



AMENDED AND RESTATED

DECLARATION OF

COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS OF

STARBUCK AT CASTLE PINES

This Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements of Starbuck at Castle Pines ("Declaration") is executed and effective January 15, 2003. This amended Declaration amends the original Declaration dated January 1, 1995.

RECITALS

- A. Whereas, on February 28, 1995 the Declaration of Covenants, Conditions, Restrictions and Easements of Starbuck at Castle Pines ("Original Declaration") was recorded at Reception number 9509341 in the offices of the Clerk and Recorder in Douglas County, Colorado.
- B. Whereas, the Original Declaration encumbers the real property described in Exhibit A attached hereto and incorporated herein by this referenc³ (the "Property").
- C. The Property is subject to the Amended and Restated Castle Pines Declaration and Agreement Creating Covenants, Conditions, Restrictions, and Easements dated May 2, 1989, recorded on May 5, 1989, in Book 852 at Page 982, in the records of the Clerk and Recorder of Douglas County, Colorado ("Master Declaration") pursuant to the terms of that certain Declaration of Annexation (for Castle Pines Village Filing I-B) dated November 15, 1981, recorded on January 14, 1982 in Book 432 at Page 158 (Reception No. 280554) in the records of the Clerk and Recorder of Douglas County, Colorado (the "Records").
- D. The Property is subject to certain easements and covenants set forth on the plat of Castle Pines Village, Filing No. 12, County of Douglas, State of Colorado, recorded on December 22, 1994, at Reception No. 94-66136 of the Records (the "County Plat").
- E. The Original Declaration is in addition to, and not in lieu of the Master Declaration. This Declaration shall be consistent with and supplemental to the Master Declaration, and this declaration shall be interpreted so as to effectuate that intent.
- F. This shall be construed in accordance with the Act.
- G. Whereas, the Original Declaration provides that it may be amended or revoked by the affirmative vote of Owners of 67 percent or more of the Lots, and that any amendment or revocation must be recorded, and approval of such amendment or revocation may be shown by attaching a Certificate of the Secretary of the Starbuck Homes Association to the recorded instrument certifying that the affirmative vote of a sufficient number of Owners has been received by the Starbuck Homes Association in accordance with its voting procedures.
- H. Whereas, 67 percent or more of the Lots have approved amendment of the Original Declaration, and approval of such amendment is shown by the Certificate of the Secretary of the Starbuck Homes Association to this Declaration certifying that the affirmative vote of a sufficient number of Owners has been received by the Starbuck Homes Association in accordance with its voting procedures.

Now Therefore, the Original Declaration is amended as set forth herein, and the Property is subjected to the provisions of this Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements of Starbuck at Castle Pines, and the Property shall be held,

and conveyed subject to the following terms, covenants, restrictions and conditions, which shall run with the Property and be binding on all parties having any right, title, or interest therein or any part thereof, their heirs, personal representatives, successors, and assigns, and shall inure to the benefit of each owner thereof.

This Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements of Starbuck at Castle Pines shall supersede in its entirety the Original Declaration and the Original Declaration shall be null and void upon recordation of this Declaration.

ARTICLE I

DEFINITIONS

The following words, when used in this Declaration, unless inconsistent with the context hereof, shall have the following meanings:

A. "Act" shall mean the Colorado Common Interest Ownership Act, as the same may be amended from time to time.

B. "Association Lot Maintenance Easement" means the easement burdening each

Lot for the benefit of the Starbuck Homes Association as set forth in Section 12.3 of this Declaration.

C. "Board of Directors" or "Board" means the governing body of the Starbuck Homes Association appointed or elected to perform the obligations of the Starbuck Homes Association relative to the operation, maintenance, and management of the Property and all improvements to the Property.

D. "Budget" shall mean the Starbuck Homes Association annual budget adopted in accordance with the procedures set forth in the Declaration, the Bylaws and the Act.

E. "Common Area" means all the Property and improvements thereon, if any, to be owned by the Starbuck Homes Association for the common use and enjoyment of the Owners on a non-exclusive basis as depicted on the Declaration Map and County. Common Area shall not include any portion of an Owner's Lot.

