

7

**FOURTH AMENDED COVENANTS, CONDITIONS AND RESTRICTIONS
OF PINE RIVER RANCHES SUBDIVISION #2**

The undersigned, being a majority of the lot owners of the lots in PINE RIVER RANCHES SUBDIVISION NO. 2, as the same are shown and designated on the official plat thereof, filed in the office of the La Plata County Clerk and Recorder on May 14, 1971, under Reception No. 364483, do hereby adopt, enact and impose upon all of the Lots numbered 1 through 91, inclusive, in said Subdivision the following Covenants, Conditions and Restrictions, effective as of May 11, 2009.

The existing Protective Covenants of Pine River Ranches Subdivision No. 2 dated May 15, 1971, and recorded July 22, 1971, Under Reception No. 365586, as supplemented by Supplemental Protective Covenants and Reservation of Ditch Right-of-Way on Pine River Ranches Subdivision No. 2 recorded August 4, 1982, under Reception No. 472427, and the Third Amended Covenants recorded on December 27, 1991 under Reception No. 620886, are hereby replaced by the Covenants, Conditions and Restrictions herein except that the reservation of rights-of-way created and reserved under the Supplemental Protective Covenants and Reservation of Ditch Right-of-Way recorded August 16, 1971, heretofore referenced, shall remain in full force and effect and unaffected by this Fourth Amended Covenants, Conditions, and Restrictions.

The following Covenants, Conditions and Restrictions shall apply to each and every lot, shall be binding upon and inure to the benefit of all lot owners, their successors in interest and assigns, and are adopted for the purposes of the protection and benefit of all of the lots and lot owners, and to ensure orderly development and compatibility of on-going use of the property. They are implemented in accordance with duly enacted By-laws and Statement of Policies and Procedures approved by the Association or its Board of Directors. All lots when sold shall be sold and conveyed subject to these Covenants, Conditions, and Restrictions, which are as follows:

1. These Covenants are to run with the land and be binding upon all parties and all persons claiming under them until the year 2025 A.D., at which time said Covenants shall be automatically extended for successive periods of ten (10) years. These Covenants may be amended at any time by the affirmative vote of the then record owners of a majority of the lots in the Subdivision, each lot being entitled to one vote.

Stephanie McCann
409 Pine River Ranch Circle
Bayfield, CO 81122

Linda Daley
Laplata County Clerk

5/22/2009 10:24 AM
R\$36.00 DS0.00

996491
1 of 7
COV

2. If the owner or owners of any lot or lots, or their grantees, successors in interest or assigns, shall violate or attempt to violate any of the Covenants herein provided, any person or persons owning any real property in said Subdivision, or the Association of Landowners, have the right to call each misuse to the attention of the misuser and to prosecute any action in the proper court to enjoin such party from violation such Covenant, or to recover damages for such violation including costs and attorney fees incurred in the pursuit of such action for such violation, or both.

3. All lots in Pine River Ranches Subdivision No. 2, except Lot No. 91, are hereby designated residential lots. No structures shall be erected, altered, placed or permitted to remain on any lot except single family residences and buildings related thereto. This provision shall not prevent the combination of adjoining lots, but no lots except those listed hereafter shall be further subdivided.

4. Lots numbered 36, 50, 76, 77, 78, and 79 may be further subdivided, but only with appropriate governmental approval by the authority of La Plata County.

5. Lot No. 91 is designated as a community park, is presently owned by the Pine River Ranches Landowners Association, Inc. as Trustee for all the Landowners, and shall be administered and maintained and the use thereof controlled in accordance with the Bylaws of said Association and at the discretion of the Board of Directors of the Association.

6. No more than two residences, consisting of one principal residence with an appurtenant guest house, and appropriate outbuildings such as garage, storage shed, wood shed, and stables shall be erected on each lot.

7. Notwithstanding anything else herein contained, these Covenants shall not operate to limit or restrict any and all rights and interests in oil, gas, coal, and other mineral rights, and the rights of exploration and development thereof, including the reservations contained in the U. S. Patent recorded February 29, 1889, in Book 23, at Page 265, except that any visible structure maintained in connection with such development shall be as minimal as possible.

