SUPPLEMENT TO THE DECLARATION OF COVENANTS, THIS SECOND CONDITIONS AND RESTRICTIONS OF EDGEMONT HIGHLANDS (the "Supplemental Declaration") is made and entered into this // day of // 2005, by HIGHLANDS DEVELOPMENT II, LLC, a Colorado Limited Liability Company, of La Plata County, Colorado (hereinafter referred to as the "Declarant").

RECITALS

Phase 2B, Edgemont Highlands. Declarant is the owner of that real property located in the County of La Plata, State of Colorado, more particularly described as follows (hereinafter referred to as "Phase 2B"):

SEE EXHIBIT A. ATTACHED HERETO AND MADE A PART HEREOF BY THIS REFERENCE.

- Edgemont Highlands Governing Documents. Declarant is the successor declarant to В. Highlands Development I, LLC under the Amended and Restated Declaration of Covenants, Conditions and Restrictions of Edgemont Highlands recorded on the 11th day of May, 2004 as Reception No. 884350 (the "Amended and Restated Declaration") and First Supplement to the Declaration of Covenants, Conditions and Restrictions of Edgemont Highlands recorded November 3, 2004 as Reception No. 896541 (the "First Supplement") in the office of the Clerk and Recorder of La Plata County, Colorado and the Governing Documents of Edgemont Highlands.
- Plats of Edgemont Highlands Phase 1 and Phase 2A. EDGEMONT HIGHLANDS, C. PHASE 1, Project No. 2003-290, was platted according to the plat thereof filed January 20, 2004 as Reception No. 877022, La Plata County, Colorado("Phase 1"). EDGEMONT HIGHLANDS, PHASE 2A, Project No. 2004-221, was platted according to the plat thereof filed November 3, 2004 as Reception No. 896542, La Plata County, Colorado ("Phase 2A").
- Declaration Definitions. Except to the extent expressly defined otherwise herein, the terms D. used in this Supplemental Declaration shall have the same meaning as set forth in the Amended and Restated Declaration. Specifically, the Amended and Restated Declaration provides the following pertinent definitions in Article II thereof:
 - "Supplemental Declaration": An instrument Recorded pursuant to Article IX which subjects additional property to this Declaration, identifies phases and neighborhoods, and/or creates or imposes additional easements, restrictions and obligations on the land described in such instrument.
- Expansion of Edgemont Highlands. The Amended and Restated Declaration provides in E. Article 9 as follows:

9.1 Expansion by Declarant.

Declarant may subject to the provisions of this Declaration all or any portion of the property described in Exhibit "B" by Recording a Supplemental Declaration describing the additional property to be subjected. A Supplemental Declaration Recorded pursuant to this Section shall not require the consent of any Person except the owner of such property, if other than Declarant.

It is the desire and intention of Declarant to supplement the Amended and Restated Declaration for the purpose of subjecting Phase 2B to the provisions of the Amended and Restated Declaration and the

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Governing Documents of Edgemont Highlands and to provide for the division of Phase 2B into Lots according to the supplemental plat filed for record under Reception No. **906548**, (the "Phase 2B Supplemental Plat") and as defined and described by the Amended and Restated Declaration and this Supplemental Declaration.

NOW, THEREFORE, Declarant hereby supplements the Declaration as follows:

- Neighborhood Architectural and Landscaping Guidelines, Declarant hereby declares that all of Phase 2B is to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, and improved subject to the limitations, restrictions, easements, conditions and covenants of the Governing Documents, the Plat of Phase 1 of Edgemont Highlands, the Plat of Phase 2A and the Supplemental Plat, all of which are declared and agreed to be in furtherance of a plan for the protection, subdivision, maintenance, improvement and sale of Phase 2B for the purpose of enhancing the value, desirability and attractiveness of Phase 2B and for the purpose of establishing a common interest planned community pursuant to the Colorado Common Interest Ownership Act (the "Act"). All provisions of this Supplemental Declaration, including without limitation the easements, uses, obligations, covenants, conditions, and restrictions hereof, are hereby imposed as equitable servitudes upon Phase 2B. All of the limitations, restrictions, easements, conditions and covenants herein shall run with the land and shall be binding on and for the benefit of all of Phase 2B and all parties having acquired any right, title or interest in Phase 2B, or any part thereof, and their successive owners or assigns.
- 2. **Division Into Lots Allocated Interests Voting**. Phase 2B is hereby divided into lots (the "Lots"), each consisting of a fee simple interest in a Lot as shown on the Supplemental Plat, and the improvements and fixtures located thereon. All Units under Edgemont Highlands Phase 1 and Edgemont Highlands Phase 2A and the Lots created by this Supplemental Declaration (also defined as "Units" under the Amended and Restated Declaration) shall be assessed equally pursuant to Article 8 of the Amended and Restated Declaration. Each owner of a Unit or Lot within Phase 2B shall be a Member of the Association and shall have one equal vote for each Unit in which they hold the interest required for membership under Section 6.2 of the Amended and Restated Declaration, except that there shall be only one vote per Unit. No vote shall be exercised for any property that is exempt from assessment under Section 8.8 of the Amended and Restated Declaration. All Class "A" votes shall be cast as provided in Section 6.3.3 of the Amended and Restated Declaration.
- 3. **Designation of Snow Slide Court/Ventana Pass Neighborhood.** Lots 116 through 132 of Phase 2B as shown on the Phase 2B Supplemental Plat is hereby identified and designated as a separate Neighborhood as defined in the Amended and Restated Declaration to be known as the "Snow Slide Court/Ventana Pass Neighborhood".
- 4. **Designation of Monarch Crest Trail Neighborhood.** Lots 134 through 158 of Phase 2B as shown on the Phase 2B Supplemental Plat is hereby identified and designated as a separate Neighborhood as defined in the Amended and Restated Declaration to be known as the "Monarch Crest Trail Neighborhood".
- 5. Incorporation of Provisions of the Declaration. All provisions of the Amended and Restated Declaration and Governing Documents are incorporated herein by this reference to the extent not inconsistent herewith. It is the purpose of incorporation of the terms of the original Amended and Restated Declaration and Governing Documents to have the provisions thereof construed to apply to and govern the management and administration of the Lots created by this Supplemental Declaration as a part of a singular common interest community consisting of the combination of the Lots established by the original Amended and Restated Declaration together with the Lots created by this Supplemental Declaration and previous

Supplemental Declarations, except as may be otherwise expressly set forth herein. This includes, but is not limited to, the provisions of the Amended and Restated Declaration concerning the following subjects:

- a. Assessments and Assessment procedures;
- b. HOA Reserve Payment requirements by initial Lot Owners other than Declarant
- c. Reserved Declarant Rights and Development Rights;
- d. General Easements, in addition to those expressly set forth on the Supplemental Plat or by this Supplemental Declaration;
 - e. Membership in the EDGEMONT HIGHLANDS Community Association, Inc.
 - f. Amendment and Enforcement procedures;
 - g. Association powers;
 - h. Provisions regarding Common Area
- 6. **Legal Description.** Every deed, lease, mortgage, will or other instrument shall legally describe a Lot created by this Supplemental Declaration by its identifying Lot letter or number on the recorded plat as follows:

Every instrument of conveyance, mortgage, deed of trust, or other instrument affecting the title to a Lot which legally describes said Lot in the manner set forth in this Section shall be construed to describe the Lot, together with all fixtures and improvements therein contained, and to incorporate all the rights incident to ownership of a Lot and all the limitations of ownership as described in the covenants, conditions, restrictions, easements, reservations, rights-of-way, and other provisions contained in this Supplemental Declaration, including the owner's membership in the EDGEMONT HIGHLANDS Community Association, Inc., and the easement of enjoyment to use the Common Area.