F. "Common Roads" shall mean those tracts of lands designated as roads (other than Mirage Drive) on the Declaration Map and County Plat. The Common Roads presently are designated as Tracts A, B, C and D on the Declaration Map and County Plat.

G. "Country Club" shall mean The Country Club at Castle Pines, Inc.

H. "County Plat" shall mean the plat of Castle Pines Village, Filing No. 12, County of Douglas, State of Colorado recorded on December 22, 1994, at Reception No. 9466136 of the Records.

I. "Declaration" shall mean and refer to this Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements of Starbuck at Castle Pines.

J. "Declaration Map" shall mean the map of the Property attached hereto as Exhibit B, as such map may be amended from time to time.

K. "Design Review Committee" means the committee formed pursuant to Section 15 of the Master Declaration.

L. "Development Guide" means the Castle Pines Village Planned District Development Guide approved by the Douglas County Board of County Commissioners and recorded on June 9, 1981 in Book 415 at Page 937 in the Office of the Clerk and Recorder of Douglas County, Colorado, as amended, and as may be hereafter amended from time to time.

M. "Development Plan" means the Castle Pines' Village Development Plan, which is a part of the Development Guide.

N. "First Mortgage" means the unpaid and outstanding mortgage or deed of trust encumbering a Lot having priority of record over all other recorded liens except those governmental liens made superior by statute (including, but not limited to general ad valorem tax liens and special assessments).

O. "First Mortgagee" means the Mortgagee under a First Mortgage.

P. "Lot" means any plot of land shown upon the County Plat and the Declaration Map designated for construction of a residential dwelling unit which includes that portion (if any) which is a part of the road right-of-way.

Q. "Master Association" means the Castle Pines Homes Association, Inc., a non-profit membership corporation formed pursuant to the Master Declaration.

R. "Master Declaration" means the Amended and Restated Castle Pines Declaration and Agreement Creating Covenants, Conditions, Restrictions and Easements dated May 2, 1989, and recorded on May 5, 1989, in Book 852 at Page 982, in the records of the Clerk and Recorder of Douglas County, Colorado, as the same may be amended from time to time.

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

T. "Mortgagee" shall mean and refer to any person named as a mortgagee or beneficiary of any mortgage or deed of trust under which the interest of any Owner is encumbered, or any successor to the interest of any such person under such mortgage.

U. "Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Property, including the purchaser under an installment land sales contract, but excluding those having an interest merely as security for the performance of an obligation, such as a mortgagee or beneficiary under a mortgage or deed of trust, unless and until such person has acquired fee simple title pursuant to foreclosure or other proceedings.

V. "Property" shall mean and refer to that certain real property described on Exhibit A attached hereto.

W. "Records" shall mean the real property records of Douglas County, Colorado.

X. "Rules and Regulations" shall mean the rules and regulations duly adopted by the Board of Directors of the Starbuck Homes Association.

Y. "Starbuck Homes Association" or "Association" means The Starbuck at Castle Pines Homes Association, Inc., a Colorado nonprofit corporation.

Z. "Starbuck" shall mean the Property.

AA. "Starbuck Design Review Committee" means the Design Review Committee appointed by the Board pursuant to the provisions of Article VI herein.

ARTICLE II

ASSOCIATION FORMATION MEMBERSHIP AND VOTING RIGHTS

Section 2.1. Formation of Association. The Starbuck Homes Association has been formed as a Colorado nonprofit corporation in accordance with, and for the purposes set forth in, this Declaration and the Act.

Section 2.2. Membership. Every Owner of a Lot shall be a Member of the Starbuck Homes Association and of the Master Association. Ownership of a Lot shall be the sole qualification for membership. When one or more person holds an interest in a Lot, all such persons shall be Members. Membership shall be appurtenant to and may not be separated from the ownership of any Lot.

Section 2.3. Voting - General. Each Member shall be entitled to one vote in all Starbuck Homes Association matters and Master Association matters for which Members are entitled to vote. When more than one person owns a Lot, all such persons shall be deemed to be one Member for voting and quorum purposes and the vote for such Lot shall be exercised by one of them designated by written instrument to be the sole voting Member. In no event shall more than one vote be cast with respect to any such Lot.

