

# THE UNITED STATES OF AMERICA.

U.S. Series

Certificate No. 4,64

To All to Whom these Presents shall come; GREETING:

Whereas, Lizziel A. Sanders of Mesa County, Colorado

has deposited in the General Land Office of the United States a Certificate of the Register of the Land Office at Gunnison, Colorado whereby it appears that full payment has been made by the said

Lizziel A. Sanders according to the provisions of the Act of Congress of the 24th of April, 1820, entitled "An Act making further provision for the sale of the Public Lands," and the Acts supplemental thereto, for the North West quarter of Section thirty in Township one South of Range one East of the Meridian in Colorado containing one hundred and fifty eight eight acres and sixty five hundredths of an acre

according to the Official Plat of the Survey of the said Lands, returned to the General Land Office by the Surveyor General, which said Tract has been purchased by the said Lizziel A. Sanders

Now Know Ye, That the United States of America, in consideration of the premises, and in conformity with the several Acts of Congress in such case made and provided, have given and granted, and by these presents do give and grant unto the said Lizziel A. Sanders

and to his heirs, the said Tract above described: To Have and to Hold the same, together with all the rights, privileges, immunities and appurtenances, of whatsoever nature, thereunto belonging, unto the said Lizziel A. Sanders

and to his heirs and assigns forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing or other purposes, and rights to ditches and reservoirs used in connection with such water rights as may be recognized and acknowledged by the local customs, laws and decisions of Courts, and also subject to the right of the proprietor of a vein or lode to extract and remove his ore therefrom, should the same be found to penetrate or intersect the premises hereby granted, as provided by law, and there is reserved from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States.

In Testimony Whereof, I, Benjamin Harrison President of the United States of America, have caused these letters to be made patent, and the Seal of the General Land Office to be hereunto affixed.

Given under my hand, at the City of Washington, the third day of December, in the year of our Lord one thousand eight hundred and ninety, and of the Independence of the United States the one hundred and fiftyth.

BY THE PRESIDENT: Benjamin Harrison

By Edward Macfarland Secretary.

J. W. Powell Recorder of the General Land Office.



Recorded, Vol. 3 Page 80

Filed for Record the 7th day of April A. D. 1890 at 9:30 o'clock A. M.

J. W. Powell Recorder  
Deputy Deputy



DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS  
OF  
COVENTRY CLUB

THIS DECLARATION, Made on the date hereinafter set forth by Oxford Ave., Ltd., of Grand Junction, a Colorado partnership hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the City of Grand Junction, County of Mesa, State of Colorado, which is more particularly described as:

See Exhibit "A" which is attached hereto and made a part hereof by this reference.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold, conveyed and occupied subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Coventry Club Homeowners Association, Inc., a Colorado corporation, not for profit, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Member" shall mean every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers.

Section 4. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 5. "Common Area" shall mean all real property except individual Townhome Lots, which is owned as appurtenant, undivided interests by the individual Lot owners and is controlled, operated and maintained by the Association for the common use and enjoyment of the Owners.

Section 6. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 7. "Declarant" shall mean and refer to Oxford Ave., Ltd., of Grand Junction, its successors and assigns if

such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 8. "Planting Area" shall mean an area within the interior lines of a Lot which Declarant shall designate as a "Planting Area", the improvement, landscaping, maintenance and upkeep of such area to be the responsibility of the Owner thereof. Such designation shall be made prior to the conveyance of the Lot to purchaser and purchaser shall be advised by Declarant of the size, shape and location of the Planting Area prior to purchase of the Lot.

## ARTICLE II

### PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to all of the Common Area which 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 adopt reasonable rules and regulations for the use of the Common Area, including but not limited to, the right to place limitations on the number of guests and, to charge reasonable admissions and other fees for the use of any recreational facility situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and right to use of the common area by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations.

(c) The right of the Association, subject to the provisions of the Articles of Incorporation, to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members;

(d) The right of individual Owners to the exclusive use of parking spaces as provided in this Article;

(e) The right of the Association to receive, on a timely basis, from each Owner, proof of existing fire and extended coverage insurance on all personal property situated in and on the Owner's Lot, including unit contents, wall coverings, appliances and similar such possessions.

No such dedication or transfer referred to in (c) shall be effective unless an instrument signed by at least seventy-five percent (75%) of each class of members agreeing to such dedication or transfer has been recorded.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Parking Rights. Ownership of each Lot shall entitle the Owner or Owners thereof to the use of two (2) automobile parking spaces within the perimeter of the

Properties. The Association shall permanently assign two vehicle parking spaces for each dwelling, which parking spaces shall be as near and convenient to said dwelling as reasonably possible.

Section 4. General Restrictions.

(a) Antennae. No exterior radio and/or television antennae shall be erected or maintained in Coventry Club.

(b) Insurance Rates. Nothing shall be done or kept in Coventry Club which will increase the rate of insurance on any Association Property without the approval of the Board, nor shall anything be done or kept in Coventry Club which would result in the cancellation of insurance on any Association Property or which would be in violation of any law.

