

***DECLARATION OF AMENDED AND RESTATED
PROTECTIVE COVENANTS
OF
PAWNEE HILLS
A REAL ESTATE SUBDIVISION***

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THIS AMENDED AND RESTATED DECLARATION is effective upon recording.

RECITALS:

A. On November 9, 1972, Diversified Management, Inc. submitted the real property described in that certain Declaration of Protective Covenants for Pawnee Hills, a Real Estate Subdivision, recorded in the real property records of Elbert County, Colorado at Reception No. 197002, and on November 21, 1972, Pawnee Venture, submitted the real property described in that certain Declaration of Protective Covenants for Pawnee Hills, a Real Estate Subdivision, for Filing No. 2, recorded in the real property records of Elbert County, Colorado, at Reception No. 197148, on April 13, 1976, Gemini International, Ltd. submitted the real property described in that certain Declaration of Covenants, Conditions, and Restrictions Pawnee Hills Development Co., recorded in the real property records of Elbert County, Colorado at Reception No. 209724, as subsequently amended by the Declaration of Amendment of Protective Covenants, recorded in the real property records of Elbert County, Colorado, at Reception No. 215544 on August 3, 1977 (collectively referred to as the "Original Declaration") to its covenants, conditions and restrictions, and amended by the Declaration of Amendment of Protective Covenants, August 3, 1977; recorded, August 8, 1990 in the real property records of Elbert County, Colorado at Reception No. 292745;

B. The Owners within the Pawnee Hills Community desire to amend and restate the Original Declaration by virtue of this Amended and Restated Declaration of Protective Covenants for Pawnee Hills, a Real Estate Subdivision ("Declaration"), and intend, upon the recording of this Declaration, that all prior recorded declarations, amendments and supplements thereto shall be superseded and replaced by this Declaration; and

C. The Original Declaration provides for and allows for this Declaration in Article VII, Section 3, which provides in pertinent part as follows:

This Declaration may be amended during the first twenty-year period by an instrument signed by not less than seventy-five percent (75%) of the lot owners of privately owned land, and thereafter, by an instrument signed by not less than 2/3 of the lot owners. Any and all amendments must be recorded.

D. All Owners are aware of the provisions of the Original Declaration allowing for amendment, by virtue of the record notice of the Original Declaration, by acts and disclosures, newsletters or notices of the Association and by other means;

E. The amendments within this Declaration have been prepared and determined by the Association and by the Owners that have approved this Declaration to be reasonable and not burdensome;

F. The purposes of the amendments in this Declaration are to remove prior developer language that is no longer applicable to the Community, remove provisions that do not comply with current state and county law, and add provisions that reflect beneficial state and county law.

G. The purpose of the Association as provided in the Declaration is to preserve the value and desirability of the Community and the Lots and to further the interest of the residents of the Community and Members of the Association; and

H. Pursuant to the requirements set forth in Article VII, Section 3 of the Original Declaration, at least two-thirds (2/3) of the Lot Owners subject to the Original Declaration have approved this Declaration, or alternatively, a court order entered by the District Court for Colorado, pursuant to C.R.S. '38-33.3-217(7) has been entered approving this Declaration.

NOW, THEREFORE, the Original Declaration is replaced and superseded by the covenants, servitudes, easements and restrictions set forth below:

ARTICLE I

DEFINITIONS

1. Association. "Association" shall mean and refer to Pawnee Hills Community Association, a Colorado nonprofit corporation, its successors and assigns.

2. Owner. "Owner" shall mean and refer to the fee simple title owner, whether one or more persons or entities, of any Lot located within Pawnee Hills Filing One and Pawnee Hills Filing Two, Elbert County, Colorado

3. Properties. "Properties" shall mean and refer to that certain real property herein above described and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

4. Subdivision. "Subdivision" shall mean the real property duly platted as Pawnee Hills Filing One, Reception No. 194095, and Pawnee Hills Filing Two, Reception No. 197147 located in Elbert County, Colorado.