- 7. **Common Area/Open Space.** Declarant shall convey the initial Common Area/Open Space shown on the Supplemental Plat to the Association prior to the conveyance of a Unit to any Person other than a Builder. Such Common Area/Open Space shall, in all respects, be subject to the same terms, conditions, provisions, restrictions and obligations as set forth in the Amended and Restated Declaration and Governing Documents with respect to Common Area/Open Space within Phase 1 and Phase 2A.
- 8. **Neighborhood Architectural Guidelines and Landscaping Guidelines.** Pursuant to Section 4.1.1 and Section 9 of the Amended and Restated Declaration the Declarant may apply Architectural Guidelines and Landscaping Guidelines to Edgemont Highlands that vary from neighborhood to neighborhood.
- a. <u>Snow Slide Court/Ventana Pass Neighborhood Supplement to Architectural Guidelines.</u> Declarant herebydeclares that the Snow Slide Court/Ventana Pass Neighborhood is to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, and improved subject to the limitations, restrictions, and provisions of the Architectural Guidelines and the Landscaping Guidelines as set forth in the Amended and Restated Declaration as modified by provisions of **Exhibit B** attached hereto and incorporated herein by this reference.
- b. <u>Monarch Crest Trail Neighborhood Supplement to Architectural Guildelines and Landscaping Guidelines.</u> Declarant herebydeclares that the Monarch Crest Trail Neighborhood is to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, and improved subject to the limitations, restrictions, and provisions of the Architectural Guidelines and the Landscaping Guidelines as set forth in the Amended and Restated Declaration as modified by provisions of **Exhibit C** attached hereto and

incorporated herein by this reference. Declarant also declares that all residential dwelling improvements (with the exception of access driveways and utility connections) within the Monarch Crest Trail Neighborhood shall be constructed wholly within the building envelopes designated on the **Exhibit D** attached hereto and incorporated herein by this reference, subject, however, to the right of Declarant or ARC to grant variances (up to the county minimum standards) for such building envelopes, however, such variances will only be considered for minor adjustments when no other reasonable alternative exists. These building envelopes have been created to establish a greater standard of privacy between homes and along street frontages.

9. General Provisions.

- a. If any of the provisions of this Supplemental Declaration or any paragraph, sentence, clause, phrase or word, or the application therein in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of this Supplemental Declaration, and the application of any such provisions, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.
- b. That whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.
- c. In the event of any inconsistency between the terms of this Supplemental Declaration and the Amended and Restated Declaration, the terms and provisions of this Supplemental Declaration shall be controlling.

IN WITNESS WHEREOF, Declarant has duly executed this Supplemental Declaration this _1/12 day of April, 2005.

HIGHLANDS DEVELOPMENT II, LLC, a Colorado
Limited Liability Company
By: Tom D. Gorton, Inc., a Colorado corporation,
Manager
By a of track
Tom D. Gorton, President

STATE OF COLORADO)
) ss
COUNTY OF LA PLATA)

SUBSCRIBED AND SWORN to before me this /// day of @p.l., 2005, by Tom D. Gorton as President of Tom D. Gorton, Inc., Manager of Highlands Development II, LLC

WITNESS my hand and official seal. My commission expires:

Notary Public

Exhibit A

EDGEMONT HIGHLANDS - PHASE 2B

Legal Description:

A tract of land located in Section 7, Township 35 North, Range 8 West, New Mexico Principal Meridian, in La Plata County, Colorado, being more particularly described as follows:

Beginning at the North 1/4 Corner of said Section 7;

Thence S 00°17'37" W, 1309.59 feet along the easterly line of the NW1/4 of said Section 7 to the Center-North Corner of said Section 7;

Thence S 89°30'11" W, 81.36 feet along the southerly line of the NE1/4NW1/4 of said Section 7; Thence S 21°17'26" E, 329.58 feet;

Thence S 42°50′59" E, 500.62 feet to the northerly line of Edgemont Highlands, Phase 1 recorded in the Office of the La Plata County, Colorado, Clerk and Recorder under Reception No. 877022;

