

**RESERVATION AND GRANT OF EASEMENT and DECLARATION OF PROTECTIVE
COVENANTS
FOR GRAND ENCLAVE II**

Grand Enclave, LLC ("Declarant"), being the owner of the real property described as Grand Enclave II, Lots 1, 2 & 3, (Government Lot 2 – AKA SE ¼ SW ¼) Grand County, Colorado, ("Property") does hereby reserve to itself and all future owners of any portion of the above described property, in perpetuity, a non-exclusive Driveway Easement for the purposes of ingress, egress, utilities including telephone and electrical lines together with the right to construct and maintain a Private Driveway consisting of a dirt/gravel road described herein lying 15 feet on either side of the roadway as shown on Exhibit A beginning at the intersection of the roadway and Corona Trail and ending at the east property line of lot 1 for the use and enjoyment of the owners of Lots 1, 2 and 3. This easement shall benefit Declarant and all future owners and their successors and assigns and shall run with the land. The Private Driveway Easement shown in Exhibit "A " shall be maintained by future owners as a dirt/gravel road to ensure safe and legal ease of ingress and egress:

Declarant further makes, declares and establishes the following covenants and restrictions applicable to the Property, to insure the best use and the most appropriate development and improvement thereof, to protect subsequent owners thereof against such improper use of portions of the Property as will depreciate the value of such Property, to prevent the construction of improper or unsuitable improvements, to encourage and secure the erection of the attractive dwellings thereon, and in general to provide adequately for the improvement of said Property. The Property is made specifically subject to the following:

1. Zoning laws, ordinances, resolution, rules and regulations are considered to be a part hereof, and no provision of this Declaration shall be valid if it violates (nor shall it be interpreted to violate) any present or future zoning laws, ordinances, resolutions, rule or regulations.
2. All portions of the Property conveyed by the undersigned to individual owners ("Lot") shall be for residential use only. Only one single-family dwelling is permitted on any Lot. No Lot shall contain less than 12.7 acres.
3. All Lot owners are required to join the Winter Park Highlands Home Owners Association and pay an annual association fee. At the present time, the HOA fee is \$100.00.
4. No trailer, mobile home, motor home, camper, tent, shack, tepee or basement dwelling, and no other structure of a temporary nature, may be erected or placed on any Lot for use as a permanent dwelling. A construction trailer may be placed on the property for use during the period of construction. All construction of dwellings shall be completed within one year after construction commencement.
5. No activity of a noxious nature may be conducted upon any Lot, and no activity will be permitted which might be or might become a nuisance or annoyance to other owners of Lots. No Lot shall be used for any business or commercial use, however, an owner may conduct incidental business from its Lot so long as there are no advertising signs and no retail traffic or other traffic, which is a burden on the roads or residents. There shall be no manufacturing involving any employees.
6. Special Declarant Rights:
 - A. During Declarant's ownership of any Lot or Lots in the Property the Lot owners may not amend this Declaration without the Declarant's prior written consent, which consent Declarant may withhold in its discretion.
 - B. Declarant may amend this Declaration to correct clerical, typographical, technical or other errors.
 - C. Declarant may amend this Declaration to comply with any Applicable Law.
 - D. Declarant reserves for itself, its successors and assigns, the right to construct any improvements that it deems necessary on the Common Elements and on any Lot owned by Declarant.