(c) No Further Subdividing. No Lot may be further subdivided, nor may any easement or other interest therein less than the whole be conveyed by the Owner thereof; provided, however, that nothing herein shall be deemed to prevent or require the approval of the Board for the transfer or sale of any Lot to more than one person to be held by them as tenants in common or joint tenants.

(d) Signs. No sign of any kind shall be displayed to the public view without the approval of the Architectural Committee, except such signs as may be used by Declarant in connection with the development of Coventry Club and sale of residences and Lots and except such signs of customary and reasonable dimensions as set forth by the Committee as may be displayed on or from a residence advertising the residence for sale or lease. All signs, except such signs as may be used by Declarant, shall be placed on the exterior of the residence parallel to the exterior wall. Any "For Sale" or "For Lease" signs not more than three (3) feet by two (2) feet, plain white with black block letter, shall not require Committee approval.

(e) Animals. No animals of any kind shall be raised, bred or kept, except that a reasonable number of dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose. A "Reasonable Number" as used in this Section shall ordinarily mean no more than two (2) pets per household, provided, however, that the Association (or the Architectural Committee or such other person or entity as the Association may from time to time designate) may determine that a Reasonable Number in any instance may be more or less.

(f) Air Conditioning. No window air conditioning units shall be installed. Central air conditioning units shall be installed. Central air conditioning systems may be installed by Owner at any time. Placement of condenser must be approved by the Architectural Committee, and the Owner must submit a placement drawing for approval.

(g) Trash. The Coventry Club Homeowners Association shall provide a regular trash pick-up service. All trash shall be placed in centralized receptacles to be furnished by the Association. The Association will notify each Owner as to the particular trash receptacle to be used and the day(s) of the week the trash pick-up(s) will be made.

(h) Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any property within Coventry Club, and no odors shall be permitted to arise therefrom so as to render any such property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes) shall be located, used or placed on any such property without the prior written approval of the Board of Directors of Coventry Club Homeowners Association.

(i) Exterior Maintenance and Repair. No Improvement upon any property within Coventry Club shall be permitted to fall into disrepair, and each Improvement shall at all times be kept in good condition and repair.

Maintenance and painting of the exterior surfaces (including roofs and fences, but excluding the interior surface of fences enclosing Patio and Planting Areas whose maintenance shall be the responsibility of each individual Owner, and also excluding glass surfaces) of all buildings and other improvements within Coventry Club shall be the sole right and responsibility of the Association. The Association shall see that all such surfaces are adequately painted, finished, or otherwise maintained so as to present at all times a pleasing and attractive appearance. The nature and type of such painting or refinishing, including the color thereof, shall be within the sole discretion of the Association. Such refinishing, painting or other incidental cosmetic maintenance shall be done at the expense of the Association.

All other maintenance, repair and upkeep shall be the responsibility of the Owner of the property in need thereof, who shall bear the expense thereof. In the event that any Owner shall permit any Improvement owned by him to fall into disrepair so as to create a dangerous, unsafe, unsightly or unattractive condition, the Association, upon thirty (30) days' prior written notice to such Owner, shall have the right to correct such condition and to enter upon such Homeowner's property for the purpose of doing so, and such Owner shall promptly reimburse the Association for the cost thereof. Such cost shall be a separate Assessment and shall create a lien enforceable in the same manner as other Assessments as set forth in Article IV below.

The Association shall be responsible for the removal of snow and ice from the streets and walks included within the Common Area. Each Owner shall be responsible for the removal of snow and ice from the walks included within the boundaries of the Owner's lot and the Planting Area.

(j) Payment of Utilities. Each Owner shall be responsible for the payment of all utilities, including gas, electricity, telephone, water and sewer which are provided to each Owner's Lot. Said utilities shall be flat rate or metered, as appropriate, and bills for each shall be sent to each Lot Owner, or tenant thereof, by the utility companies providing said services, where feasible.

(k) Maintenance of Lawns and Landscaping. Declarant may designate any portion of any Lot as Planting Area, and may declare it to be the duty of the Owner thereof to

maintain such areas within his Lot in a safe, sanitary and attractive condition. Upon the failure of any such Owner to so maintain or repair any such area, the Association shall, after approval by two-thirds (2/3) vote of the Board of Directors, have the right, but not the duty, to make such repairs or to perform such maintenance, and the cost thereof shall be charged to the owner. Said cost shall be a separate Assessment and shall create a lien enforceable in the same manner as other Assessments as set forth in Article IV below.

The Association shall landscape or plant and maintain in a neat and attractive condition the Common Area other than the Planting Areas.

(l) Violation of Coventry Club Rules. There shall be no violation of the Coventry Club Rules once adopted by the Board after Notice and Hearing. If any Owner, his family, or any licensee, lessee or invitee violates the Coventry Club Rules, the Board may suspend the right of such person to use the Association properties, under such conditions as the Board may specify, for a period not to exceed thirty (30) days for each violation. Before invoking any suspension, the Board shall give such person Notice and Hearing. In the event any Owner of any Lot shall violate any Coventry Club Rule or regulation which shall result in damage to any part of the Common Area or Improvements thereon, the Board of Directors shall have the right after Notice and Hearing to assess the cost of repair of such damages against the Lot of the Owner or Owners responsible for such damage. Such assessment shall be added to and become a part of the Assessment to which such Lot is subject. Notwithstanding anything to the contrary in this Declaration, the Board shall not have the power to bar any Owner from use of the Common Area necessary to allow the Owner free access to and from his Lot, his parking areas, and a public way, whether as a pedestrian or in or upon any appropriate vehicle.