Section 2.4. Voting for Board and Officers. The Members shall have the right to elect directors and the Board of Directors shall elect officers, all in accordance with the Association's Bylaws.

Section 2.5. Limitations on Liability. The Articles of Incorporation and Bylaws of

the Starbuck Homes Association shall provide for limitations on the personal liability of directors and officers of the Starbuck Homes Association acting in their official capacities to the maximum extent permitted by Colorado law.

Section 2.6. Compliance with Association Articles, Bylaws, Etc. Each Owner shall abide by and, benefit from each provision, covenant, condition, and restriction contained in the Declaration, the Articles of Incorporation and Bylaws of the Starbuck Homes Association by which each Owner hereby agrees to be bound, or which is contained in any rule, regulation, or restriction promulgated pursuant to said Declaration, Articles and Bylaws. The obligations, burdens, and benefits of membership in the Starbuck Homes Association touch and concern the land and shall be covenants running with each Owner's Lot for the benefit of all other Lots and Common Areas.

ARTICLE III

BOARD OF DIRECTORS OF THE ASSOCIATION

Section 3.1. Board of Directors. The Board of Directors shall be elected by the Members. Board of Directors must be Members or designated representatives of the Members who are at least 21 years of age and who currently reside within the Starbuck Property.

Section 3.2 Powers of the Board of Directors. The Board of Directors acting for and on behalf of the Association shall have power to cause the Starbuck Homes Association to:

A. Adopt and publish rules and regulations governing the use of and any recreation or other

facilities which may be constructed on the Common Area and personal conduct of the Members and their guests thereon, and to establish penalties, including without limitation, the imposition of fines, for the infraction thereof;

- B. Suspend the voting rights of a Member, during any period in which such Member shall be in default in the payment of any assessment levied by the Starbuck Homes Association. Such rights may also be suspended after notice and hearing for a period not to exceed ninety (90) days for infraction of rules and regulations, unless such infraction is ongoing, in which case the rights may be suspended during the period of the infraction and for up to ninety (90) days thereafter.
- C. Impose a fine against a Member for infraction of rules and regulations not to exceed \$100 for each infraction. If the Board of Directors imposes such a fine on a Member and the Member against whom the fine is imposed fails to pay such fine within thirty (30) days of delivery of notice to such Member of the fine, such fine shall be deemed an assessment for Owner misconduct for purposes of Section 9.7 of this Declaration and the Association shall have the lien rights against such Member's Lot provided in Section 9.8 as though such Member failed to pay an assessment.
- D. Repair and maintain, or cause the repair and maintenance of, improvements on a Lot for the account of such Owner and charge the Owner for the costs of such maintenance or repairs if, and to the extent that, an Owner fails to maintain or repair such improvements as required by this Declaration. If the Member fails to reimburse the Starbuck Homes Association for such costs within thirty (30) days of delivery of notice thereof to such Member, the unreimbursed amounts shall be deemed an assessment for Owner misconduct for purposes of Section 9.7 of this Declaration and the Starbuck Homes Association shall have the lien rights against such Member's Lot, provided in Section 9.8 as though such Member failed to pay an assessment.

E. Administer, manage, repair, and maintain the Common Area and Common Roads.

F. Exercise all powers, duties, and authority vested in or delegated to the Board of Directors of the Starbuck Homes Association (and not reserved to the membership) by other provisions of the Declaration, the Articles of Incorporation, the Bylaws of the Starbuck Homes Association, or the Act.

Section 3.3 Implied Rights. The Board of Directors may exercise any other right or privilege given to it expressly by this Declaration, the Articles of Incorporation, the Bylaws or the Act, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE IV

COMMON AREAS AND ROADS

Section 4.1. Platted Common Area. There is designated on the Declaration Map and the County Plat certain areas of land intended for use by the homeowners within the Property as landscaped areas, recreational areas, open space and related uses. Such areas are referred to on the Declaration Map and County Plat as the "Common Area." The designated areas have been dedicated to the Starbuck Homes Association as "Common Areas" on the County Plat recorded in the Records and have been conveyed to the Starbuck Homes Association by such dedication. Acceptance of such dedication is hereby confirmed. The Common Areas are not for use by the general public but are dedicated to the common use and enjoyment of the Owners as more fully provided in Article V hereof, subject to the limitations set forth therein.