8. No principal residence shall be erected upon lots within the Subdivision unless such residence shall have at least 800 square feet for a single-story dwelling, or 700 square feet on the

ground floor of a multi-story dwelling, such area to apply to enclosed and heated household living area, exclusive of open porches and garages. A guest facility, if constructed appurtenant to the principal residence, shall have at least 600 square feet for a single-story dwelling or 500 square feet on the ground floor of a multi-story dwelling.

9. No building or structure shall be erected within fifteen (15) feet of any lot line and the front set-back for the principal residence shall be not less than forty (40) feet.

10. The exterior of all buildings on all lots shall be completed within twelve (12) months of start of construction thereof.

11. Each person constructing a building, or water or sanitary facilities, upon any lot shall comply with applicable State and County building codes. Sanitary disposal facilities shall meet the required standards of the appropriate State and County authorities for installation and maintenance and shall comply with these Covenants.

12. No outdoor toilets shall be erected or maintained upon any lot at any time. During construction, temporary rental sanitary toilet units will be permitted.

13. Natural trees and vegetation shall be reasonably preserved, and shall not be removed except to the extent reasonably necessary in the construction of buildings, access routes and landscaping. Diseased or dead vegetation, or that which poses a danger to existing structures, may be trimmed or removed at any time. Property owners may also create and maintain fire-defensible areas around their structural improvements in accordance with an appropriate plan sanctioned by the Upper Pine River Fire Protection District or other agency of competent jurisdiction.

14. No travel trailer, trailer house, mobile home or similar structure shall be permitted on any lot within the Subdivision with the following exceptions:

(a) Any lot owner who has constructed a permanent dwelling on his property in conformity with the Protective Covenants shall be permitted to park a recreational vehicle on his lot for his personal use. Such owner may permit a guest to park such a vehicle on his lot for temporary use not to exceed one hundred eighty (180) days in any one calendar year.

(b) Any lot owner who desires to live on the property, to supervise and/or assist in the construction of a permanent residence in conformity with the Protective Covenants shall be permitted to place a trailer or mobile home on his lot during the construction period; however, such trailer or mobile home shall not remain on any lot for a period in excess of two (2) years, and shall be connected to an appropriate sanitary septic facility and water supply.

(c) Any vacant lot owner or his guest shall be permitted to bring a travel trailer or recreational vehicle onto his vacant lot for vacation purposes, provided said trailer or vehicle does not remain on the lot for a period greater than one hundred eighty (180) days per calendar year, and that no permanent improvements other than a well, septic system and other utility lines are constructed on said lot. After the removal of the travel trailer or mobile home at the end of the vacation period, no temporary or permanent structures, except as herein provided, shall remain on said lot.

15. All livestock and animals kept on the property by any person shall be reasonable and adequately restricted, confined so as not to wander at large upon property other than the property of the owner, or property where the animals are kept with the consent of the owner of that property, and controlled so as not to be a nuisance to neighbors or other property owners. La Plata County regulations with regard to ownership, maintenance, and control of animals shall control.

16. No rubbish, trash, or other unsightly material shall be maintained on the property. No materials shall be stored on the property except construction materials intended for use upon the lot upon which the same are stored, or materials which are neatly stacked or properly covered or in an enclosed building.

17. No unused or inoperative vehicles, equipment or machinery shall be kept or stored on any lot except in a closed garage or building. An unused "vehicle" shall be defined as any vehicle or vehicular machine which has not been driven under its own power for a period of thirty (30) consecutive days or longer.

18. No commercial activity which is in violation of the zoning laws, codes, and regulations concerning such use promulgated by La Plata County shall be conducted on any lot.

19. Prior to installing improvements above the surface of the ground upon any lot, each owner shall submit plans and a description of the exterior design and material to a Design Committee composed of subdivision owners, for approval; and the same shall be deemed approved unless reasons for nonapproval are furnished to the owner in writing within thirty (30) days of the date of submission.