7. No animals, livestock, or poultry of any kind shall be allowed, raised, bred, or kept at any Lot, except that household pets are permitted, including a reasonable number of cats or other household pets including no more than two dogs of more than four months of age. A "reasonable number" shall ordinarily mean no more than four pets per Lot.
8. No portion of the property shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth or any earth substances of any kind.
9. Each Lot owner shall at all times keep his, her, or its property in a clean, sightly, and wholesome condition. Each Lot owner shall provide suitable receptacles, with secured lids or covers, for the temporary storage and collection of refuse. All equipment, garbage, or storage piles shall be kept so as to conceal them from view of neighboring Lots, roadways and driveways. All rubbish, trash or garbage shall be regularly removed from the Lots and shall not be allowed to accumulate therein.
10. Propane tanks located on the Property shall be either underground, fully screened or enclosed.
11. Exterior lighting shall be minimized and shall be designed and installed to subtly illuminate functional areas only. The source of light shall not be visible above a horizontal plane and shall direct the light inward and downward onto the site and away from the adjoining properties. Fixtures shall be hooded and shall not be located above the eave lines. Design and specifications of all planned exterior lighting shall be submitted with any application for a building permit and shall be subject to approval by Grand County.
12. All utilities, (including but not limited to power lines, telephone lines, and TV cable lines) serving any improvements, (this includes primary residential buildings as well as secondary structures such as guest houses, garages, outbuildings, and storage sheds), shall be underground. No transformer or electric, gas, water or other meter of any type, or any other apparatus, shall be located on any pole.
13. No stockade style fencing will be allowed on the Property. Decorative fencing shall be allowed that does not impede wildlife, consisting of three wooden split rails or rick-rack V shaped log fences. Dog runs are restricted to the side and rear of the Building Envelopes adjacent to or connecting to the structure, and may not exceed five hundred (500) square feet in area. These areas may be enclosed (side and top) with wrought iron, wood, and/or welded wire mesh integrated with the design of the fence. Chain link fencing is not allowed. Enclosures must not exceed six feet (6') in height and must be screened from adjoining residences and streets. Home owners may also install an "invisible electric pet fence".
14. A site plan will be required with the building permit application, showing setback requirements. No structures shall be permitted outside the designated building envelope. No lot owner will cause or allow siltation and subsequent damage caused by siltation (such as obstruction of ditches), where material has washed from the offending Lot onto an adjoining Lot, common area, or easement. No Lot owner will cause or allow erosion caused by diversion of any water onto an area not designed for proper drainage or diversion of storm water onto an adjoining Lot, common area, or easement. Upon completion of any improvement or construction on any Lot, the owner shall to the greatest extent possible, at a minimum, restore the Lot to the condition which existed prior to the construction (taking into account such construction) so that the Lot and the improvements shall be in harmony with the surrounding unimproved property.
15. Grading shall be designed to create smooth transitions between natural and man-made grade changes in order to integrate improvements into slopes. To reduce excessive grading structures shall be stepped with retaining walls comprised of natural stone materials and/or berms and landscaping to blend cuts/fills. Cut/fill slopes shall be kept to a maximum of 2:1 vertical and re-vegetated. Grading may extend beyond Building Envelopes and/or setbacks. Topsoil shall be removed and stored for reuse on-site. See additional restrictions in item 19. I. hereunder.

16. All road-cuts for private driveways and all excavations and site disturbances shall be re-vegetated with native plant materials or other landscape materials. Site disturbance shall be restored, to the greatest extent that is practical, to its original condition.
17. Other than short-term guests or agents of the owner, no more than three (3) vehicles per Lot (not including motorcycles) shall be kept outside on the property and in plain view. No abandoned vehicles shall be permitted on any Lot except in an enclosed garage or protected from the view of all other Lots. A vehicle shall be considered abandoned if it remains inoperative for a period of six (6) months or fails to have current registration and license plates. No vehicles or equipment of any kind shall be stored on any Lot except within a garage or other enclosed structure.
18. Owners of Lots 1, 2 and 3 shall share the cost of maintaining and repairing the roadway of the driveway Easement described herein and shall act reasonably and in good faith as to all upgrade and road maintenance decisions, provided however, that reasonable maintenance consists, at a minimum, of the following: the roadway is to be kept free of potholes, ridges, "washboards" and ruts; water runoff is to be controlled by regular grading as necessary and regular maintenance of the culverts; parking of vehicles in the Driveway Easement is prohibited; additional road base shall be brought in as necessary to meet these Standards.

19. ARCHITECTURAL GUIDELINES & STANDARDS

A. INTENT

The intent of the architectural standards is to create a community design compatible with the mountain environment. Use of indigenous materials, responsiveness to climatic conditions, and the functional and recreational needs of the Owner are important. Architectural forms derivative of mountain design traditions are fundamental. All sides of a structure require an integrated design approach.

