximum debt service mill levy the Districts are permitted to impose under the Service Plans is 50 mills (the “Debt Mill Levy Cap”). The Debt Mill Levy Cap shall not apply to a mill levy the Districts may impose for the provision of operation and maintenance services, but such operations and maintenance mill levy shall not exceed 15 mills without the prior written consent of the Town.

Pursuant to the Service Plans and the State of Colorado Constitution, the mill levy may also 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.

Example

| Tax Collection Year | Actual Value (V) | Assessment Ratio (R) | Assessed Value (AV) [V x R = AV] | Mill Levy/Rate ¹ (M) | Amount of District Tax Due [AV x M] |
|---------------------|------------------|----------------------|----------------------------------|---------------------------------|-------------------------------------|
| (a) 2017 | \$400,000 | 7.96% | \$31,840 | 45.00 / 0.04500 | \$1,432.80 |
| (b) 2018 | \$400,000 | 7.2% | \$28,800 | 49.75 / 0.04975 | \$1,432.80 |

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

(a) In 2017, if the Actual Value of the Property is \$400,000, the Assessment Ratio established by the State Legislature for that year is 7.96%, then the Assessed Value of the Property is \$31,840 (i.e., \$400,000 x 7.96% = \$31,840). In 2017, District No. 2 certified a 45.00 mill levy, which would generate approximately \$1,432.80 in revenue.

(b) If in 2018 the Actual Value of the Property remains at \$400,000, but the Assessment Ratio established by the State Legislature for that year is 7.2%, the Assessed Value would be \$28,800 (i.e., \$400,000 x 7.2% = \$28,800). The District would need to certify a 49.75 mill levy in order to generate the same revenue as in 2017.

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.

Overlapping Mill Levies

In addition to the Districts' imposed mill levies for debt and operations as described above, the property located within the Districts is also subject to additional "overlapping" mill levies from additional taxing authorities. As of November 2017, the overlapping mill levy for tax collection year 2017 for the property within the Districts, including the Districts' imposed mill levies, is 139.086. The overlapping mill levies are subject to change every year, so the mill levies for taxes collected in years after 2018 may be different. The breakdown of the overlapping mill levies for taxes collected in 2018 is as follows:

| Taxing Authority | Levy |
|---|----------------|
| THOMPSON R2-J GEN FUND | 31.497 |
| LARIMER COUNTY | 22.521 |
| BERTHOUD FIRE DISTRICT | 13.774 |
| BERTHOUD | 9.383 |
| THOMPSON R2-J BOND PYMT | 6.852 |
| BERTHOUD COMM LIBRARY DIST | 2.400 |
| THOMPSON VALLEY HLTH SVC DST | 1.768 |
| N COLO WATER CONS DIST | 1.000 |
| LARIMER CO PEST CTRL DST | 0.142 |
| TOTAL OVERLAPPING MILL LEVY | 89.337 |
| PRAIRIESTAR METRO DIST NO. 2 – DEBT SERVICE | 38.694 |
| PRAIRIESTAR METRO DIST NO. 2 – OPERATIONS | 11.055 |
| TOTAL WITH DISTRICT MILL LEVY | 139.086 |