5. Common Area. "Common Area" shall mean and refer to all real property (including the improvements thereon) owned by the Association for the common use and enjoyment of the Owners. The real property owned by the Association as common area is described as follows:

Lot 6, Block 9, PAWNEE HILLS FILING ONE, and Lot 19, Block 6, PAWNEE HILLS FILING TWO, according to the respective recorded plats thereof, Elbert County, Colorado.

6. Lot. "Lot" shall mean each subdivision Lot so designated on the duly filed plats of the respective subdivisions by Lot numbers with exception of the common area as heretofore defined.

7. Member. "Member" shall mean and refer to every person or entity who holds membership in the Association.

8. Good Standing. A member is deemed in good standing and entitled to vote at any annual or special meeting, if and only if, he shall have fully paid all assessments made or levied against him and the lot owned by him. A member is in good standing if there are no current actions for violations of the governing documents.

9. Architectural Review Committee. "Architectural Review Committee" shall mean the committee appointed by the Board of Directors of the Pawnee Hills Community Association, responsible for maintaining the aesthetic and structural integrity of the association.

10. Governing Documents. Articles of Incorporation, Declaration of Protective Covenants, Bylaws, and Rules & Regulations.

ARTICLE II

PAWNEE HILLS COMMUNITY ASSOCIATION

1. Membership. All Owners of Lots (other than the "Common Area" dedicated to the public), shall automatically become members of Pawnee Hills Community Association, a Colorado nonprofit corporation, in accordance with the Articles of Incorporation and Bylaws of the Association as are now in effect and as may be hereafter duly amended.
2. Voting Rights. Members shall be entitled to one vote for each Lot in which they hold the interests required for membership by paragraph 1. When more than one person holds such interest or interests in any Lot, all such persons shall be members, and 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 such Lot.
3. Responsibilities of Membership. The Association, by and through its Architectural Review Committee and/or its membership, shall be responsible for maintaining the subdivision as a highly desirable rural residential area. By assessments to Lot Owners, the Association shall maintain the subdivision common areas and facilities for the benefit of all Association members. The assessments shall be established and commenced as hereinafter provided in Article IV of this Declaration.

ARTICLE III

PROPERTY RIGHTS IN THE COMMON AREA

1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to 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 charge reasonable admission and other fees for the use of any recreational facilities situated on the common area.
 - B. The right of the Association to suspend the voting rights and rights to use the recreational facilities by any Owner for a period during which any current action for violation of governing documents or unpaid assessments against his property remains unresolved.

C. The right of the Association 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 two thirds (2/3) of the members of the Association.

D. The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of maintaining the common area and facilities, and in aid thereof to mortgage said property, and the rights of the mortgagee in said property shall be subordinate to the rights of the homeowners hereunder.

2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the common area and facilities to members of his family, his tenants, his lessees, or contract purchasers who reside on his property.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

1. Creation of Lien and Personal Obligation of Assessment. Each Owner of any Lot by acceptance of a deed therefor, shall be deemed to covenant and agree to pay to the Association monthly assessments or charges, together with such interest thereon and costs of collection thereof, as hereinafter provided. Assessments attributable to any Lot in the Association, together with interest thereon and costs of collection including reasonable attorney's fees, shall be a continuing lien upon the property against which such assessment is made and shall also be the personal obligation of the record Owner(s) of the Lot at the time when the assessment becomes due and payable.

2. Notice of Lien or Suit. An owner shall give notice to the association of any lien or encumbrance upon or against his lot, which would affect the common elements other than for taxes and special assessments and shall give the association notice of any suit or other proceeding which may affect the common elements. Such notice shall be given within five (5) days after the owner has knowledge thereof.

3. Mechanic's Lien. Each owner agrees to indemnify and to hold each of the other owner(s) harmless from any and all claims of mechanic's and materialman's liens filed against properties other than his own and/or against the common facilities for labor, materials, services or other products incorporated into such owner's premises.

4. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of Pawnee Hills Filing One and Pawnee Hills Filing Two, and in particular for the improvement and maintenance of the common area and the services and facilities related to the use and enjoyment of the common area, including, but not limited to, the payment of taxes, insurance, maintenance and repairs, as well as replacement and/or addition to the facilities comprising the common area, and maintenance, repair or replacement of any improvement or property as may be required by any governmental entity having jurisdiction over the properties.