B. MASSING

Buildings shall be designed to reduce the perception of their overall mass and as a composition of additive, asymmetrical forms. Continuous or unbroken forms shall be avoided.

Wall Planes shall be stepped (2' minimum) to reduce the overall mass of the building. Large, unbroken planes are not desirable.

C. BUILDING AREA

Each home shall have a minimum livable (finished) building area of 2,200 Square Feet of living area at ground level for a single level, and 2,800 Square Feet of livable (finished) for split or multi-level. (Not including basement or lower level walkouts in both cases)

D. GARAGE/AUTO COURTS

Garages must be carefully considered in the overall design. Garage door openings shall be screened from public roadways and adjacent properties using techniques such as covering roof elements and recesses, in order to integrate the garage doors into the larger building mass and architectural style; and custom cladding and finish of doors. Side-loaded access to garages is encouraged.

E. ENTRIES

Dimensions of columns and custom-made accents shall be considered in entries. Rustic elegance, combined with a sense of human scale is encouraged. All entrances and porches shall be protected from snow.

F. ROOFS

Roofs are prominent visual elements and shall communicate the dominant character of the architectural expression of the home. A simple pattern of primary and secondary roof forms with dormers is desirable. Gable and shed dormers can be utilized to bring light into living spaces to help break-up large roof planes and express the style and character of the roof.

The primary roof overhang shall not be less than twenty-four inches (24") and the secondary roof overhangs shall not be less than twelve inches (12"). Roof overhangs of less than twelve inches (12") are not acceptable. Creative and harmonious use of hips, gables, multiple ridges and dormers are encouraged.

The primary roof pitch (60%) shall be a 6/12 pitch or greater, while secondary roof pitches shall not be less than 4/12. Well-defined eave detailing with strong articulation is required, as is careful

consideration of snow loads, snow shedding, ice and drip zones. Flat, mansard and gambrel styles are prohibited.

G. WALLS AND MATERIALS

Walls shall express structural integrity and support reflecting their function as part of the building – larger at the base and smaller towards the top. Wood shall be the predominant material.

Materials not addressed in these standards shall be reviewed on an individual basis.

Siding materials may include natural logs, cedar lap, cedar channel rustic, board and batten, plank and shingle. Vertical and horizontally applied wood siding shall be treated with preservatives, semi-transparent stains or pigmented stains but not painted. Logs may be peeled or non-peeled. If treated logs are used they should be coated with a dark stain. Natural or cut stone masonry is encouraged including Colorado Moss Rock, Natural River Rock, Fieldstone or Cultured Stone. Large diameter dry stack and ledge stone-simulated stone may be used where appropriate. Stone should cover at least 10% of the exterior walls of the building. The building should rest visually on a “base” of stone with a capstone no shorter than twenty-four (24”) in height.

Foundation walls shall not be exposed more than ten inches (10”) and faced or finished to blend with the total architectural design with no visible break between the foundation and the wall plane. In areas of its use, natural stone or cultured stone should be used to cover exposed foundation.

H. COLOR

Finishes shall be subdued. Wood stains and paints shall be selected from a limited palette of the predominate colors that occur naturally on the site, including earth tones, and plant materials. Brighter colors shall be limited to small areas as accent colors. No bright, unfinished or mirrored surfaces are allowed. Semi-transparent stains and semi-solid stains are highly desirable on wood surfaces.

I. RETAINING WALLS

Terracing with the use of retaining walls is preferred rather than mass excavation and re-contouring. Retaining walls should be generally four feet (4’), and shall not exceed eight feet (8’) before stepping unless approved by Reviewer. Walls over four feet (4’) in height shall be designed by a professional engineer. Design and location of retaining walls shall be integrated into the site design and respond to the natural topography. Walls near the house shall match or complement the materials of the house, while walls used in the landscape shall be constructed of sandstone or at a minimum reflect indigenous characteristics that are found to naturally occur in mountainous terrain.