(m) Drainage. There shall be no interference with the established drainage pattern over any property within Coventry Club unless adequate provision is made for proper drainage and is approved by the Architectural Committee. For the purposes hereof, "Established Drainage" is defined as the drainage which exists at the time the overall grading of any Association Property is completed, or which is shown on any plans approved by the Architectural Committee. A permanent easement across the Common Area for drainage purposes is hereby granted.

(n) No Hazardous Activities. No activities shall be conducted on any Property and no Improvements constructed on any property which are or might be unsafe or hazardous to any Person or property.

(o) No Temporary Structures. No tent or shack or other temporary building, Improvement or structure shall be placed upon any property.

(p) Improvements and Alterations. There shall be no excavation or construction or alteration which in any way alters the exterior appearance of any Improvement within Coventry Club, nor removal of any Improvement in Coventry Club (other than repairs or rebuilding pursuant to Section 4(i) hereof) without the prior approval of the Architectural Committee pursuant to Article V hereof.

(q) Residential Use: Rentals. No residence shall be used for any purpose other than single-family residential purposes. No gainful occupation, profession, trade or other non-residential use shall be conducted on any such Residential Area, provided, however, that nothing in this Declaration shall prevent the rental of property within a Residential Area by the Owner thereof for residential purposes, subject to all the provisions of the Coventry Club Restrictions.

(r) Vehicle Storage and Repair. No house trailer, camping trailer, hauling trailer, running gear or boat or accessories thereto, truck or pickup or van or camper van in excess of three-fourths (3/4) ton size shall be parked, stored, repaired, or maintained on any parking space, whether or not a designated parking space. This restriction shall not apply to commercial or other vehicles making business or service calls or deliveries to the residents or Owners of the Lots or to the Association or to contractors within the Properties. No vehicle of any type shall be parked on any parking space for the purpose of making any kind of repairs, other than routine maintenance work (e.g. engine oil change, waxing, minor engine tune-up).

(s) Exemption of Declarant. Nothing in the Coventry Club restrictions shall limit the right of Declarant to complete excavation, grading and construction of Improvements to any property within Coventry Club owned by Declarant, or to alter the foregoing or to construct such additional Improvements as Declarant deems advisable in the course of development of Coventry Club so long as any Lot in Coventry Club remains unsold, or to use any structure in Coventry Club as a model home or real estate sales or leasing office. Declarant need not seek or obtain Architectural Committee approval of any Improvement constructed or placed by Declarant on any property in Coventry Club owned by Declarant. The rights of Declarant hereunder and elsewhere in these restrictions may be assigned by Declarant.

Section 5. Easements.

(a) Reciprocal Easements. The Declarant hereby reserves for itself and the Association, their successors and assigns, a right of way and easement for exterior maintenance and repair of all Improvements, and the installation and continued operation, maintenance, repair, alteration, inspection and replacement of utility lines, including but not limited to, water lines, sewer lines, gas lines, telephone lines, television cable antenna lines and such other utility lines and incidental equipment thereon, over, under and across the Common Area and that portion of any Lot situate between any Improvement and the street adjacent thereto. Declarant or Association shall, except in cases of emergency, furnish to all affected Owners twenty-four (24) hours' notice before exercising the rights granted by this Article. Perpetual reciprocal easements for the aforementioned purposes shall exist both for the benefit and burden of all of the Owners.

(b) Easements for Encroachments. If any portion of an Improvement encroaches upon the Common Area, or upon an adjoining Improvement, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion of the Common Area encroaches upon an Improvement a valid easement

for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the Common Area or the Improvement.

(c) Reservation of Easements. Declarant reserves for itself and the purchasers of the existing and additional Coventry Club property the use of the easements set forth in this Article II which are intended to and shall be for the benefit of all Owners, and no reference thereto need be made in any Deed, instrument of coveyance or any other instrument.

(d) Easement for Utilities. The Declarant hereby grants a right of way and easement for utility purposes including, but not limited to, water lines, sewer lines, gas lines, telephone lines, television cable antenna lines and such other utility lines and incidental equipment over, under and across the Common Area. Such utility easements and rights of way shall be binding upon the Declarant and the Association and their respective successors and assigns.

(e) Easements for Access. Declarant reserves for itself and purchaser of Coventry Club property an easement across all of the Common Area which shall include the Common Area between each Lot and each private parking area; and also an easement as to all private streets and walkways included within the Common Area for the use of each Lot Owner, his family members, guests, invitees, licensees, lessees and installment contract purchasers.

(f) Easement for Additional Residential and Common Area.