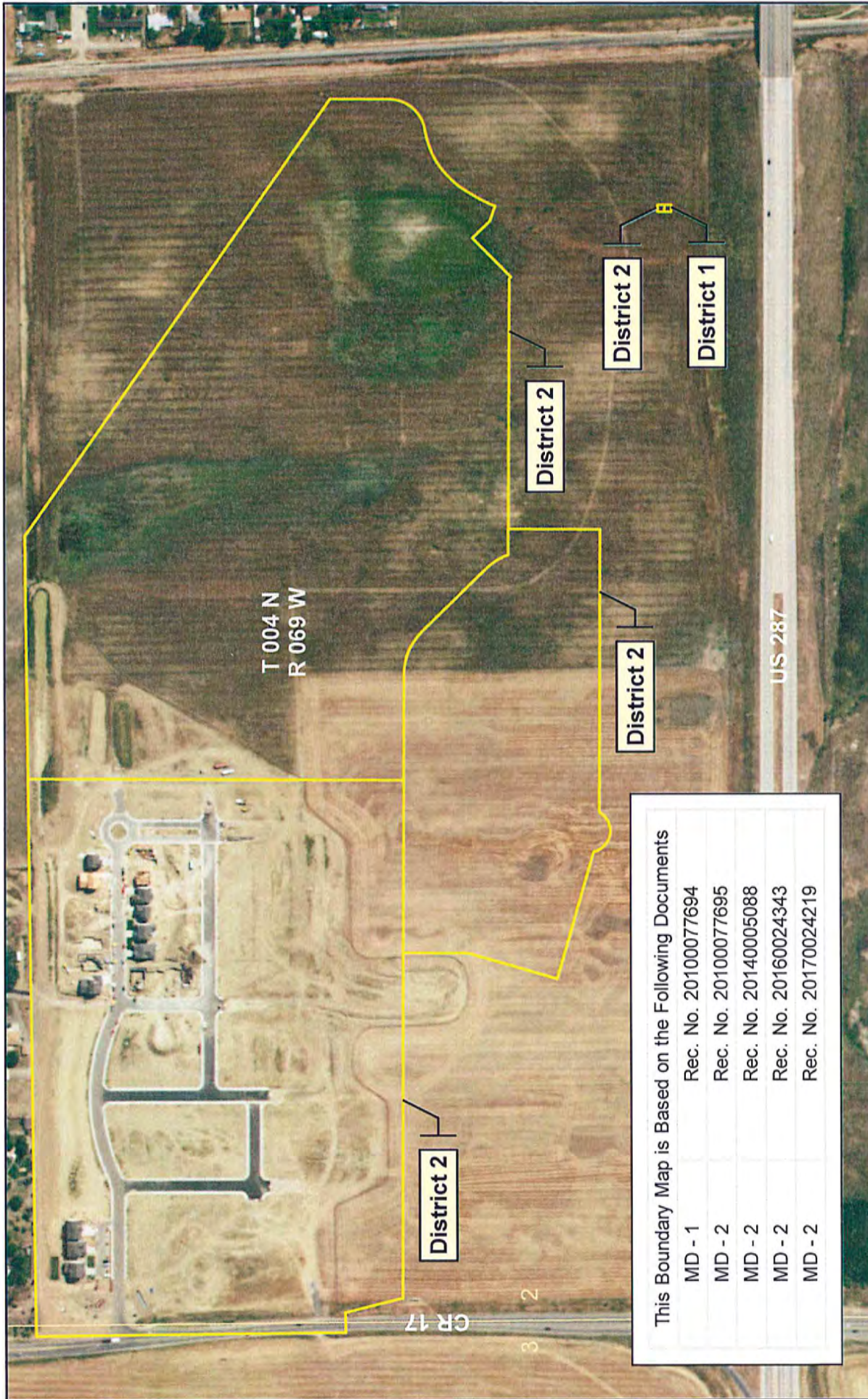
Fees

Colorado law and the Service Plans authorize the Districts to adopt and charge fees for services. These fees for services that the Districts provide may include fees for general operations. In Resolution No. 2016-04-04; a Joint Resolution between the Districts, the Districts adopted Transfer Fees and Design Review Fees. The Districts may revise those fees and may adopt additional fees if they deem necessary.

Should you have any questions with regard to these matters, please contact the District Manager at the address and phone number listed above.

EXHIBIT A

DISTRICT NOS. 1 AND 2 BOUNDARY MAP



This Boundary Map is Based on the Following Documents

| | |
|--------|----------------------|
| MD - 1 | Rec. No. 20100077694 |
| MD - 2 | Rec. No. 20100077695 |
| MD - 2 | Rec. No. 20140005088 |
| MD - 2 | Rec. No. 20160024343 |
| MD - 2 | Rec. No. 20170024219 |

PrairieStar Metropolitan Districts 1 & 2

Larimer County, CO



PRAIRIESTAR METROPOLITAN DISTRICTS NO. 2

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

Newsletters



PrairieStar Metropolitan District Newsletter

Newsletter Date
Volume 2, Issue 1

TRASH HOLIDAYS

Observed Holidays for United Waste Systems are listed below. The trash pick-up will be delayed one day due to these holiday, so you can put your cans out on Wednesday for these weeks!



Memorial Day
May 28th

Labor Day
September 3rd

Christmas Day
December 25th

If you have questions about the trash service, please contact the trash company; their information is below.

United Waste Systems

970-532-0803

Unitedwastesystems@gmail.com

YOUR COMMUNITY LIAISONS

Your Community Liaisons are homeowners in the community who are here to assist in communications between residents and the Board of Directors. Please see your Liaisons for any questions or concerns you may have! The liaisons are:



[Josh Schoettle](mailto:Jpschoettle@gmail.com) at 857 Ranchhand Drive,
Jpschoettle@gmail.com

[Kristyn Degi](mailto:Kristyn.degi@gmail.com) at 2910 Big Thunder Road, Kristyn.degi@gmail.com

COMMUNITY GARAGE SALE

The first annual PrairieStar Community Garage sale weekend will be June 8th, 9th, and 10th. If you're planning a garage sale for this spring/summer, consider having it this weekend for increased traffic and free advertising!