5. Assessments. Each Lot shall be subject to a monthly assessment. The Board of Directors of the Association shall fix the monthly assessment amount and may raise or lower said monthly assessment amount within the maximum they deem necessary in their discretion. In addition, the Board of Directors shall have the power in its sole discretion to increase the monthly assessment maximum by five percent (5%) per year. Any increase in the maximum assessment by more than five percent (5%) per year shall require the affirmative vote of two thirds (2/3) of the votes of each member voting in person or by proxy at a meeting duly called for such purpose, written notice of which must be sent to all members at least thirty (30) days in advance and requires physical posting of notice in a conspicuous place within the community.

6. Special Assessments. In addition to the assessments authorized above, the Association may levy in any calendar year a special assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the common area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the affirmative vote of two thirds (2/3) of the vote of members voting in person or by proxy at a meeting duly called for such purpose, written notice of which must be sent to all members at least thirty (30) days in advance and requires physical posting of notice in a conspicuous place within the community.

Notwithstanding the above requirements for special assessments, the Board of Directors of the Association, upon the affirmative vote of two thirds (2/3) of the Board, may authorize and expend funds in the event of an emergency concerning property under the jurisdiction of the Association. The expenditure shall thereafter become a special assessment collectible by the Association from its members in accord with the terms of this charter.

7. Uniform Rate of Assessment. Monthly and special assessments are to be fixed at a uniform rate for all Lots.

8. Change in Monthly Assessment Within Maximum Allowed. The Board of Directors shall fix the amount of the monthly assessment at least thirty (30) days in advance of the commencement date of such assessment. Written notice of the changed assessment shall thereupon be mailed to every Lot Owner subject thereto and requires physical posting of notice in a conspicuous place within the community.

9. Remedies of the Association for Nonpayment. Any assessment not paid within thirty (30) days after the due date shall bear interest at the rate of twelve percent (12%) 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 payment of the assessments provided for herein by reason of his nonuse of the common area or abandonment of his Lot. The Association may cause any and all documents necessary to perfect its lien to be recorded at the Clerk and Recorder's Office of Elbert County, Colorado, upon failure of any Owner to pay his assessment within thirty (30) days of the due date.

10. Subordination of Liens to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgagees now and hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the sale and transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessment thereafter becoming due, nor from the lien of any such subsequent assessment.

11. Exempt Property. The following property subject to the Declaration shall be exempt from assessments created herein: (a) All properties dedicated to and accepted by local public authority; (b) the common area; and (c) all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Colorado.

12. Basis of Assessments. The budget for annual Assessments shall be submitted to the Owners for review pursuant to Section 303(4) of the Colorado Common Interest Ownership Act (C.R.S. 38-33.3-101 et.seq.) and as set forth in the Bylaws, as the Bylaws may be amended from time to time. After delivery of the budget to the owners, the Association shall schedule a meeting of the Owners to discuss this budget. Assessments for Common Expenses shall be due and payable in monthly, quarterly, or annual installments, or in any other manner, as determined by the Board of Directors. The omission or failure of the Board of Directors to levy the Assessment for any period shall not be deemed a waiver, modification or a release of the Owners from their obligation to pay.

ARTICLE V

ARCHITECTURAL REVIEW COMMITTEE

1. Committee Review. No structure, whether a residence, accessory building, fence, wall, driveway, or any other improvement shall be constructed upon any Lot, nor shall any exterior addition or change or alteration to existing improvements be made or landscaping performed until complete plans and specifications showing the exterior design, height, building material and color scheme thereof, location and site of driveways, the general plan of landscaping, fencing, walls, and the grading plan thereof, shall have been submitted to and approved in writing by the Architectural Review Committee (“Committee”).

At the time plans and specifications are submitted to the Committee for approval, the person or persons submitting such plans and specifications shall also submit to the Committee satisfactory evidence that the Health Department of the State of Colorado or the appropriate official of Elbert County, Colorado, or any appropriate governmental agency, has approved, and if applicable, the sanitary sewage disposal system for the property. Committee approval does not constitute approval of the local building or zoning department, drainage design or structural soundness.