Section 4.2. Easement Lot. Common Area Certain portions of the Lots are subject to the Lot Maintenance Easement described in Section 12.3 of this Declaration. Such easement areas shall be for use by the

Association to the extent and for the purposes of provided in Section 12.3 of this Declaration.

Section 4.3. Roads. Certain tracts of land (Tracts A, B, C and D) are designated on the Declaration Map and the County Plat as roads (the "Common Roads"). The Common Roads have been dedicated to the Starbuck Homes Association and have been conveyed to the Starbuck Homes Association by such dedication. Acceptance of such dedication is hereby confirmed. The Common Roads are not for use by the general public but are dedicated to the common use and enjoyment of the Owners as more fully provided in Article V hereof, subject to the limitations set forth therein. The Common Roads do not include Mirage Drive. Mirage Drive has been dedicated to the Master Association to be a part of the Master Association road system presently maintained by the Castle Pines Metropolitan District.

ARTICLE V

RIGHTS IN THE COMMON AREA AND COMMON ROADS

Section 5.1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area and the Common Roads, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

A. The right of the Starbuck Homes Association at any time and from time to time to build recreational or other facilities on, over, under, and above the Common Area;

B. The right of the Starbuck Homes Association to suspend the voting rights and right of use by an Owner of the Common Area or portions thereof and any recreational or other facilities which may be constructed thereon for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed ninety (90) days from the last date of infraction for any infraction of its published rules and regulations, except that such suspension shall not, in any manner, interfere with the rights of the Owner, his family members, his guests, licensees, invitees, and tenants to free access for purposes of ingress and egress to and from his Lot, and to impose a fine against a Member for infraction of any rules and regulations not to exceed \$100 for each infraction or this Declaration; and

C. The right of the Starbuck Homes Association to dedicate, transfer, assign, or grant permission to use all or any part of the Common Area or Common Roads to any governmental subdivision, public agency, authority, or public or private utility for such purposes and subject to such conditions as may be agreed upon by the parties thereto.

Section 5.2. Delegation of Use and Restriction. Use of the Common Area and Common Roads is restricted to Owners of Lots in the Property for their mutual use and enjoyment and such use restriction shall be deemed to run with the land. Any Owner may delegate his rights of use and enjoyment to the Common Area and Common Roads and facilities to the members of his family, his tenants, guests, licensees and invitees, but only in accordance with, and subject to the limitation of the Bylaws of the Starbuck Homes Association, and any rules and regulations promulgated in accordance with this Declaration.

Section 5.3. Common Roads Operation, Maintenance and Improvement. The

Association shall be responsible for operation, maintenance and improvement of the Common Roads. The cost of such operation, maintenance and improvement shall be included in the assessments payable by Owners pursuant to Article IX hereof.

Section 5.4. Major Recreational Facilities. The golf courses and golf pro shops, which are owned and operated by the Castle Pines Golf Club, Inc. (the "Golf Club"), Castle Pines Fidelity Associates Limited Partnership' ("CPFA") and/or the Country Club or their successors in interest or assigns, and any tennis courts, locker rooms, tennis pro shops, equestrian areas, and all other recreational facilities located off the

Property are not part of the Common Area. Membership in the Starbuck Homes Association does not create any right to the use of, or membership in, any recreational facility not located on the Common Area except for rights Members may have under the Master Declaration. Fidelity Castle Pines, Ltd., its successors and assigns, the Golf Club, CPFA, the Country Club or the Master Association, as the case may be, may grant or limit access to such facilities, charge such fees, and adopt such regulations with respect to such facilities they may own as they may in their sole discretion determine.

Section 5.5. Master Association Common Areas. Common Areas owned or controlled by the Master Association shall be available to Owners as members of the Master Association, subject to its rules and regulations.

ARTICLE VI

RIGHT TO IMPROVE LOTS

Section 6.1 Building or Dwelling Additions. To assure the open space concept contemplated in the design of the Property, no building or dwelling additions, either by extension to the dwelling footprint or the dwelling roofline, to the current dwelling on any Lot will be allowed.