(i) Declarant expressly reserves the right to enlarge this Townhome project in accordance with the provisions of Article IX, Section 4. Such addition to this Townhome project shall be expressed in and by a duly recorded supplement to this Declaration and supplemental subdivision map, as may be required.

(ii) Each Owner of a Lot subject to this Declaration shall have a non-Exclusive easement in common with all other Owners in the project for the use of all the Common Area.

Section 6. Insurance. Every Owner of a Lot shall maintain in full force an insurance policy, including fire and extended insurance coverage protection, on his unit's contents, including personal property, wall coverings, appliances and similar such possessions. The insurance coverage shall be in a face amount equal to at least eighty percent (80%) of the replacement value of such contents determined as of the effective date of the policy. Each Owner, or his representative, shall furnish to the Association, not later than thirty (30) days after the effective date or renewal date of any such insurance policy to the Association, not later than thirty (30) days after the effective date or renewal date of any such insurance policy a written statement prepared and signed by the insurer acknowledging the amount of coverage in force and stipulating that all necessary premiums have been paid for the period of coverage set forth in the statement. Each Owner shall further advise his insurer to furnish the Association with a copy of any Notice of Termination of Coverage forwarded to the insured. This Section shall apply to each Owner, irrespective of whether or not he occupies the Improvements on any Lots(s) owned by him.

MEMBERSHIP, VOTING RIGHTS, AND OWNERSHIP

Section 1. Membership. Every Owner, including Declarant, of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separate from ownership of any Lot which is subject to assessment.

Section 2. Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. At such time as the Class B membership is converted to Class A membership in the manner described below the Class A membership shall obtain and shall permanently retain exclusive control over the activities of the Association. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following, whichever first occurs:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) on July 1, 1988.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, which will include an amount considered to be adequate to maintain a reserve fund for maintenance, repairs and replacement of those common elements that must be replaced on a periodic basis, and (2) special assessments for capital improvements, such assessments to be established and collected as herein-after provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments.

(a) The assessments levied by the Association shall be used to promote the recreation, health, safety, and

welfare of the residents in the Properties and for the improvement and maintenance of the Common Area, and

(b) In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance for each Lot which is subject to Assessment hereunder, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks and other exterior improvements. Such exterior maintenance shall not include glass surfaces.

In the event that the need for maintenance or repair is caused through the willful or negligent act of any Owner, his family, guests, tenants or invitees, the cost of such maintenance or repairs shall be added to and become a part of the Assessment to which such Lot is subject.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the year in which the conveyance of the first Lot to an Owner occurred, the maximum annual assessment shall be Nine Hundred Dollars (\$900.00) per Lot.

(a) From and after January 1 of the year immediately following the year in which conveyance of the first Lot to an Owner occurred, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year without a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(b) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, not contemplated under Section 1 hereinabove, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots irrespective of Ownership interest in the Common Area and may be collected on a monthly basis. Assessments on unimproved Lots owned by Declarant shall, notwithstanding anything to the contrary in the preceding sentence, be at a rate

equal to 20% of the assessment rate applicable to Lots owned by Owners other than Declarant.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence, as to all Lots within the Property described on Page 1, on the first day of the month following the conveyance of the first Lot within such Property. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 8. Effect of Nonpayment of Assessments Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the date at the rate of 12 percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. 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 affect the 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 the payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

#### ARTICLE V

##### ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an Architectural Committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required, and this Article will be deemed to have been fully complied with.

#### ARTICLE VI

##### PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on or adjacent to the dividing line between the Lots shall constitute a party wall,

and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of normal reasonable repair and maintenance of the party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, the blanket policy of the Association shall cover same to the maximum extent available. Deficiencies in insurance proceeds for damage to party walls only shall be paid in proportion to such use by affected owners, without prejudice, however, to the right of any such Owners to call for a larger contribution from the other Owner under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, such dispute shall be resolved by arbitration, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

#### ARTICLE VII

##### EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, exterior surfaces of fences, except the interior surface of fences enclosing Planting and Patio Areas and glass surfaces whose maintenance shall be the responsibility of each individual Owner.

In the event that the need for maintenance or repair is caused through the willful and negligent act of the Owner, his family or guests, or invitees, the cost of such maintenance or repairs shall be added to and become a part of this Assessment to which such Lot is subject.

In the event an Owner of any Lot in the Properties shall fail to maintain the premises and the Improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said parcel and to repair, maintain, and restore the Lot and the exterior of the buildings and any other Improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the Assessment to which such Lot is subject.

ARTICLE VIII

POWERS AND DUTIES OF THE ASSOCIATION

Section 1. Association Duties. The Association shall have the obligation, subject to, and in accordance with, the Coventry Club Restrictions, to perform each of the following duties for the benefit of the Owners of each Lot within Coventry Club:

(a) Association Property. To accept and exercise jurisdiction over all property, real and personal, conveyed free and clear of all liens and encumbrances to the Association by Declarant, including (1) Common Areas, (2) Easements for operation and maintenance purposes over any Common Areas, and (3) Easements for the benefit of Association Members within the Common Areas.