2. Discretion in Judgement. The Committee shall exercise its best judgement to see that all improvements, construction, landscaping and alterations on lands within the subdivision maintain the common property values and are in conformity with existing surrounding properties.

3. Procedures. The Committee shall approve or disapprove plans and specifications within thirty (30) days after the submission date documented by the committee. In the event the Committee fails to take any action within thirty (30) days after plans and specifications have been submitted, approval shall not be required, and this Article shall be deemed to have been fully complied with. Each building and/or other structure shall be constructed, erected and maintained in strict accordance with approved plans and specifications.

4. Majority Vote. A majority vote of the Committee is required for approval or disapproval of any proposed plans and specifications.

5. Damages. The Committee shall not be liable for damages to any person by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove any plans and specifications submitted to them in conjunction with the subdivision.

6. Right to Appeal. An Owner whose plans have been disapproved or conditionally approved may appeal any decision of the Committee to the Board of Directors. The Board of Directors shall review the decision of the Committee pursuant to the criteria set forth in the governing documents. Any decision of the Committee may be overruled and reversed by a majority of Directors by a written decision setting forth the reasons for the reversal when the Directors conclude that the committee's decision was inconsistent with the criteria set forth.

7. Waivers. A decision of the Committee or appointed representative thereof, to any approved application in one instance does not constitute a precedent in other instances. The approval to any application shall not be deemed to constitute a waiver of any right to hold or deny approval as to any application or other matters subsequently or additionally submitted for approval.

ARTICLE VI

RESTRICTIONS

1. Uses. Exclusive of one or more plots reserved for commonly owned recreational facilities, each Lot in the subdivision shall be used for one single-family residence according to the plat and covenant restrictions. Density shall be no greater than one single-family residence per Lot. No structure whatsoever, other than one private single-family dwelling together with an attached two (2) car garage and two outbuildings for use in connection with said single dwelling, shall be erected, placed, or permitted to remain on any Lot. See Elbert County Zoning/Regulations

2. Fence. No fence, wall, or similar type barrier of any kind shall be constructed, erected, or maintained on any Lot without the approval of design and materials by the Architectural Review Committee. No fences may be built which would encroach upon ten foot (10') public easements along the front of all Lot lines facing a road, or upon the fifteen foot (15') bridle and utility easements designated by the subdivision plats. No barbed wire fences shall be allowed. No chain link fences shall be allowed except for dog runs. The maximum height of any fence shall be six feet (6'). No solid fencing shall be allowed on the perimeter of the property. See Elbert County Zoning Regulations.

3. Easements. Easements and rights-of-way are hereby reserved as shown and described on the recorded plats of the subdivision for any public or quasi-public utility service purpose, together with the right of access at any time for the purpose of further construction and repair.

PEDESTRIAN AND HORSE EASEMENTS: A ten foot (10') public easement is hereby concurrently reserved along the front of all Lot lines facing a road. This easement, in addition to being reserved for use of utilities as aforesaid in paragraph 3 hereof, is restricted to the use by the public exclusively for pedestrian and equestrian purposes. As per recorded plats of the subdivision, designated fifteen foot (15') easements on any side of the Lot lines within the subdivision, and twenty foot (20') easements along the outer perimeter of the subdivision, in addition to being reserved for utilities' access as aforesaid in paragraph 3 above, are reserved for pedestrian and equestrian purposes. No motorized vehicles shall be permitted on any easement, except as maintenance may require.

DRIVEWAYS: Driveways require county approval prior to submission for architectural review. No naturally-existing trees may be cut or grading accomplished on any Lot without the Owner's obtaining written approval from the Architectural Review Committee. It is intended that driveways be kept to a minimum and be so located and constructed as to minimize dangerous intersections and to maximize the retention of the natural character of the area. Proper drainage facilities, including culverts, may be designated by the Architectural Review Committee as a condition for approval hereunder and will be provided by the Owner at his expense. Minimum interference with the pedestrian and equestrian easement will be practiced. See Elbert County Zoning Regulations.