Section 6.2. Request For Improvements. A Lot Owner may request approval for improvements on his respective Lot. Such requests shall be made in writing to the Board of Directors and may be made only for uses of such things as landscaping, tree and shrub plantings, grass areas, retainer and decorative rock walls, porches, balconies, garden areas and other outdoor living areas. In addition to approval by the Board of Directors, any such request also shall be subject to approval by the Design Review Committee. The Starbuck Homes Association may from time to time adopt rules and regulations governing the procedures for such request, the permitted types of requests and the use of the Lots following grant of such a request.

Section 6.3. Expenses Associated with Lots. The requesting Lot Owner shall pay all costs associated with the request for improvements to the Lot including without limitation Board of Director review costs, Design Review Committee fees, Declaration and County Plat and Declaration Map amendment fees, legal fees and other costs associated with review and, if granted, implementation of the request. The Starbuck Homes Association may require the requesting Lot Owner to make a monetary deposit in an amount it shall determine from time to time (to be credited against actual expenses for which the requesting Lot Owner is responsible). The deposit, if any, shall be submitted at the time of a request and shall be used to assure payment of the expenses described in this section.

Section 6.4. Liability for Lot. The Owner or Owners of the Lot or Lots shall be responsible for all construction, maintenance and repair costs associated with the Lot and shall indemnify and hold harmless the Starbuck Homes Association, the Master Association and the Members from and against any and all claims of any nature arising from the use or enjoyment of the Lot by such Lot Owner and his family, guests, invitees, agents or contractors.

Section 6.5. Starbuck Design Review Committee. The Board of Directors shall have the right, without the obligation, to establish the Starbuck Design Review Committee which shall be responsible for such matters as may be assigned by the Board, which may include, by way of example, and not by way of limitation, the following: establishment and administration of architectural or design guidelines; review and recommendations for approval, disapproval or approval with conditions of alterations or additions to Lots consistent with this Article VI; and such other matters as the Board may request.

ARTICLE VII

INSURANCE AND FIDELITY BONDS

Section 7.1. Duty to Obtain and Maintain Insurance. The Starbuck Homes Association shall, to the extent reasonably practical, obtain and maintain in full force and effect at all times the insurance coverage set forth in Sections 7.3, 7.4, 7.5, 7.7 and 7.8 below, and any other insurance that may be required by the Act. The Starbuck Homes Association shall comply at all times with the provisions of the Act governing the acquisition and maintenance of insurance conveyance and disposition of insurance proceeds.

Section 7.2. Waiver of Subrogation. Each Owner and the Starbuck Homes Association waives its rights to subrogation as to any claims against each other or their respective agents, employees or tenants with respect to claims covered by insurance policies described in this Article VII.

Section 7.3. Property Insurance. The Starbuck Homes Association shall obtain property insurance on improvements, if any, within the Common Area in the form of a "master" or "blanket" policy of property insurance in an amount equal to full replacement value (i.e., 100% of the current "replacement cost" exclusive of land, foundation, excavation, and other items normally excluded from coverage) of the insured property, less applicable deductibles. Such master or blanket policy shall afford protection against at least the following:

- A. Loss or damage by fire and other hazards covered by the standard all-risk or special form coverage and include debris removal and cost of demolition for damaged or undamaged property. Coverage should be on a replacement cost and agreed amount basis; and
- B. Such other risks as shall customarily be covered with respect to projects similar in construction, location, and use to improvements, if any, within the Common Area.

If there are no improvements within the Common Area, no property insurance need be obtained by the Starbuck Homes Association.

Section 7.4. Liability Insurance.

A. The Starbuck Homes Association shall obtain a commercial general liability policy insuring against claims and liabilities arising in connection with the ownership, existence, use or management of the Common Area within the Property. The policy shall provide limits of amounts determined by the Board of Directors but, in any event, not less than \$1,000,000 for claims for personal injury, bodily injury or property damage arising out of a single occurrence. The policy shall provide insurance coverage to the Starbuck Homes Association, the Board of Directors, any managing agents, their respective employees, agents and all persons acting as agents. The Lot Owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use or management of the Common Area. The insurance shall cover claims of one or more insured parties against other insured parties. The liability protection insurance may also include contractual liability, host liquor liability and such other risks as the Board of Directors shall determine in its discretion should be covered.