For purposes of this paragraph, any easement in favor of the general public or portions thereof over roads or sidewalks conveyed to the Association for ingress to and egress from any sales office or model home complex of Declarant, shall not constitute a lien or encumbrance, and shall not preclude the acceptance by the Association of such property.

(b) Title to Property Upon Dissolution. To convey, upon dissolution of the Association, the assets of the Association to an appropriate public agency or agencies to be used for purposes similar to those for which the Association was created, or to a nonprofit corporation, association, trust or other organization organized and operated for such similar purposes.

(c) Operation of Common Areas. To operate and maintain, or provide for the operation and maintenance of all Common Areas designated by Declarant on the subdivision map or in which it owns easements either for operation and maintenance purposes for the benefit of Association Members; and to keep all Improvements of whatever kind and for whatever purpose from time to time located hereon in good order and repair.

(d) Payment of Taxes. To pay all real property taxes, assessments and charges levied upon any property conveyed, leased or otherwise transferred to the Association, to the extent not assessed to the Owners thereof. Such taxes, assessments and charges may be contested or compromised by the Association; provided, however, that they are paid or a bond insuring the payment is posted prior to the sale or other disposition of any property to satisfy the payment of such taxes. Declarant shall provide written notice to the Mesa County Assessor indicating the individual Lots created hereunder, and thereafter all taxes, assessments, and charges of any taxing jurisdiction shall be assessed against and collected from each Lot Owner separately, and any liens for taxes assessed to any Lot Owners shall be confined to his Lot, and undivided interest in the common area and shall in no way affect title to any other Lot Owner or the Project as a whole.

(e) Insurance. The Association shall obtain and maintain in full force and effect at all times certain casualty, liability and other insurance as hereinafter provided. All such insurance shall be obtained, to the extent possible, from responsible companies duly authorized to do insurance business in the State of Colorado, and paid for out of the annual Assessments of the Association.

The Association shall obtain insurance for the benefit of the Association, the Owners and their mortgagees, covering the risks on all buildings and improvements (as hereinafter defined) and all personal property owned by the Association, or included in the Common Elements, shall be insured in an amount equal to the maximum insurable replacement value (excluding foundation and excavation costs), as determined annually by the Board. The Board may obtain an appraisal in order to make its annual determination of the replacement value of such property.

Such insurance may include the following:

(1) A policy or policies of fire insurance, with extended coverage endorsement and coverage against vandalism and malicious mischief, for the full insurable replacement value of the Units and Common Area, payable as provided in paragraph (6) below, or such other fire and casualty insurance as the Board shall determine gives substantially equal or greater protection to the Owners and their mortgagees, as their respective interests may appear, which said policy or policies shall provide, in each case, for a separate loss payable endorsement in favor of the Owner and the mortgagee or mortgagees of each Unit and appurtenant interest.

(2) A policy or policies insuring the Board, the Owners, and any manager appointed as herein provided, against any liability to the public or to the Owners (of units and of the common area, and their invitees, or tenants), incident to the ownership and/or use of the property, and including the personal liability exposure of the Owners with respect to activities conducted in, upon or in connection with the property. Limits of liability under such insurance shall not be less than One Hundred Thousand Dollars (\$100,000.00) per person and Three Hundred Thousand Dollars (\$300,000.00) per occurrence for bodily injury or death, and Fifty Thousand Dollars (\$50,000.00) for property damage for each occurrence, with comprehensive personal liability coverage of Three Hundred Thousand Dollars (\$300,000.00), including (without limitation) fire legal liability and water damage legal liability (such limits and coverage to be reviewed at least annually by the Board and increased in its discretion). Said policy or policies shall be issued on a comprehensive liability basis and shall be cross-liability endorsed so that the rights of named insureds under the policy or policies shall not be prejudiced as respects his, her, or their action against another named insured.

(3) Workmen's compensation insurance to the extent necessary to comply with any applicable laws.

(4) A fidelity bond, in a commercial blanket fidelity bond form, naming the Manager, any persons who have access to the Units on behalf of the Board, and such other persons as may be designated by the Board as principals, and the Owners as obligees, in an amount at least equal to the estimated cash requirements (the cash budget) for the fiscal year, and for each year thereafter, in an amount at least equal to the previous year's cash receipts.

(5) A policy or policies insuring the Owners, individually or collectively, and the members of the Board, individually or collectively, against claims

arising out of or based upon negligent acts, errors, omissions or alleged breaches of duty of any member of the Board or officer, while acting in their capacity as such, in an amount up to Three Hundred Thousand Dollars (\$300,000.00) for each occurrence, such limits to be reviewed no less often than annually during the life of this agreement.