4. Billboards. No signs, billboards or other advertising structures of any kind shall be erected, constructed or maintained on any Lot for any purpose whatsoever, except such signs as have been approved by the Architectural Review Committee for identification of residences, and one sign of not more than eight square feet advertising the property for sale or rent. Signs expressing political advocacy shall be permitted as per Elbert County regulations for a period no greater than forty-five (45) days before and seven (7) days after any election. See Elbert County Zoning Regulations.

5. Water and Sewer. Each structure designated for human occupancy shall connect to an approved domestic water source and approved sewage disposal system. The owner shall install and use a domestic well and septic system. Such well and sewage disposal system must have all necessary public regulatory and governmental permits and approvals. See Elbert County Zoning Regulations.

6. Trash. No trash, ashes, garbage, debris, or other refuse shall be thrown, dumped or burned on any land within the subdivision. There shall be no open burning except as permitted by fire safety authorities. Each property Owner shall provide suitable receptacles for the temporary storage and collection of refuse and all such receptacles shall be screened from public view and protected from disturbance. See Elbert County Zoning Regulations.

7. Livestock. No animals, livestock or poultry shall be allowed either temporarily or permanently, except the following: horses, dogs, cats, and other usual and suitable household pets. A maximum of four (4) horses per 5-acre plot will be allowed and four (4) adult dogs and/or cats per household. The above exceptions are for household enjoyment only and shall not be raised, bred, or boarded for any commercial purposes. If horses are kept, a shelter is required and facilities shall be kept clean, and odor free. In order to prevent overgrazing, horses shall be kept in a corral of not to exceed ten (10) percent of Lot size or one-half (1/2) acre, whichever is the lesser, and only allowed occasionally to graze in remaining native grass area owned and properly fenced by the Owner. See Elbert County Zoning Regulation.

8. Trees. Living trees, naturally existing upon a Lot shall not be removed, except as necessary for construction purposes. In accordance with an approved fire mitigation plan or approval by the Architectural Review Committee, Owners shall be responsible for minor pruning and trimming of the naturally-existing trees.

9. Landscaping. Terrain disturbed by construction shall be returned promptly to its natural condition and replanted in native grasses. Improved lawns of an area up to 1,600 square feet are allowed if approved by the well permit. If an owner desires further landscaping to change the character of the Lot the Owner shall submit landscaping plans to the Architectural Review Committee for approval. The Architectural Review Committee may approve gardens, lawns, and exterior living areas. The preferred types of grasses shall include: Fescue, Buffalo Grass, Grama, Wheatgrass, Bromes, Clover, and Rye. See Elbert County Zoning Regulations

10. Set-Back Requirements. No building or structure shall be constructed within one-hundred feet (100') of the easement adjacent to the road right of way. Structures on the side and rear of a property must be twenty-five feet (25') from designated easements where platted. If there is no designated easement on the plat, then twenty-five feet (25') from the platted property line. The only exception is fences, which shall not encroach on designated easements. See Elbert County Zoning Regulations.

11. Temporary Structures. No structure of a temporary character, trailer, mobile home (with or without wheels), or converted mobile home, "A" frame type building, basement, tent, shack, garage, barn, or other out-building shall be used on any Lot as a family dwelling, either temporarily or permanently. A building contractor may maintain a temporary equipment and materials shed during construction. See Elbert County Zoning Regulations.

12. Principal Dwelling. The principal dwelling shall have a minimum fully enclosed ground floor area devoted to living purposes, exclusive of porches, terraces, and garage, of 1200 square feet except that where the principal dwelling is a one and one-half or two story dwelling, the minimum may be reduced to 1000 square feet of ground floor area, providing that the total living area of such dwelling is not less than 1500 square feet. The principle dwelling shall have a minimum of a two (2) car attached garage unless otherwise approved at the discretion of the Architectural Review Committee.

13. Commercial Activity. No store, office, or other place of business of any kind shall be erected or permitted upon any of the residential lots or any part thereof. Home occupations shall be allowed as permitted by Elbert County Regulations. See Elbert County Zoning Regulations.