B. The Starbuck Homes Association shall obtain general motor vehicle liability insurance for vehicles owned by the Starbuck Association, if any, and for non-owned and hired automobiles.

Section 7.5. Fidelity Insurance. The Starbuck Homes Association shall obtain fidelity bonds to protect against dishonest acts on the part of its officers, directors, trustees, and employees and on the part of all others who handle or are responsible for handling the funds belonging to or administered by the Starbuck Homes Association. In addition, if responsibility for handling funds is delegated to a managing agent, such bonds shall be required of the managing agent and its officers, employees, and agents and shall provide for coverage of the Starbuck Homes Association and its property. Such fidelity coverage shall name the Starbuck Homes Association as an obligee and shall be written in an amount not less than: (i) \$75,000.00, or (ii) the aggregate of six months current assessments plus reserves. The definition of "employees" or similar terms or expressions in the policy should include non-compensated personnel and volunteers.

Section 7.6. Provisions Common to Property Insurance, Liability Insurance, and Fidelity Insurance. Any insurance coverage obtained by the Starbuck Homes Association under the provisions of Sections 7.3, 7.4 and 7.5 of this Article shall be subject to the following provisions and limitations:

A. The named insured under any such policies shall be the Starbuck Homes Association, as a trustee for the Owners, or its authorized representative, including any trustee with which the Starbuck Homes Association may enter into an insurance trust agreement, or any successor trustee (each of which is sometimes referred to in this Section 7.6 as the "Insurance Trustee") who shall have exclusive authority to negotiate losses under such policies;

B. The Starbuck Homes Association insurance coverage shall be deemed "primary" with respect to the Starbuck Homes Association, its officers, directors and employees, the Lot Owners and the Common Area;

C. The policies shall provide that coverage shall not be prejudiced by: (a) any act or neglect of the Owners, unless acting within the scope of such Owner's authority on behalf of the Starbuck Homes Association; or (b) any act or neglect or failure of the Association to comply with any warranty or condition with regard to any portion of the Property over which the Association has no control;

D. The policies shall provide that coverage may not be canceled or substantially modified or reduced (other than for nonpayment) without at least 30 days prior written notice to the Starbuck Homes Association and any other named insured therein. In the event of nonpayment, the policies shall provide that coverage may not be canceled without at least 10 days prior written notice to the Starbuck Homes Association and any other named insured therein;

E. The insurance policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Starbuck Homes Association and any Lot Owner or their respective agents, employees or tenants; and

F. All policies shall be written with a company that (i) is licensed to do business in Colorado, and (ii) has financial ratings, which are reasonably acceptable to the Board of Directors.

Section 7.7. Personal Liability Insurance of Officers and Directors. To the extent obtainable at reasonable cost, appropriate director and officers liability insurance shall be obtained by the Starbuck Homes Association to protect the Starbuck Homes Association and the officers and directors from personal liability in relation to their duties and responsibilities in acting in good faith and in the best interests of the Starbuck Homes Association as such officers and directors on behalf of the Starbuck Association.

Section 7.8. Workmen's Compensation Insurance. The Starbuck Homes Association shall obtain workmen's compensation or similar insurance with respect to its employees, if any, in the amounts and forms as may now or hereafter be required by law.

Section 7.9. Other Insurance. The Starbuck Homes Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the Starbuck Homes Association's responsibilities and duties.

Section 7.10. Insurance Premiums. Insurance premiums for the insurance coverage provided for in this Article shall be a common expense to be paid by the assessments levied by the Starbuck Homes Association.

Section 7.11. Insurance Obtained by Owners. It shall be the responsibility of each Owner, at such Owner's expense, to obtain insurance coverage on and in relation to his or her Lot and the improvements thereon as such Owner in such Owner's sole discretion shall conclude to be desirable and the Starbuck Homes Association shall not have any responsibility therefor; provided, however, that none of such insurance coverages obtained by such Owner shall adversely affect any insurance coverage obtained by the Starbuck Homes Association nor cause the diminution or termination thereof.