20. All buildings must have outside finish completed within six months after construction is started, unless prevented by acts of God or strikes. All construction must comply with applicable building codes.
21. Open storage of building materials will be permitted during construction only.
22. Reasonable precaution shall be taken against fire hazards and no outdoor burning of any kind, except for family cooking in a controlled pit or grill, shall be permitted upon a Lot without approval of the local Fire Chief.
23. No live trees on any Lot may be cut, damaged or destroyed, except as may be necessary to permit construction of improvements and control of beetle infestation. It shall be the responsibility of each owner to prevent and control disease and insect infestation among trees and other plant life. Lot owners are required to monitor and control Grand County’s twenty species of noxious weeds shown on the attached Exhibit “B” through year 2011. Lot owners are required to spray, remove trees and other plant life and take such other remedial measures as expedient to prevent the spread of vegetation loss and damage. It shall be the policy of all owners to practice restoration of the natural terrain, including the replacement and stabilization of topsoil and re-forestation and re-vegetation with smooth brome and pubescent wheat grass as per Middle Park Conservation District’s recommendation.
24. Any legal action required to enforce the Covenants herein the prevailing party or parties therein shall be entitled to recover all costs of suit from the other party or parties, including reasonable attorney fees.

- 25. Invalidation of any of the covenants herein contained by judgment or court decree shall not affect the remaining provisions hereof, which will remain in full force and effect.
- 26. All references in this Declaration to "covenants" shall be construed to include this Declaration, including without limitation the provision hereof permitting modifications or release of any of the covenants created hereby.
- 27. Declarants' control and rights hereunder will expire when Lots 1, 2 & 3 have all been sold and conveyed to buyers.

IN WITNESS WHEREOF, The Declarant has signed this Reservation And Grant of Easement and Declaration of Protective Covenants this 7th day of January, 2007

By [Signature]
 Manager, Grand Enclave Investments, LLC

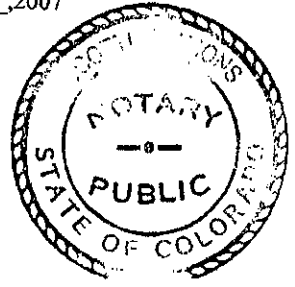
BY [Signature]
 Manager, Grand Enclave Investments, LLC