14. Continuity of Construction. All structures commenced in the subdivision shall be prosecuted diligently to completion and shall be completed within 180 calendar days of commencement subject only to delays caused by inclement weather, Acts of God, strikes, or unless some other exception is granted in writing.

15. Re-subdivision. No Lot may be re-subdivided by an Owner.

16. Nuisance. No noxious, dangerous, or offensive activity, nor any activity that generates excessive and prolonged noise, shall be allowed within the subdivision; nor shall anything be done or permitted which shall constitute a public nuisance therein. No unlicensed motor vehicles are allowed on the roads or common areas of the subdivision. Homeowners are strongly encouraged to hood outdoor lights and use timers or motion control devices for such outdoor lights. See Elbert County Zoning Regulations.

17. Firearms/Weapons. No hunting, trapping, or other activities requiring the use of any firearm or other dangerous or lethal weapons shall be permitted within the subdivision. See Elbert County Zoning Regulations.

18. Smoking. Smoking is prohibited in all common areas.

ARTICLE VII

GENERAL PROVISIONS

1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceeding in law or equity, including injunctive relief, 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 their right to do so thereafter.

2. Severability. Invalidation of any one of these covenants or restrictions by judgement or by Court Order shall in no wise affect any other provisions which shall remain in full force and effect.

3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of ten (10) years from the date this Amended and Restated Declaration of Protective Covenants is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. The Declaration may be amended by a vote of no less than two thirds (2/3) of the Lot Owners. Any and all amendments must be recorded in the real property records of Elbert County, Colorado.

4. Notices. Any notice required to be sent to any member or Owner pursuant to the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage paid, to the last known address of the person who appears as a member or Owner on the records of the Association at the time of the mailing.

5. Annexation. Additional residential property and common areas may be annexed to the properties with the consent of two thirds (2/3) of the members.

6. Suspension of Use. The Association has the right to suspend use of the common areas/ recreational facilities for violations of the Governing Documents or for nonpayment of Assessments. However, Colorado law requires that prior to imposing a fine for covenant violations the Association must first provide notice and an opportunity for a hearing to the offender.

ARTICLE VIII

INSURANCE/CONDEMNATION

1. Insurance on the Lots. Each Owner has the responsibility to obtain hazard insurance covering loss, damage or destruction by fire or other casualty to the improvements, installed or made to their Lot, or other property of that Owner located on such Lot, and liability insurance covering any injuries occurring to persons or property damages on a Lot.
2. Insurance to be Carried by the Association. The Association shall obtain and maintain in full force and effect, to the extent reasonably available and at all times, the insurance coverage set forth in this Declaration and as set forth in the Act, which insurance coverage shall include the following terms and shall be provided by financially responsible and able companies duly authorized to do business in the State of Colorado.
3. Hazard Insurance on Common Area. The Association shall obtain hazard insurance covering loss, damage or destruction by fire or other casualty to any insurable improvements installed or made to any Common Area and the other property of the Association.
4. Association Liability Insurance. The Association shall obtain public liability and property damage liability insurance covering any Common Area, in such limits as the Board may determine from time to time, and in all cases covering all claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries and operation of automobiles on behalf of the Association.
5. Association Fidelity Insurance. The Association shall obtain fidelity coverage or fidelity bonds to protect against dishonest acts on the parts of its officers, directors, trustees and employees and on the part of all others who handle or are responsible for handling the funds of the Association, including persons who serve the Association with or without compensation. The fidelity coverage or bonds should be in an amount sufficient to cover the maximum funds that will be in the control of the Association, its officers, directors, trustees and employees, as required by law.
6. Association Worker's Compensation and Employer's Liability Insurance. The Association shall obtain worker's compensation and employer's liability insurance and all other similar insurance with respect to employees, if any, in the amounts and forms as may now or hereafter be required by law.
7. Directors' and Officers' Personal Liability Insurance. The Association shall obtain directors' and officers' personal liability insurance to protect the officers, directors, committee members and any person acting at the discretion of the Board from personal liability in relation to their duties and responsibilities in acting as officers and directors on behalf of the Association.