Section 7.12. Unavailability of Required Insurance. Notwithstanding any other provisions set forth in this Article VII, if any insurance required to be maintained by the Starbuck Homes Association hereby is canceled or not renewed without a replacement policy or otherwise becomes unavailable for any reason or if the Board of Directors determines that the cost to the Starbuck Homes Association of maintaining such insurance has or will become prohibitive, then the Association shall not be required to maintain such insurance. The Starbuck Homes Association promptly shall cause notice of any of the foregoing events to be hand delivered or sent, postage prepaid, by United States mail to all Lot Owners. The Starbuck Homes Association, upon the loss, termination or cancellation of such insurance, shall take measures to obtain other similar insurance, or if similar insurance is unavailable, shall take other measures to protect the interests of the Starbuck Homes Association and the Owners; i.e. the origination of a sinking fund to accumulate Starbuck Homes Association assets set aside for use for insurance purposes.

ARTICLE VIII

INCIDENTS OF OWNERSHIP

Section 8.1. Inseparability. Every gift, devise, bequest, transfer, encumbrance, conveyance, or other disposition of a Lot and improvements thereon shall be presumed to be a gift, devise, bequest, transfer, encumbrance, or conveyance respectively of the entire Lot, including each easement, license, or Common Area designated for exclusive Owner use, if any, together with all other appurtenant rights created by law or by this Declaration.

Section 8.2. No Partition. The Common Area shall be owned by the Starbuck Homes Association, and neither any Owner, group of Owners, nor the Starbuck Homes Association shall bring any action for partition or division of such area. Similarly, no Lot shall be divided or partitioned between or among the Owners thereof.

Section 8.3. Repairs and Maintenance (Owner Responsibility). All maintenance, repairs, or replacements pertaining to the dwelling, and any improvements on a Lot shall be the responsibility and expense of the Owner thereof except as noted in Section 8.5.

Section 8.4. Driveways and Walkways (Owner Responsibility). Each Lot Owner shall be responsible for, and shall pay for, repair and maintenance of their respective private driveways and walkways; which includes that portion (if any) which is a part of the road right-of-way. If there is a common driveway and/or walkway which accesses two or more Lots, then the applicable Lot Owners shall be responsible for, and shall pay for, repair and maintenance of their respective common driveways and walkways. If an Owner fails to maintain his driveway or walkway per the original standard specifications, the Association may assess against the responsible Lot Owner all costs incurred by the Association in performing such maintenance activities.

Section 8.5. Repairs and Maintenance (Association Responsibility). All maintenance, repairs, or replacements pertaining to the Common Areas and Common Roads shall be the responsibility and expense of the Association; however, if such damage is caused by a negligent or tortious act of any Owner, members of his family, his agent, employee, invitee, licensee, or tenant, then such Owner shall be responsible and liable for all such damage.

Maintenance of the Common Roads includes snow removal when snow reaches a certain depth as determined by the Board. In addition, the Association shall be responsible for certain activities within the Owners' Lots, including:

- A. Mowing, fertilization and weed control of grass;
- B. Irrigation and maintenance of irrigation system (including sprinkler heads);

C. Spraying of trees to control tree insects or diseases such as pine beetles, mistletoe as determined by the Board or as required by the Master Association;

D. Snow removal from Common Roads, driveways and walkways when snow reaches a certain depth as determined by the Board;

E. Such other activities which the Board may decide from time to time.

Section 8.6. Starbuck Homes Association Access to Lots for Maintenance and Repairs. The Board of Directors shall have the irrevocable right to have access to each Lot from time to time as may be necessary to carry out the Association's responsibilities under Section 8.5, for the maintenance, repair or replacement of any improvements on a Lot, or any of the Common Area accessible from the Lot. Such right of access shall be immediate for the making of emergency repairs on the Lot in order to prevent or minimize property damage or personal injury. All improvements on a Lot damaged by the Starbuck Homes Association representatives shall be restored to substantially the same condition in which they existed prior to the damage. This Declaration establishes no duty upon the Board of Directors of the Starbuck Homes Association to maintain or repair any Lot or any structure thereon except as specifically stated herein, and this Section 8.46 vests no rights in Owners or any other person as against the Board of Directors, or the Starbuck Homes Association, by reason of any such repairs or maintenance.