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(6) In the event of damage by fire or other casualties limited to a single unit, all insurance proceeds shall be paid to the Owner or Owners, or mortgagee or mortgagees of the Owner or Owners of such unit as their respective interest may appear; and such Owner or Owners or mortgagee or mortgagees shall and hereby covenant to use the same to rebuild or repair such unit in accordance with the condition prior thereto or changed as said Owner and Mortgagee may elect to the extent of the Owner's right to alter his unit under these Restrictions. If such damage extends to two or more units, or extends to any part of the Common Area, the following procedures shall be employed for disposition of insurance proceeds and guidance in reconstruction:

If the available insurance proceeds initially offered or paid by the insurer do not exceed the sum of \$50,000.00, and the cost of repairing or rebuilding does not exceed the amount of available insurance proceeds by more than \$5,000.00, then such insurance proceeds shall be paid to the Board in trust for the Owners of damaged units and all other Owners. The Board shall thereupon contract to repair or rebuild the damaged portions of all Units and the Common Area, in accordance with the condition prior to damage; and the funds held in the trust shall be used for that purpose. If the insurance proceeds are insufficient to pay all the costs of repairing or rebuilding, the Owners of the Units affected shall pay for the portion of the insufficiency attributed to their Unit by the Board, and the Board shall levy a special assessment on all Owners, in proportion to the interest of each Owner in the Common Area, to make up any deficiency attributed to the Common Area. The Board may request that all insurance proceeds be paid to a bank or trust company designated by the Board to be held for the benefit of the Owners and their mortgages as their respective interest may appear. The Board is authorized to enter on behalf of the Owners into such agreement, consistent with this Declaration, with such insurance trustee, relating to its powers, duties and compensation, as the Board may approve. In order to effect repairs or reconstruction of Units, the Board shall obtain firm bids from two or more responsible contractors to rebuilding the property in accordance with its condition prior to damage and destruction, modified at the direction of the Board, to comply with building codes and construction standards in effect at the time of the rebuilding and shall, as soon as reasonably possible thereafter, call a special meeting of the Owners to consider such bids. To be considered, any such bid shall include the premium payable for a performance, labor and material payment bond from a reputable bonding company. If the Board fails to do so within sixty days after the casualty occurs, any affected Owner may obtain such bids and call and conduct

such meeting as herein provided. Failure to call such meeting, or to repair such casualty damage, within 12 months from the date of such damage occurring shall be deemed, for all purposes, a decision not to rebuild said damaged building. At such meeting, the Owners may elect to reject all bids and thus not to rebuild. A vote in excess of 66-2/3% of the total vote shall be required to reject such bids; provided, however, that a vote in excess of 50% shall be required to elect to reject any such bid requiring an amount of more than \$15,000.00 in excess of available insurance proceeds to pay the contractor for performance of the work. Failure to reject all bids shall authorize the Board to accept the unrejected bid it considers most favorable. If a bid is to be accepted, the Board shall levy a special assessment in proportion to the interest of each Owner in the Common Area to make up any deficiency between the total insurance proceeds and the contract price for such repair or rebuilding, and such assessment and all insurance proceeds, whether or not subject to liens of mortgagees, shall be paid to said insurance trustee to be used for such rebuilding. If any Owner shall fail to pay the special assessment within 30 days after the levy thereof, the Board shall make up the deficiency by payment from the maintenance fund, exhausting any contingency reserve first, and seek collection from that Owner as provided herein for the collection of delinquent assessments.

Within sixty (60) days after any damage or destruction occurs which invokes the provisions of this subparagraph, the Manager, the Board, or if they do not, any Owner, the insurer, the insurance trustee or any mortgagee of any Owner may record a sworn declaration stating that such damage has occurred, describing it, naming any insurer against whom claim is or may be made, and the name of any insurance trustee, reciting that the sworn declaration is recorded pursuant to this paragraph of these Restrictions, and that a copy of such sworn declaration has been served on the Owners. If the Owners vote, or by their actions indicate, a desire not to rebuild, the Board shall see that all Owners of non-damaged Units, and all Owners of Units that are damaged, who are desirous of rebuilding and state same in writing, and first mortgagees of each, are fairly compensated out of insurance proceeds for any diminution in value of their Units because of the election of the requisite number of Owners not to rebuild. Said compensation shall also reflect any anticipated increases in annual assessments, due to a reduced number of Units, and said compensation shall be paid to said Owners, and/or first mortgagees, out of insurance proceeds before any other distributions are made of said proceeds.

(f) Manager. To retain and pay for the services of a person or firm to manage the Association Properties (the "Manager") to the extent deemed advisable by the Board, as well as such other personnel as the Board shall determine shall be necessary or proper for the operation of the Association Properties or the conduct of the business of the Association, whether such personnel are employed directly by the Association or are furnished by the Manager. The Association and the Board may delegate any of their duties, powers or functions to the Manager,

provided that any such delegation shall be revocable upon notice by the Association or Board. The Owners hereby release the Members of the Board from liability for any omission or improper exercise by the Manager of any such duty, power or function as delegated.

(g) Legal and Accounting Services. To retain and pay for legal and accounting services necessary as proper in the operation of the Association Properties, the enforcement of the Coventry Club Restrictions, or in performing any of the other duties or rights of the Association.

(h) Association Property Services. To pay for water, sewer, garbage, electrical, telephone, gas, maintenance, and gardening service, and other necessary utility or other services for that portion of Properties, owned by the Association.

(i) Recreational Facilities. To construct, maintain and repair, to the extent deemed advisable by the Board, recreational facilities and all Improvements relating to such facilities.

(j) Services. To provide a regular trash collection service for each improved Lot.