State of Colorado
 County of Jefferson

The foregoing instrument was acknowledge before me this
7th day of January, 2007

By Roger Ladd

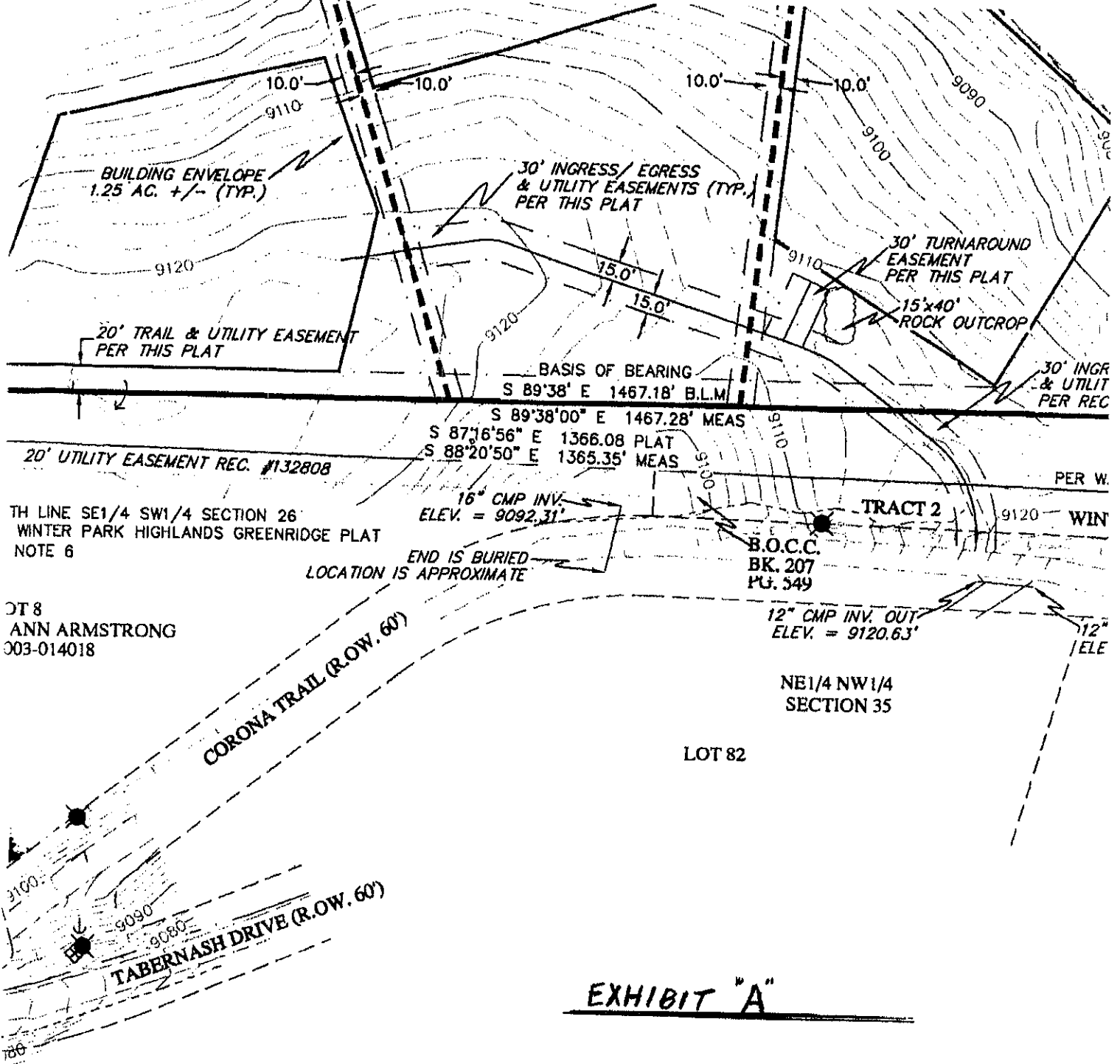
Witness my hand and official seal
 My commission expires 1-21-07
 Notary Public [Signature]



State of _____
 County of _____

The foregoing instrument was acknowledge before me this
 _____ day of _____, 2007
 By _____

Witness my hand and official seal
 My commission expires _____
 Notary Public _____



TH LINE SE1/4 SW1/4 SECTION 26
 WINTER PARK HIGHLANDS GREENRIDGE PLAT
 NOTE 6

OT 8
 ANN ARMSTRONG
 003-014018

END IS BURIED
 LOCATION IS APPROXIMATE

B.O.C.C.
 BK. 207
 PG. 549

12" CMP INV. OUT
 ELEV. = 9120.63'

16" CMP, INV. OUT
 'LEV. = 9087.06'

EXHIBIT "A"

EXHIBIT "B"

The 30 species of Grand County Noxious Weeds:

Myrtle spurge (*Euphorbia myrsinites*)
Canada thistle (*Cirsium arvense*)
Musk thistle (*Carduus natans*)
Scotch thistle (*Onopordum acanthium & tauricum*)
Diffuse knapweed (*Centaurea diffusa*)
Russian knapweed (*Centaurea repens*)
Spotted knapweed (*Centaurea maculosa*)
Hoary cress or Whitetop (*Cardaria draba*)
Leafy spurge (*Euphorbia esula*)
Yellow toadflax (*Linaria vulgaris*)
Dalmation toadflax (*Linaria dalmatica*)
Houndstongue (*Cynoglossum officinale*)
Mayweed chamomile (*Anthemis cotula & arvensis*)
Plumeless thistle (*Carduus acanthoides*)
Black henbane (*Hyoscyamus niger*)
Oxeye Daisy (*Chrysanthemum leucanthemum*)
Orange hawkweed (*Hieracium aurantiacum*)
Dame's rocket (*Hesperis matronalis*)
Cheatgrass (*Bromus tectorum*)
Tamarisk or Saltcedar (*Tamarix ramosissima*)