Thence S 67°42'52" W, 379.20 feet along the northerly line of said Edgemont Highlands, Phase 1 to the northerly line of Edgemont Highlands, Phase 2A recorded in the office of said clerk and recorder under Reception No.896542;

Thence along the arc of a non-tangent curve to the left with a delta angle of 6° 40' 04" and a radius of 430.00 feet for a distance of 50.04 feet, the long chord bears N 20° 57' 02" W, 50.01 feet along the northerly line of said Edgemont Highlands, Phase 2A;

Thence N 67°42'52" E, 297.95 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence N 39°35'48" W, 395.16 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence S 35°32'13" W, 295.35 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence along the arc of a non-tangent curve to the left with a delta angle of 66° 37' 40" and a radius of 430.00 feet for a distance of 500.04 feet, the long chord bears N 88° 43' 22" W, 472.33 feet along the northerly line of said Edgemont Highlands, Phase 2A;

Thence S 57°57'48" W, 84.49 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence S 32°02'12" E, 107.28 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence along the arc of a tangent curve to the right with a delta angle of 81° 55' 40" and a radius of 120.00 feet for a distance of 171.59 feet, the long chord bears S 08° 55' 38" W, 157.34 feet along the northerly line of said Edgemont Highlands, Phase 2A;

Thence S 40°06'32" E, 60.00 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence S 36°00'28" E, 151.04 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence S 53°16'07" W, 483.91 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence N 37°41'00" W, 135.27 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence along the arc of a non-tangent curve to the right with a delta angle of 22° 34' 25" and a radius of 330.00 feet for a distance of 130.01 feet, the long chord bears S 70° 18' 54" W, 129.17 feet along the northerly line of said Edgemont Highlands, Phase 2A;

Thence S 81°36'06" W, 302.48 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence along the arc of a tangent curve to the left with a delta angle of 101° 41' 16" and a radius of 70.00 feet for a distance of 124.24 feet, the long chord bears S 30° 45' 28" W, 108.56 feet along the northerly line of said Edgemont Highlands, Phase 2A;

Thence S 20°05'10" E, 8.46 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence along the arc of a tangent curve to the left with a delta angle of 90° 00' 00" and a radius of 20.00 feet for a distance of 31.42 feet, the long chord bears S 65° 05' 10" E, 28.28 feet along the northerly line of said Edgemont Highlands, Phase 2A;

Thence S $69^{\circ}54'50''$ W, 80.00 feet along the northerly line of said Edgemont Highlands, Phase 2A; Thence N $20^{\circ}05'10''$ W, 28.46 feet;

Thence along the arc of a tangent curve to the right with a delta angle of 76° 23' 38" and a radius of 130.00 feet for a distance of 173.33 feet, the long chord bears N 18° 06' 39" E, 160.78 feet; Thence N 30°19'10" W, 586.03 feet;

Thence N 14°08'21" W, 774.02 feet to the southerly line of the NW1/4NW1/4 of said Section 7; Thence N 89°36'44" E, 618.20 feet along the southerly line of the NW1/4NW1/4 of said Section 7 to the Northwest 1/16 Corner of said Section 7;

Thence N 00°09'25" W, 1310.84 feet along the easterly line of the NW1/4NW1/4 of said Section 7 to the West 1/16 Corner common to said Section 7 and Section 6, T 35 N, R 8 W, N.M.P.M.;

Thence N 89°27'35" E, 1352.08 feet along the northerly line of said Section 7 to the point of beginning.

Contains 82.229 acres, more or less.

