

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
SAGE HEIGHTS HOMEOWNERS ASSOCIATION, LLC

THIS DECLARATION, made on the date hereinafter set forth, by Sage Heights Homeowners Association, LLC, hereinafter referred to as the Declarant.

WHEREAS, Declarant is the owner of certain lands in Chaffee County, Colorado, more particularly described as follows:

All lots in the Sage Heights Subdivision, located within the Parcel 2 (remainder tract) of the Bainbridge Heritage Water Subdivision Exemption in the NW ¼ of Section 11, Township 50 North, Range 8 East of the N.M.P.M., as depicted in duly recorded sketch plan L-21-05R, containing 15 lots, all within Chaffee County, Colorado.

NOW THEREFORE, Declarant hereby declares, pursuant to Colorado Revised Statutes § 38-30-170 and applicable Colorado law, that all of the properties described above, shall be held, sold, and conveyed subject to the following easements, restrictions, liens, covenants and conditions, which are established, declared and adopted for the purpose of protecting the value and desirability and enhancing the safety and habitability of the said real estate and shall run with the said lands and be binding upon all parties having any right, title or interest in and to the described properties or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE 1 Definitions

1. "Association" shall mean and refer to the Sage Heights Homeowners Association, a Colorado non-profit corporation, and its successors and assigns.
2. "Owner" shall mean and refer to the record title holder, whether one or more person or entities, of a fee simple interest in any Lot which is a part of the Sage Height subdivision; provided however that upon entering into a purchase contract or option, such purchaser, and not the record title holder shall be deemed to be the owner for all purposes herein. The term "owner" shall include Declarant with respect to all Lots held in the name of the Declarant and which Declarant has not agreed under contract or option to sell.
3. "Properties" shall mean and refer to that certain real property, described above, and such additions thereto as may hereafter be brought under this Declaration.
4. "Common facilities" shall mean and refer to all real and personal property now or hereafter owned or controlled by the Association for the common use and benefit of the owners, together with all improvements thereon, if any, and any easements, fixtures, or appurtenances used therewith or attached thereto. These may include, but are not limited to, the road, water supply facilities, wells, valves, gauges, drains, cisterns, vehicles, equipment, supplies, buildings, mailboxes, or other such property used by the Association for the purposes described herein.
5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Properties, or additions thereto, with the exception of the common facilities.

ARTICLE 2 Property Rights

1. Owner's Rights. Every owner shall have the right to use and to benefit from the common facilities. Such right shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:
 - a.) The right of the Association to charge reasonable fees for the acquisition, procurement, maintenance, repair, replacement, upkeep, operation and improvement of the common facilities, and to establish reasonable reserves for depreciation and contingencies;
 - b.) The right of the Association to suspend voting rights and right to use and to benefit from the common facilities by an owner for any period during which any assessment against his lot remains unpaid, and for a period of time as determined by the Association for any infraction of its published rules and regulations;
 - c.) The right of the Association to dedicate, transfer or lease all or any part of the common facilities to any public agency, municipal or quasi-municipal authority, public or private utility for such purposes and subject to such conditions as may be agreed upon by the members;
 - d.) The right of the Association to borrow money for the purpose of improving the common facilities and permitting the mortgaging of common facilities; and to take such steps as may be reasonably necessary to protect the common facilities from foreclosure; and
 - e.) The right of the Association to close or limit the use of the common facilities while maintaining, repairing or making replacements therein or thereto.
2. Delegation of Use. Any owner may delegate his right of use and benefit from the common facilities to the members of his family, his tenants or guests who occupy his Lot.
3. Personal Property. The Association may acquire and hold for the use and benefit of all members of the Association, tangible and intangible personal property and may dispose of the same by sale or otherwise; and the beneficial interest therein shall not be transferable except that the transfer of a Lot shall transfer to the transferee all of the transferor's beneficial interest in such personal property without any reference thereto or execution of a bill of sale. Each owner may use such personal property in accordance with the purposes for which it is intended, without hindering or encroaching upon the lawful rights of the other owners, subject to the provisions herein and the operating agreement of the Association. Sale of a Lot under foreclosure shall thereby entitle the purchaser thereof to the beneficial interest in the personal property associated with the Lot and to membership in the Association.