Participation is 100% optional. If you are planning on participating let us know so we have a rough idea of how many houses will be having sales for advertising purposes.

LITTLE FREE LIBRARY

A Little Free Library has been installed on the southwest corner of the park. Stop by and take whatever book catches your fancy. When you are done with a book, return it for your neighbors to enjoy!



NEW COMMUNITY MANAGER & INSPECTION DATES

The District is pleased to announce Ms. Peggy Ripko as your new Community Manager. Should you have any questions or concerns regarding covenant control or architectural submittals, you may contact Peggy at pripko@sdmsi.com or 303-987-0835.



Peggy will be performing inspections on May 1, May 23, June 12 & June 26th to ensure that everyone is in compliance with the rules, as well as to confirm landscape installation!

NEIGHBORHOOD UPDATE

Infrastructure construction activity has kicked into high gear for the Developer on additional lots in Filing 4. This area is 26 acres located south of PrairieStar Drive and will have 3 different home types. Richfield Homes will continue their home sales program in Filing 4. Additionally there will be attached and detached townhomes built in Filing 4. The attached townhomes will

be more townhome traditional, including paired homes with carriage units. The cottage single family homes will be built on 26 foot wide lots; will be 2-story, and range in size from 900 - 1200 square feet.

The highlight of Filing 4 will be the addition of a new park. The park will be finished in a traditional park fashion including the addition of a tennis court, basketball court, and two pickle ball courts, which will provide active use for the older kids and adults.



WELCOME TO LGI AND MISSION HOMES

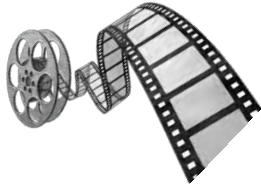
During the first quarter of 2018, construction activity with LGI was brisk, successfully building over 30 houses to keep up with the sales demand generated. We welcome LGI and wish them success on the 48 lots that they are building in PrairieStar. More information can be found at www.LGIHomes.com

New home builder, Mission Homes, LLC is commencing construction in Filing 4. Please welcome David Gregg and his local staff. Information about the product being built by Mission Homes can be obtained at the website, www.MissionHomesCo.com.



HOMEOWNER ORGANIZED SUMMER ACTIVITIES

The activities listed here, as well as the Community Garage Sale, have been organized by homeowners in the neighborhood! If you would like to help or need more information, please contact Kristyn or Josh, your Community Liaisons. See page 1 for contact information.



Movie Nights

Starting around 8:30 in the park

- June 1– How to Train your Dragon
- June 15– Coco
- June 29– Princess Bride
- July 20– Jumanji (2017 version)
- August 3– Moana

Volleyball

- Drop-in play on Wednesday nights, starting at around 6-ish.
- June 6–August 15 at the park!



Block Party

- August 18th at 4pm. More info to follow as we get closer!

PRIVATE POOL & CLUBHOUSE– “THE CLUB”

Construction is underway on the Pool & Clubhouse. This amenity is a private venture by the Developer, not the Metro District. The Club will be optional to all homeowners, and will be available by purchasing annual seasonal memberships, as you choose each year. Please direct inquiries to the neighborhood liaisons, or the Developer at 303-443-3939. Updates about “The Club” can also be found on the website, www.PrairieStarColorado.com.



FENCE REQUIREMENTS



Please remember that if you decide to install fencing around your home it must meet the standards set out in the Rules and Design Guidelines, page 5 number VII Exhibit A. The end of this document also contains pictures of the fencing standards.

If your current fencing **does not meet these guidelines, it must be corrected as soon as possible.** Some issues that have been noticed on existing fences include:

- No caps and rails
- Not stained or sealed
- Broken slats
- Leaning posts

Homeowners who do not have the proper fencing installed, or are not maintaining their fence, will receive a notification from the District.

It is the goal of the District, its Board of Directors and management team to ensure the high standards and theme of the community are maintained. Thank you for working with us to achieve this!

* Please see the article later in this newsletter that addresses non-conforming fences already installed.

Landscape & Fence Information at the end of the newsletter!

LANDSCAPE & FENCE INSTALLATION

We know that moving into a new house comes with a lot of exciting moments - decorating your new space, buying new furniture or making the old furniture fit in your new space. You may be painting the walls exciting colors or reveling in cooking in your new kitchen. We hope that you are all enjoying the adventure that buying a new house brings!