Exhibit B

Snow Slide Court/Ventana Pass Neighborhood Supplement to the Architectural Guidelines

The Architectural Guidelines and Landscaping Guidelines as set forth in the Amended and Restated Declaration are hereby adopted for the Snow Slide Court/Ventana Pass Neighborhood with the following exception:

Item 5c is hereby modified as follows:

Lots 116 through 132 as shown on Phase 2B of Edgemont Highlands shall have a minimum of 1,600 square feet of heated livable space and no more that 3,600 square feet of heated livable space. An applicant may apply for a variance on the maximum square footage of up to 20% of the maximum by demonstrating that the additional space is created without adding bulk to the exterior. An example of this would be including an upstairs bedroom within the roof structure by use of dormers. Approval is at the sole discretion of ARC.

Exhibit C

Monarch Crest Trail Neighborhood Supplement to the Architectural Guidelines

The Architectural Guidelines as set forth in the Amended and Restated Declaration are hereby amended for the Monarch Crest Trail Neighborhood as follows:

1. Purpose and Control

No Change.

2. Architectural Character

The Monarch Crest Trail Neighborhood consists of significantly larger lots in a more remote area of Edgemont Highlands with more varied terrain. In acknowledgment of these conditions, modifications to the Architectural Guidelines are warranted. And, while the general guidelines for architectural character remain, greater latitude will be given for broader architectural styles within the Monarch Crest Trail Neighborhood. Along with the broader architectural latitude will come more responsibility for the architectural drawings which will detail the finishes within these homes. The use of a qualified architect/designer is strongly encouraged.

3. Overall Compatibility

No change.

4. House Siting

The proper siting of the home is one of the most important components in its design. The following principles need to be adhered to:

- a. No change.
- b. No change
- c. No change.
- d. Recommended Building Setbacks: Attached as Exhibit D and incorporated herein by this reference is a map showing recommended building setbacks for lots within the Monarch Crest Trail Neighborhood. These setbacks vary according to the terrain, building site and size of each particular lot. In most cases the setbacks are in excess of county minimum standards. These setbacks have been established to create a greater minimum standard of privacy between homes and along the street frontage.

While the ARC does retain the ability to grant variances (up to the county minimum standards) for these setbacks, variances will only be considered for minor adjustments when no other reasonable alternative exists.

- e. House Footprint: Refer to 5c.
- f. Garage and Garage Orientation: One of the objectives of the Edgemont Highlands Architectural Guidelines is to discourage garages from facing the street. Therefore, owners within the Monarch Crest Trail Neighborhood are strongly encouraged to orient their garage doors in such a way that they do not face the street. Garages may be detached as long as the garage matches the architectural style of the house. Each home shall have, at a minimum, a two car garage. No home shall have more than three garage doors. Double depth garages to accommodate the storage of other vehicles are allowed as long as the general architectural requirements are met. If the garage faces the street it can be no more than a two car garage and it is preferable be comprised of two one car doors with a maximum width of 10 feet per door and a maximum height of 9 feet per door, with an overall maximum garage width of 26 feet. A single garage door of up to 12 foot wide and 12 foot high will be allowed provided that it does not face the street, is blocked from the view of the street to the maximum extent possible and adequate architectural detailing has been incorporated to minimize the visual or architectural impact of this door. The front facade of the house should be at least six feet wider than the overall garage width. Minimization of snow shedding over garage doors is encouraged. If garage doors do not face the street a maximum of three doors are allowed with a maximum overall width of 38 feet. If a two-car garage door does face the street, the garage is required to be recessed from the front façade of the house by a minimum of 4 feet. The Declarant/ARC Committee may make an exception if onerous grading and/or terrain issues exist. Longer driveways are encouraged to be narrower once they leave the garage and street access points. There is no predetermined limitation to the depth of a garage as long as the architectural element is proportional.
 - g. Driveways: No Change

5. Size Requirements and Building Type

As additional Phases at Edgemont Highlands are developed, alternate requirements will be imposed upon each Phase. For the Monarch Crest Trail Neighborhood within Phase 2B the following requirements will be in effect:

- a. Not applicable.
- b. Not applicable.
- c. For all lots within the Monarch Crest Trail Neighborhood except lots 144, 149, 153, 156 and 157 the minimum heated livable Square Footage shall be 2,600 Sq Ft and the maximum heated livable Square Footage shall be 5,500 Sq Ft. For lots 144, 149, 153, 156, and 157 the minimum Square Footage shall be 2,800 Sq Ft and the maximum Square Footage shall be 6,500 Sq Ft. On any of the lots within the Monarch Crest Trail Neighborhood an applicant may apply for a variance on the maximum Square Footage of up to 20% of the maximum by demonstrating that the additional space is created without adding bulk to the exterior of the building. An example of this would be including an upstairs bedroom within the roof structure by use of dormers or the effective use of walkout basement areas. Approval is at the sole discretion of the ARC.

6. Exterior Mass and Form

No change.

7. Height

The general requirements of this section shall remain intact except that the ARC will give greater latitude in allowing the 35 foot maximum height as set forth in Section 7.

8. Exterior Materials

No change.

9. Roofs

a. Roof forms are one of a homes most dominant architectural features. For this reason, the roof design will be one of the most carefully considered elements of the ARC review. Within the broader latitude of architectural styles allowed within the Monarch Crest Trail Neighborhood it is likely that roof forms will be more varied. Requirement i., which reads: "Large, unbroken expanses of a single pitch are not encouraged. Ideally a roof will have several different planes and pitches to create interest. More simple roof forms can be approved with more scrutiny to proportions and fascia details" remains. The requirements of ii.-vi. are waived so as to allow greater freedom in designing homes with more unique or distinctive architectural features. However, it is important to state that the waiving of these specific requirements in no way diminishes the importance of the roof form and in many ways assigns a higher level of responsibility in meeting the general requirements within Edgemont Highlands for this neighborhood. The waiving of these specific requirements inherently adds to the subjectivity of the ARC interpretation of the Edgemont Highlands guidelines. Perspective buyers should be aware of this and accept that subjectivity.

b. Roof materials:

- i. No change.
- ii. No change.
- iii. No change.
- iv. No change.
- v. The use of larger areas of EPDM flat roofs will potentially be considered within the greater latitude of architectural design.

10. Exterior Detailing

No change.

11. Foundations and Foundation Vents

No change.

12. <u>Chimneys</u>

No change.

13. Roof and Wall Penetrations

No change.

14. <u>Detached Structures</u>

No change.

15. Accessory Structures

No change.

16. Antennas

No change.

17. Awnings

No change.

18. <u>Mechanical Equipment</u>

No change.

19. Solar Equipment

No change.

20. Exterior Lighting

No change.

21. <u>Fireplaces</u>

No change.

22. Manufactured Homes

Partially pre-manufactured, kit or modular homes are SPECIFICALLY prohibited in the Monarch Crest Trail neighborhood. Mobile homes are strictly prohibited even if installed on a permanent foundation. The determination of what constitutes a mobile home is left to the sole discretion of the Architectural Review Committee.

23. Wildfire Mitigation

No change.

24. Sheds

No change.

25. <u>Construction Guidelines</u>

No change.

26. Builder and Quality Requirements

No change.

Exhibit C (Cont.)

Monarch Crest Trail Neighborhood Supplement to the Landscaping Guidelines

The Landscaping Guidelines as set forth in the Amended and Restated Declaration are hereby adopted for the Monarch Crest Trail Neighborhood with the following exception:

Item 6 is hereby modified as follows:

- The Dog run must be shielded from front elevation as much as possible.
- The Dog run must run generally parallel to the side or real elevation of the home, be no more than 12' wide and no closer than half the required setback from the fromproperty line. (i.e. if the setback is 40' then it must be 20' from the property line.)
- The dog run must be set back at least 20' from front elevation it is parallel to.
- The dog run may comprise no more than 750 square feet.
- The fence material cannot be taller than 6' and must be a solid material consistent or compatible with materials used on the house with a consistent or compatible color.
- Invisible dog containment fences are not allowed.