ARTICLE 3 Membership and Voting Rights

1. Every owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from the ownership of said Lot. When more than one person holds an interest in any Lot as joint tenant or tenant in common, all such persons shall be members, but the vote or votes attributable to such Lot shall be cast as such persons among themselves determine and no division of the vote or votes attributable to such Lot shall be permitted. All matters before the Association shall be decided by majority vote, except as otherwise expressly provided for herein or in the Operating Agreement of

the Association. The Operating Agreement shall govern the procedures and requirements for notice of meetings, quorums, voting and other matters of internal regulation. The Association shall have the right to adopt reasonable rules and regulations in the manner and to the extent authorized by its Operating Agreement.

ARTICLE 4 Covenants, Restrictions and Protective Conditions

1. Each Lot owner shall be subject to the following covenants, restrictions and protective conditions on the Properties, declared herein to ensure each owner's private and quiet enjoyment of the Properties.
 - a.) No owner shall place, construct or build on any Lot any mobile or modular home.
 - b.) Each Lot, with the exception of Lot 7, will have one single-family residence, stick built, and a minimum of 1,800 square feet. Lot 5 shall be exempt from the requirement for a stick built residence, and may construct a modular home in accordance with the International Residential Building Code.
 - c.) Each Lot may have an attached or detached garage built consistently with the home.
 - d.) Each owner may have a metal shed or outbuilding, and any such structure shall be placed on a permanent foundation or pad. Owners shall make an effort to ensure that any such structure is of a similar type to their residence.
 - e.) Each owner shall abide by the current Chaffee County Building Code and the Chaffee County Land Use Code, at the time of construction and will abide by their specifications for developing their Lot.
 - f.) Any fifth wheel trailers and boats with trailers located on any Lot in the Properties may not exceed forty feet (40') in total length.
 - g.) All owners are required to utilize wildlife resistant trash containers, which must be stored in the garage or in a solid locked storage shed until the morning of trash collection.
 - h.) Free roaming domestic pets are prohibited. Leashes, restrictive fences, or kennels with tops around the immediate domicile should be utilized to decrease or eliminate this problem.
 - i.) Home occupations and home businesses shall be allowed pursuant to the Chaffee County Land Use Code.
 - j.) No owner shall cultivate or permit cultivation of marijuana on any Lot.
 - k.) No owner shall maintain livestock on any Lot in the Properties, but chickens and other fowl shall be allowed.
 - l.) Each Lot shall have one driveway from Mint Lane, for access to the owner's residence.

ARTICLE 5 Covenants for Assessments

1. Creation of the Lien and Personal Obligation for Assessment. The Declarant, for each Lot within the Properties, all of which are owned by the Declarant on the date of recording of this Declaration, hereby covenants, and each subsequent owner of any Lot, except only the Association, by acceptance of a contract or deed therefor, whether or not it shall be so expressed in such contract or deed, is deemed to covenant, that each of said Lots, except such Lots or interests therein, as are owned by the Association, shall be and hereby is made subject to uniform assessments per Lot for the use and benefit of the Association and its members; and the Declarant and each subsequent owner covenants and agrees to pay the

Association (1) annual assessments and (2) assessments for capital improvements. Such assessments shall become and constitute a lien on each Lot as of January 1 following the date such assessment is established, as to annual assessments, or as of the first day of the first month following the date such assessment is established, as to special assessments. The annual and special assessments, together with interest, costs of collection and reasonable attorney's fees, shall also be the personal obligation of each owner of a Lot at the time the assessment became a lien. The personal obligation for delinquent assessments shall not pass to an owner's successors in title, unless expressly assumed by them.