One large part of the adventure is the installation of your landscaping and optional fencing; deciding how you want to use your yard and designing your landscaping around that. This is a big decision and we want you to love your yard once it is done! As a reminder landscaping must be installed within 180 days after you close. If you closed in 2017 after June 30 then you have until July 1, 2018 to install all of your landscaping. This includes not only the back yard but the side yard as well!

The landscaping requirements are included in the Rules & Design Guidelines which you received in your **Welcome packet that was mailed after you closed. If you cannot locate your copy, it is on the District's website. Just go to www.sdmsi.com; click on "Districts We Serve" and scroll to "PrairieStar Metropolitan Districts 1-3". And remember- backyards do need to be approved prior to installation.**

Also we would like to remind you that if you choose to install a fence, it must be in compliance with the fence specifications listed in the Rules & Design Guidelines, and they do need to be treated with clear waterproof stain or natural stain. There are three styles of fences to choose from.

If the fences are not installed correctly or if the landscaping is not installed by the deadline the District will reach out to those homeowners to remind them. If that contact does not work, the District has no choice but to move forward with the enforcement process, which can include fines. We know that for some, the deadline and restrictions can be cumbersome and annoying and we have tried to make the processes as easy as possible for the homeowners while still following the rules of the community. That being said, everyone in the community purchased their homes with the understanding that there would be standards, and it is the District's duty to uphold those standards.

If you have any questions, please do not hesitate to call Peggy at 303-987-0835 or e-mail her at pripko@sdmsi.com.

Side and Corner Yard Landscaping

It is important that side yard areas and corner lot areas (where applicable) be fully landscaped/hardscaped up to backyard fencing and side gate fencing (e.g. rocks added to dirt areas near side gates, etc.) and be completed within the same deadlines as your backyard landscaping. Additionally, ongoing maintenance by homeowners should be performed for these areas.

Below are two examples of side yard landscaping at fence lines; one which has **been completed** and one that has not. Please be sure yours meets the “complete” standard.



Incomplete

Dirt at side of garage/
house where rocks end.



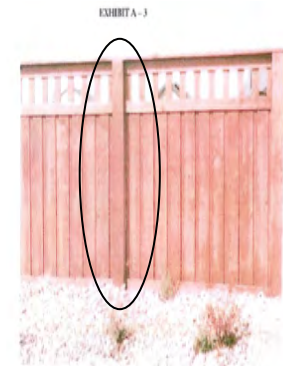
Complete

Rocks and landscaping
filled-in at side of house all
the way to fence.

Approved Rear & Side Yard Fencing Specifications

From Section VII of the Rules & Design Guidelines

1. **Minimum height: 48”**
2. **Maximum height: 6’0”**
3. Post sizes permitted are: 4x4, 4x6 or 6x6
4. Wing fencing is fencing between two houses as seen from the street. The minimum setback for wing fencing from front of house to back, shall be 6’0”.
5. **One 3’0” gate to open space is permitted.**
6. **Gate feature permitted to 8’0” height by 4’0” width.**
7. Fencing on lot adjacent to a lot must be on your own property, unless there is an agreement with adjoining property owner.
8. Finished side of fence should face the street (or away from your house).
9. Only natural wood, vertical privacy fencing with top and bottom rail **per preapproved fencing “EXHIBIT A” examples 1, 2 or 3**, with sealer treatment permitted, or wrought iron, example 4, for fences adjacent to open space only. **“EXHIBIT A” must be followed.**
10. Fences must be treated with clear waterproof stain or natural stain.
11. Any new materials added to existing, need to be stained to match existing.
12. No chain link, steel, wire mesh or vinyl fencing.



The reveal between posts must be installed with 6” vertical privacy fence panels. Flat fences do not meet guidelines. Posts must be visible from the finished side.

5

FENCING

Per the Design Guidelines, fences should be constructed so the fence face is offset from the posts, exposing the posts so as to provide a “reveal”. Over the course of the last year, several houses have installed fencing which does not meet the required standard of exposed posts.

Starting immediately, PrairieStar's Covenant Control will enforce the “reveal” on all new fencing installed as demonstrated in the included photos. The Metro District and Developer will work with home owners of existing incorrect fencing to allow the fencing to be brought into conformance upon repair or replacement down the road. Be assured PrairieStar is committed to ensure and to maintain the high standard and the theme of the community. Thank you for working with us to achieve this and to keep PrairieStar a place everyone wants to live.

Understanding PrairieStar's Metropolitan District

WHAT IS A METROPOLITAN ("METRO") DISTRICT?