8. Other Association Insurance. The Association may obtain insurance against such other risks, of similar or dissimilar nature, including flood insurance, as it shall deem appropriate with respect to the Association responsibilities and duties.

9. Insurance Premium. Insurance premiums for insurance provided by the Association shall be a Common Expense to be included as a part of the annual Assessments levied by the Association.

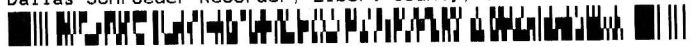
10. Annual Insurance Review. The Board shall review the insurance carried by and on behalf of the Association at least annually, for the purpose of determining the amount of insurance required.

11. Adjustments by the Association. Any loss covered by an insurance policy described above shall be adjusted by the Association, and the insurance proceeds for that loss shall be payable to the Association and not to any holder of a first lien security interest. The Association shall hold any insurance proceeds in trust for the Association, Owners and holders of first lien security interests as their interests may appear. The proceeds must be distributed first for the repair or restoration of the damaged property and the Association is not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged property has been completely repaired or restored.

12. Duty to Repair. Any portion of the Community for which the Association is required to insure under this Article which is damaged or destroyed must be repaired or replaced promptly by the Association, except as provided in the Act.

13. Responsibility for Payment of Deductible Amount. Whether the Board, in its discretion, chooses to submit a claim under the Association insurance policies or not, the Association shall pay or absorb the deductible amount for any work, repairs or reconstruction for damage to Common Area or other property insured by the Association unless the damage is caused by the negligent or willful act or omission of an Owner, his family, guests, renters, or invitees, in which case the Association shall seek reimbursement of the deductible amount in compliance with and under the terms of the Declaration.

14. Insurance Assessments. If the proceeds of insurance are not sufficient to defray the costs of reconstruction and repair due to deductibles allocated to the Association or failure of the Association to maintain coverage to defray costs of repair and reconstruction which in the absence of insurance would be the maintenance responsibility of the Association, the deductible or additional cost shall be a Common Expense. This Insurance Assessment shall not be considered an Assessment as discussed in this Declaration and shall not require any vote or ratification of the Owners.



LIMITED AMENDMENT TO THE DECLARATION OF AMENDED AND RESTATED
PROTECTIVE COVENANTS OF
PAWNEE HILLS A REAL ESTATE SUBDIVISION

SUBJECT: Amendment to the Declaration of Amended and Restated Protective Covenants of Pawnee Hills A Real Estate Subdivision recorded January 14, 2019 at Reception No. 583060 with the Elbert County Clerk and Recorder (the "Declaration") to limit the number of outbuildings on any Lot.

PURPOSE: To amend Article VI, Section 1 of the Declaration regarding number of outbuildings in Pawnee Hills Community Association ("Amendment").

AUTHORITY: Article VII, Section 3 of the Declaration provides for and allows this Amendment to the Declaration by a vote of no less than two thirds (2/3) of the Lot Owners. All amendments must be recorded in the real property records of Elbert County, Colorado.

EFFECTIVE DATE: December 30, 2020

The Pawnee Hills Community Association (the "Association") and at least 2/3 of the Lot Owners hereby amend the Declaration as follows:

Repeal and Restatement. The third sentence of Article VI, Section 1 is hereby deleted in its entirety and replaced with the following:

No structure whatsoever, other than one private single-family dwelling together with an attached two (2) car garage and three (3) outbuildings for use in connection with said single-family dwelling, shall be erected, placed, or permitted to remain on any Lot.

Funding. All expenses incurred in the enforcement of this Amendment are the sole responsibility of the homeowner (member).

The undersigned, being the President and Secretary of the Association, hereby certify that at least 2/3 of the Lot Owners in the Association have voted in favor of this Amendment. Alternatively, the Association has obtained approval for this proposed Amendment pursuant to the terms and conditions of the Colorado Common Interest Ownership Act.

PAWNEE HILLS COMMUNITY ASSOCIATION,
a Colorado nonprofit corporation

By: Cynthia E. Cregger

By: Andrea L. Garhart

STATE OF COLORADO)
) ss.