(k) Contracts. Neither Declarant nor any agent of Declarant shall enter into any contract which would bind the Association or the Board thereof for a period in excess of One (1) year, unless reasonable cancellation provisions are included in such contract.

(l) Payment of Utilities. To pay all utility charges applicable to the Common Area and not applicable directly to each Lot and the Planting Area of Each.

(m) Maintenance of Utility Lines. To maintain and repair all utility lines, including but not limited to, water and sewer lines within the perimeter of the Property. The cost of such maintenance and repairs to be paid by the Association from its general assessments receipts, except that as to any line within the boundaries of a Lot which is not a common line servicing more than one Lot, the cost of repairs incurred by the Association may be assessed to the Owner of such Lot and shall be considered a separate Assessment and shall create a lien enforceable in the same manner as other Assessments as set forth in Article IV.

(n) Rule Making. To make, establish, promulgate, amend and repeal the Coventry Club Rules.

(o) Enforcement of Restrictions and Rules. To perform such other acts, whether or not expressly authorized by the Coventry Club Restrictions, as may be reasonably necessary to enforce any of the provisions of Coventry Club Restrictions and the Architectural Committee Rules.

(p) Condemnation. If part of the Properties shall be taken or condemned by any authority having the power of eminent domain, such that no Lot, nor Common Area appurtenant thereto is taken, all compensation and damages for the account of the taking of the Common Area exclusive of compensation for consequential damages to certain affected Lots, shall be payable to the Association, as Trustee, for all Owners and their first Mortgagees according to the

loss or damages to their respective interest in such Common Area. The Association, acting through the Board, shall have the right to act on behalf of the Owners with respect to the negotiation and litigation of the issues with respect to the taking and compensation effecting the Common Area, without limitation on the right of the Owners to represent their own interest. Such proceeds shall be paid to the Association and shall be used promptly to the extent necessary for restoring and replacing the improvements so taken on the remaining Real Property in as substantial compliance to the original plan and elevation of the improvements as possible or, if the Board determines that it is not possible or feasible, then according to plans and specifications approved by the Board, to restore the general value of the Properties. In the event that there is an award in excess in the amount necessary to so substantially restore the Common Area, it shall be distributed by the Association to the Owner or Owners, Mortgagee or Mortgagees of such Owner or Owners as their interest may appear. Such remittance shall be payable jointly to such beneficial owners in proportion to each such Owner's interest in the Common Area taken. Nothing herein is to prevent Owners whose Lots are specially effected by taking or condemnation from joining in the condemnation proceedings and petitioning on their own behalf for consequential damages relating to loss or value of the effected Lots, or personal improvements therein, exclusive of damages relating to the Common Area. In the event that the condemnation award does not allocate consequential damages to specific Lots, but includes an award for reduction in value of the Lots without allocation, the award shall be divided between effected Owners and the Common Area damages as the interest may appear by Arbitration in accordance with the rules of the American Arbitration Association.

For the purposes of this paragraph, the following terms shall have the following meaning: "Total Taking" shall mean the condemnation of the entire Properties, and "Partial Taking" shall mean the condemnation of only a portion of the Properties including an Individual Lot or Lots or limited Common Area appurtenant thereto.

"Total Taking" - If all of the Properties shall be taken or condemned by any authority having the power of eminent domain, the Association shall have the right to act on behalf of Owners with respect to the Properties and the award shall be payable in accordance with the allocation made in such proceeding (if such allocation is so made) or by Arbitration to the beneficial owners as provided herein.

"Partial Taking" - If part of the Properties shall be taken or condemned by any authority having the power of eminent domain, such that any Lot or part thereof (including Common Area assigned to any Lot) is taken, the Association shall have the right to act on behalf of such Owner with respect to the Common Area as above set forth, and the proceeds shall be payable to the beneficial owners thereof as set forth therein. The Owners directly effected by such taking shall represent and negotiate for themselves with respect to the damages effecting their respective Lots. The award so made shall be distributed through the Association, first to restore the Lots and improvements on the remaining Common Area in the same manner as provided for restoration under this Article of this Declaration to the extent possible, attempting to rebuild

Buildings of the same number, size and basic plan as the Lots taken with any excess award distributed as in this Article. In the event that the Board determines that such taking so removes land and Buildings containing Lots that they cannot effectively be restored or replaced substantially in compliance with such plans, and unless Members entitled to exercise not less than seventy-five percent (75%) of the voting power of all the Members of the Association and seventy-five percent (75%) of all the first Mortgagees approve an alternative plan, then the Association shall submit the issue to Arbitration in accordance with the rules of the American Arbitration Association for equitable or legal remedies with respect to the continued existence or reform of the Properties, the division of the award as to the taken and remaining Lots and such other remedies as the law will allow and equity require. The results of such Arbitration are hereby declared binding on all Owners or persons having interest in the Properties and shall be enforceable in a Court of Law.

(g) Other. To carry out the duties of the Association set forth in the Coventry Club Restrictions, the Articles and the Bylaws.