2. Declarant's obligation. Declarant hereby agrees that it will assume and pay to the Association any operating deficit of the Association in excess of the Association's total annual assessments for any year in which Declarant remains the owner of any Lot.
3. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the residents in the Properties, for the improvement and maintenance of the common facilities, including roads, fire cisterns, and the mailbox in the subdivision and to accomplish the purposes described herein.
4. Special Assessments. A special assessment for capital improvements shall be made only upon resolution of the Association's members and directors, followed by the approval of the majority of the membership of the Association.
5. Amount and Payment. The annual assessments provided for herein shall be set at least 30 days prior to each January 1, and shall be paid at the beginning of each year, commencing on January 1 annually, and shall be delinquent if not paid by June 30 of that year; or such assessments may be paid and collected in monthly installments pursuant to and only as authorized by the Association in advance. Special assessments shall be due on the date that they become a lien, and shall be paid and collected in such installments with such dates of delinquency as may be provided in the resolution establishing the same. Written notice of all annual and special assessments shall be provided to every Owner. The Association, upon demand and for a reasonable charge, shall furnish a certificate signed by a manager of the Association setting forth whether the assessments on a specific Lot have been paid, and such certificate shall be binding upon the Association with respect to any purchaser relying upon it.
6. Effect of Non-payment of Assessments. Any assessment not paid on or before the delinquency date shall be interest thereafter at the rate of ____ percent per annum until paid. The Association may bring an action to collect all delinquent assessments against the Owner personally obligated to pay the same, or foreclose the assessment lien against such Owner's Lot. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common facilities or abandonment of his Lot. In addition to any other remedies herein or provided by Colorado law, the lien herein established may be foreclosed by an action in the court having jurisdiction over the Properties in the manner of foreclosure of common law mortgages pursuant to Colorado law, and subject to all the rights and duties therein provided, including redemption.
7. Subordination of the lien to mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not release any such assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments thereon which became delinquent prior to such foreclosure, but shall not relieve such Lot from the lien of any assessments or payments established or due.

ARTICLE 6 General Responsibilities.

1. Common Facilities. The Association is herewith charged with the direct and continuing responsibility for maintenance, repair, replacement, operation, protection, extension and improvement of the common facilities.
2. Road Construction and Maintenance. The Association shall maintain common facilities, including roads, until responsibility for the maintenance and plowing of roads in the Properties shall be assumed by a government authority or entity. The Association may undertake road construction and improvements as a capital expenditure requiring special assessment, as provided for above. Declarant shall remain responsible for road maintenance until such time as 50% of the lots have been sold, at which point road maintenance will be conveyed to the responsibility of the Association.
3. Fencing. Open space shall remain unobstructed and unencumbered by fencing. The use of privacy fencing, chain link fencing, and other exclusionary fencing should be at least 7 feet high and should be restricted to the immediate area surrounding the domicile or within the designated building envelope. All other fencing, including fencing used to designate boundaries or lots, is not to exceed a maximum top height of 42" with at least 12" spacing between the top two wires and a bottom wire at least 16" above the ground to allow passage of animals. Fencing utilizing sharp projections extending beyond the top and bottom horizontal bar is prohibited.
4. Noxious Weed Management and Control. The Association shall be responsible for the weed management of the common roads, and common site elements during and after development has been completed. The Association will also be responsible for the weed management of individual lots until they have been purchased by a private property. Once purchased, the weed management on a privately-held property shall be the responsibility of the individual property owners.
5. Enforcement of Covenants. The Association is herewith vested with authority by the Declarant and is assigned the rights of Declarant to enforce, to the same extent as Declarant might, any and all covenants running with the Properties, or with other lands in which the Declarant, its successors and assigns, has an interest or right of enforcement, including but not limited to all covenants contained herein, or in the various protective covenants recorded against the Properties, or in that certain Warranty Deed describes; provided that the authority and rights herein granted and assigned shall not preclude Declarant from proceeding to enforce any and all of said covenants, whether or not the Association is acting in that regard.
6. Cistern Maintenance. The Association shall be responsible for ensuring the cistern is adequately maintained and receives regular maintenance.
7. Mailbox Maintenance. The Association shall be responsible for maintaining mailboxes for the Owners, including any necessary repairs in the event of storm or other damage.

ARTICLE 7 Insurance and Indemnification

1. Insurance. The Association shall maintain at all times insurance policies for fire with extended coverage, vandalism, and malicious mischief, in the amount of the maximum insurable value of all common facilities, and such casualty and property liability or other insurance policies as the managers or members of the Association deem necessary.
2. Indemnification. Each officer, director, or manager of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in any proceeding to which he may be or become a party,

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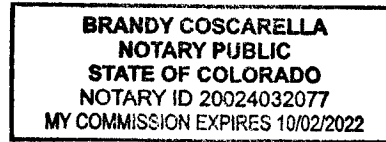
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Lori A Mitchell
Chaffee County Clerk

The foregoing instrument was acknowledged before me this 11th day of April, 2022, by Christopher Bainbridge as Managing Member of Sage Heights, LLC a Colorado limited liability company.

Witness my hand and official seal.

My commission expires 10/2/2022



Brandy Coscarella
Notary Public