LIMITED AMENDMENT OF THE DECLARATION OF AMENDED AND RESTATED
PROTECTIVE COVENANTS OF
PAWNEE HILLS A REAL ESTATE SUBDIVISION
REGARDING CHICKENS

SUBJECT: Amendment to the Declaration of Amended and Restated Protective Covenants of Pawnee Hills A Real Estate Subdivision recorded January 14, 2019 at Reception NO. 583060 with the Elbert County Clerk and Recorder (the "Declaration") to include the allowance of chickens.

PURPOSE: To amend Article VI, Section 7 of the Declaration regarding Livestock to assign rules, regulations, enforcement, and funding requirements for keeping chickens on private property in Pawnee Hills Community Association ("Amendment").

AUTHORITY: Article VII, Section 3 of the Declaration provides for and allows this Amendment to the Declaration by a vote of no less than two thirds (2/3) of the Lot Owners. All amendments must be recorded in the real property records of Elbert County, Colorado.

EFFECTIVE DATE: December 30, 2020

AMENDMENT: The Pawnee Hills Community Association (the "Association") and at least 2/3 of the Lot Owners hereby amend the Declaration as follows:

- (1) **Repeal and Restatement.** The first sentence of Article VI, Section 7 is hereby deleted in its entirety and replaced with the following:
- (2) **Addition.** The following provisions are hereby added to Article VI, Section 7 of the Declaration:

Limitations. No roosters are allowed temporarily or permanently on the property within the Association. Each household is limited to a maximum number of 9 hens per household.

Funding. All expenses incurred in the enforcement of this Amendment are the sole responsibility of the homeowner (member). All expenses incurred by owning chickens on private property in the association shall be the sole responsibility of the homeowner (member).

Containment Areas. All construction for keeping chickens must follow the Association Architectural Review Standards and Procedures. Containment areas include a predator proof chicken coop to be no larger than 12'X12', or 144 square ft max, and a fully enclosed predator proof outdoor chicken run. The minimum size for the chicken coop is 3 square feet per chicken inside the chicken coop and a minimum of 8 square feet per chicken for the outside run. The coop must have adequate ventilation, 1 nesting box per 3 hens, roosts, perches, and a solid floor. Fencing sunk into the ground at least 8-12 inches and angled outward. A rock filled trench around the perimeter of the fence is recommended to deter predator digging. All containment areas must be kept clean and odor free. Setbacks must be a minimum of seventy-five feet (75).



CERTIFICATION

The undersigned, being the President and Secretary of the Association, hereby certify that at least 2/3 of the Lot Owners in the Association have voted in favor of this Amendment. Alternatively, the Association has obtained approval for this proposed Amendment pursuant to the terms and conditions of the Colorado Common Interest Ownership Act.

PAWNEE HILLS COMMUNITY ASSOCIATION

A Colorado Non-profit Corporation

By: Cynthia E. Cregger

By: Andra J. Lambert

STATE OF COLORADO)

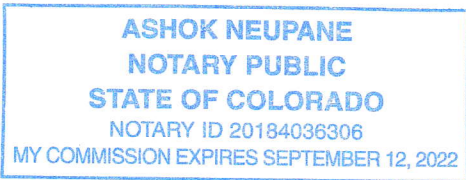
) ss.

COUNTY OF Douglas)

The foregoing was acknowledged before me this 28 day of Dec, 2020 by Cynthia E. Cregger as President of Pawnee Hills Community Association, a Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires: sep 12, 2022.



[Signature]

Notary Public

STATE OF COLORADO)



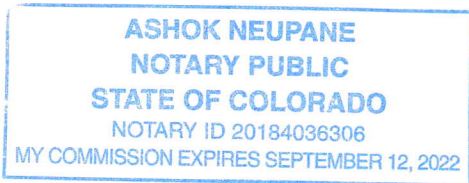
) ss.

COUNTY OF Douglas)

The foregoing was acknowledged before me this 28 day of Dec, 2020
by Andrea L. Garonhart, as Secretary of Pawnee Hills Community Association, a
Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires: Sep 12, 2022



Notary Public