20. The exterior of each building shall be completed within one (1) year of the commencement of construction of such building, and the exterior of all buildings shall conform to the rustic wilderness setting of the property. The exterior of out-buildings shall conform in construction material and finish to the exterior of the main dwelling unless a variation is approved by the Design Committee referred to above. The Design Committee will evaluate submittals in accordance with guidelines set forth in paragraph 5.8 of the Bylaws.

21. No owner of property within any Subdivision to which these restrictions are applicable shall deny access for fishing purposes to any stream or natural water, to the owner of any property within this Subdivision, such access to be along the stream only through an easement established or reserved in a conveyance.

22. No one acting in his or her capacity as a Board member or Committee member shall be individually liable for acts or decisions or the results thereof made in that capacity and within the parameters of these Covenants or the Articles of Incorporation and By-laws of the Association for any costs incurred in that regard.

23. All owners of lots shall have the legal right and obligation to be members of the Pine River Ranches Landowners Association, Inc. (herein the "Association"), which is a nonprofit corporate organization duly formed under the laws of the State of Colorado. By consent or acceptance of a deed or other conveyance or by entitlement of operation of law, each owner shall become a member of the Association.

24. The Board of Directors of the Association shall elect a board member to act as Secretary/Treasurer. The Treasurer shall keep true and accurate records of all revenue and expenses during the Association's fiscal year, and shall mail or hand deliver a written copy to all

members of the Association at least seven days prior to the annual meeting.

The Association shall levy and collect assessments in accordance with the Association Bylaws for the purposes of promoting the recreation, health, safety, and welfare of the residents and owners of lots; for prudently conducting the business of the Association; for continuous maintenance of the bridge and roads within and providing access to the Subdivision; and the lake and land which it holds as Trustee for the landowners. The annual assessment shall be in an amount fixed by the membership at the annual meeting or by an affirmative mail ballot of the owners of a majority of the lots in the Subdivision. The membership may fix the annual assessment by establishing a maximum amount that the Board of Directors may collect.

Assessments will be based on the following three-tier structure:

- (a) unimproved lots
- (b) improved lots with seasonal residence
- (c) improved lots with continuous residence

Annual Assessments shall be payable annually and shall be due January 1st of each year. The Association also imposes a non-recurring assessment for any and all improvements requiring a building permit, in an amount determined from time-to-time by the Association, and memorialized in the By-laws. This non-recurring assessment is commonly known as "the road impact fee", and is collected to defray additional road and bridge maintenance costs which result from heavy construction traffic.

The assessments shall be a charge on the land and the Association shall have a lien upon each lot for the amount of any unpaid assessment plus the costs, interest, and attorney fees of foreclosing the lien which shall be enforceable against the land. Such assessments and cost of collection, including attorney fees and interest as established by the Board shall also be the personal obligation of the person or persons who are the owners of the lot at the time such assessment becomes due and payable to the Association.

The lien of the assessments shall have the priority established by paragraph 38-33.3-316,

C.R.S., as it may be amended from time to time. No sale or transfer shall relieve the personal liability of the owner for delinquent payments nor shall it relieve the lot from liability for any assessments thereafter becoming due or from the lien thereof.

25. The Board of Directors shall, each year, prepare a budget not exceeding the bona-fide estimates of revenues for the coming year plus reserves. Any expenditure or special assessments above this amount will require the prior approval of a majority of lot owners. Any work undertaken on behalf of the Association must be approved in advance by the Board, who shall require that costs for labor and materials be clearly set forth. Expenditures for the winter season road and bridge maintenance shall not exceed 30% of budget established per item 25 of this document.

26. Invalidation of any of these Covenants shall in no way affect the validity of the other provisions, which shall remain in full force and effect. These Covenants are implemented through the duly enacted By-laws and Statement of Policies and Procedures of the Association, as duly amended from time to time by the Association and its Board of Directors.

27. This instrument may be executed in one or more counterparts and each of such counterparts shall, for all purposes, be deemed to be an original, but all of such counterparts shall constitute one and the same instrument.

APPROVED: This 11th day of May, 2009

(S) _____
Secretary signature