Section 2. Rules. The Board may adopt such rules as it deems proper for the use and occupancy of the Association Property. A copy of said rules, as they may from time to time be adopted, amended or repealed, must be mailed or otherwise delivered to each Owner, and may, but need not be, recorded. Upon such mailing, delivery or recordation, said rules shall have the same force and effect as if they were set forth in and were a part of the Coventry Club Restrictions. In Addition, as to any Owner having actual knowledge of any given rules, such rules shall have the same full force and effect and may be enforced against such Owner.

Section 3. Liability of Board Members and Manager. Neither any Member of the Board nor the Manager shall be personally liable to any Owner, or to any other party, for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Association, the Board, the Manager or any other representatives or employees of the Association, or the Architectural Committee, provided that such Board Member, or the Manager has, upon the basis of such information as may be possessed by him, acted in a reasonable and prudent manner. Nothing contained herein shall be construed to limit the liability of the Association.

#### ARTICLE IX

##### GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

ADDENDUM TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

WHEREAS the undersigned Declarants are all the owners of record of the following described real estate located in the County of Mesa, State of Colorado;

COVENTRY CLUB, a Replat of Block 5 of the Replat of Village Nine - Phase 2, as recorded in Book 13 at Page 60, as Reception 1297498 on July 15, 1982; and

WHEREAS certain Covenants, Conditions and Restrictions have been recorded in Book 1361 at pages 363 thru 381 inclusive of the records of Mesa County setting forth the rights, duties and obligations of Coventry Club Homeowners Association, Inc., its successors and assigns with respect to the above property; and,

WHEREAS the undersigned desires to supplement those Covenants, Conditions and Restrictions.

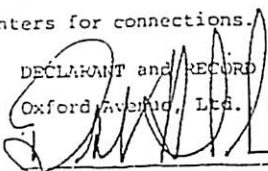
NOW THEREFORE the Declarant amends Article II, Section 4 by the addition of a new Sub-Section (t) as follows:

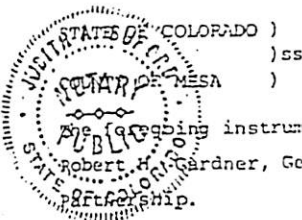
All lots are subject to and bound by Public Service Company of Colorado tariffs which are now and may in the future be filed with the Public Utilities Commission of the State of Colorado relating to street lighting in this Subdivision, together with the rates, rules and regulations therein provided and subject to all future amendments and changes thereto. The Owners shall pay as billed a portion of the cost of public street lighting in the Subdivision according to Public Service Co rates, rules and regulations, including future amendments and changes on file with the Public Utilities Commission of the State of Colorado.

AND FURTHER the Declarant amends Article II, Section 4 by the addition of a new Sub-Section (u) as follows:

In the event of the dissolution of the Association it is understood that the Ute Water Conservancy District may require each dwelling unit or building to install an individual water meter and pay 20% of the tap-fee prevailing at the date of such installation. It is further understood that should the Association or any other party construct within the development a swimming pool, laundromat or similar facility requiring water supply cross-connection, that the party doing such construction will pay the total cost of back-flow preventers for connections.


DATED this 22nd day of July, 1982.

DECLARANT and RECORD OWNER:  
Oxford Avenue, Ltd. a Limited Partnership  
  
Robert H. Gardner, General Partner



foregoing instrument was acknowledged before me this 22nd day of July, 1982 by Robert H. Gardner, General Partner of Oxford Avenue, Ltd., a Colorado Limited Partnership.

Witness My Hand and Official Seal.

  
Judith A. Buford, Notary  
652 White Avenue, Grand Junction, CO



BY-LAWS

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COVENTRY CLUB HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Coventry Club Homeowners Association, Inc., hereinafter referred to as the "Association".

The principal office of the corporation shall be located at 652 White Avenue, Grand Junction, Colorado 81501, but meetings of members and directors may be held at such places within the State of Colorado, County of Mesa, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Coventry Club Homeowners Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to Oxford Avenue, Ltd., a partnership, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Clerk and Recorder of Mesa County, Colorado.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 8:00 o'clock, P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth ( $\frac{1}{4}$ ) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall

specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

#### ARTICLE IV

##### BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of not less than three (3) directors, who need not be members of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect one director for a term of one year, one director for a term of two years and one director for a term of three years; and at each annual meeting thereafter the members shall elect one director for a term of three years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting, which they could take at a meeting, by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty

(30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any persons, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained.

#### ARTICLE VIII

##### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) Vice-President. The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers

requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI      BOOK 148D PAGE 161  
ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 6 percent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

*Changed  
to 18 percent.*

ARTICLE XII  
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Coventry Club Homeowners Association, Inc.

ARTICLE XIII  
AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XIV  
MISCELLANEOUS

BOOK 1488 PAGE 162

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the Coventry Club Homeowners Association, Inc., have hereunto set our hands this 17th day of December, 1982.

[Signature]  
[Signature]  
[Signature]

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Coventry Club Homeowners Association, Inc., a Colorado corporation, and,

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 17th day of December, 1982.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 17th day of December, 1982.



[Signature]  
Roger R. Ladd Secretary