Providing Public Improvements and Services to Residents

A Metro District is a layer of government providing an efficient and effective way to fund and acquire public improvements; provide amenities and maintain common areas for the community. Taxes are levied by the District and paid for through your property taxes. In the case of PrairieStar, the Metro District replaces the HOA model.

A Metro District is not in the business of making a profit. Specific statutes govern the expenditures and revenues. A state-obligated budget, audit and other financial filing and reporting requirements provide regulatory oversight of all operations and provide governmental immunity against certain legal actions.



HOMEOWNER BENEFITS

Additional Amenities = Value

Enhanced public amenities beyond town standards (e.g. parks, trails, landscaping, open space, etc.), creates value for the homeowner's residence. For example, PrairieStar's park and medians on Cooperland Boulevard are above town standards to provide an upgraded feel in the neighborhood, creating value for the community as a whole.

No Homeowner's Association Dues

The Metro District funds and governs operations and maintenance expenses thereby eliminating the need for an HOA and it's annual dues (except for attached unit development at PrairieStar.)

Tax Deductible

The District taxes are also tax-deductible, where HOA dues are not - providing an additional economic benefit.

Able to Address Community Needs

Because of its local nature, a Metro District is able to operate through its Board of Directors, the same as an HOA would be able to respond to community needs. A Metro District also has the capacity to raise money through a bondable Metro District mill levy for capital improvement projects the District may desire.

CALCULATING YOUR METRO DISTRICT TAXES:

By way of example, if your home has a market value of \$400,000, the taxable value is calculated as follows:

$$\$400,000 \text{ (Market Value)} \times 7.2\% \text{ (Assessed Ratio)} = \$28,800 \text{ (Taxable Value)}$$

The Metro District taxes are based on a 49.749 (current) mill levy as follows:

$$\$28,800 \text{ (Taxable Value)} \times .049749 \text{ (District Mill Levy)} = \$1,432.77 \text{ (Metro District Taxes)}$$

PRAIRIESTAR'S OPERATING AND DEBT BUDGET:

Out of the District's total 49.749 mill levy, 11.055 mills is certified for the operating budget and the remaining 38.694 mills is certified to service the bonds issued for the acquisition and installation of public improvements.

\$1,432.77 (Metro District Taxes)

\$1,114.39 (Public Improvements/Bonds)

\$318.38 (PrairieStar Operating Budget)

This portion of the Metro District taxes provides services to residents, functioning much like an HOA

See what the operating budget covers



Understanding PrairieStar's Metropolitan District - continued

THE PRAIRIESTAR OPERATING BUDGET PROVIDES FUNDING FOR:

Administration of the District. This includes PrairieStar Metropolitan District meetings open to the public and attended by members of the community, the District's legal counsel and management of the District. It also includes necessary filings with the State of Colorado, maintaining and managing audits, insurance policies for the District, and general Administration.

Accounting for the District. This includes monthly payment of expenses, balancing of checking accounts, providing backup to the outside 3rd party engineer reviewing and approving Metropolitan District expenditures, annual, year-end accounting and balancing. This also includes oversight and collection of the property tax distributed to the Metropolitan District by the County Treasurer's Office.

Legal. This includes issues that require legal representation for the District, such as statute changes and compliance, zoning issues, covenant control, and/or general operation. The annual budget for Legal has been approximately \$10,000 per year for the District.

Audit. This annual operations and debt audit is a state-obligated requirement.

Covenant Control. This is a large item of the expenditure and includes the items currently contracted for with the District such as physical inspections, attendance of meetings, enforcement of the CC & R's and miscellaneous updates and changes to the Design Guidelines and response to neighborhood concerns as necessary.

Utilities. This includes the payment of water and electric for the parks, medians and monuments, as well as any additional irrigation within the native areas.

Common Area and Open Space Maintenance. This includes snow removal on the sidewalks and within the parks, the maintenance of parks (park structures and landscaping), trees along community streets, as well as the maintenance and weed removal of landscaped medians. Entry areas and signage are also included in the maintenance.

General Maintenance of Water Systems. This includes maintenance and supervision of the entire drainage system throughout the public areas of PrairieStar to ensure everything is operating correctly, covering storm sewer cleanout, maintenance of storm sewer gutters and inlets of public streets, water flow to detention ponds, swales, as well as drainage under 287 into the pond on the south side of 287.



HOW IS THE METRO DISTRICT GOVERNED?

PrairieStar's Metro District is governed by a five member Board of Directors, who are elected by the registered electors within the District to staggered four-year terms. Anyone who is registered to vote and resides within the District or who owns taxable property within the District is eligible to serve on the Board of Directors. Eligibility is only for the Districts that serve the property.