ARTICLE IX

ASSESSMENTS

Section 9.1. Obligation. All Owners shall be obligated to pay the annual assessments (the "Assessment Obligation") imposed by the Board of Directors of the Starbuck Homes Association to meet the common expenses of maintenance, operation, and management of the Property and performance functions of the Starbuck Homes Association. The Assessment Obligation shall be allocated as provided in section 9.2 below. The Board of Directors of the Starbuck Homes Association may establish any reasonable system for assessment and periodic collection of the Assessment Obligation, in advance or arrears, as deemed desirable and as is consistent with the Articles of Incorporation, the Bylaws, and the Act, except that assessments shall be collected at least annually. Assessments made shall be based upon the duly adopted Budget of the Starbuck Homes Association. The Budget shall be adopted by the Board of Directors and ratified by the Members not less than annually in accordance with the procedures set forth in Section 9.2 below. The Budget may be modified from time to time as provided in the Bylaws of the Starbuck Homes Association. Estimated expenses comprising the Assessment Obligation shall include, but shall not be limited to: the cost of improvements, maintenance and operation of the Common Areas and Common Roads, if any; expenses of management; taxes and special governmental assessments pertaining to the Common Areas and Common Roads unless separately assessed to each Lot; insurance premiums for insurance coverage as deemed desirable or necessary by the Starbuck Homes Association; landscaping, care of grounds, common lighting within the Common Area; wages; common water and utility charges; legal and accounting fees; management fees; expenses and liabilities incurred by the Starbuck Homes Association under or by reason of this Declaration; payment of any deficit remaining from a previous assessment period; and the creating of a reasonable contingency or other reserve or surplus fund for maintenance, repairs, and replacement of improvements on or within the Common Area or Common Roads on a periodic basis, as needed. The omission or failure of the Starbuck Homes Association to fix the assessments for any assessment period shall not be deemed a waiver, modification, or release of the Owners from their obligation to pay the same. Any surplus funds of the Starbuck Homes Association remaining after payment of or provision for the Association's expenses and any prepayment of or provision for reserves may shall be retained by the Association as unallocated reserves and need not be paid to the Owners in proportion to their Assessment Obligations or credited to Ownersthem to reduce their future Assessment Obligations or may be refunded as the Board so deems.

Section 9.2. Budget: Apportionments. Within thirty (30) days after adoption of any proposed budget for the Starbuck Homes Association, the Board of Directors shall mail first class or deliver a summary of the budget to each Owner and shall set a date for a meeting of the Owners to consider ratification of the budget. The meeting shall be not less than fourteen (14) or more than sixty (60) days after mailing or other delivery of the summary. Unless at that meeting at least sixty-seven percent (67%) of all Owners vote to reject the budget, the budget is ratified, whether or not a quorum is present. Subject to the provisions of Sections 9.4 and 9.6 below, each Owner shall be responsible for his share of the Assessment Obligation which is determined by dividing the total estimated common expenses for a particular period by the total number of Lots.

Section 9.3. Time for Payment of Assessments. Unless otherwise determined by the Starbuck Homes Association, the annual assessments shall be paid in advance in either annual or semi-annual amounts, as determined by the Board of Directors, and shall be due and payable to the Starbuck Homes Association at its office, or to any other address the Starbuck Homes Association may otherwise direct, without notice. Any assessment not paid within thirty (30) days after the due date thereof shall be delinquent and shall accrue interest from the due date at the rate of eighteen percent (18%) per annum, or at such lesser rate as may be set from time to time by the Board of Directors.

Section 9.4. Expense Benefiting Only One Lot. Any expense incurred for the maintenance, repair or replacement of, or benefiting only one Lot shall be assessed against the Lot benefited.

Section 9.5. Special Assessments. In addition to the annual assessments authorized by this Article, the Starbuck Homes Association may levy in any assessment year a special assessment, payable over such a period as the Starbuck Homes Association may determine, for the purpose of deferring, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of improvements on or within the Common Area or the Common Roads, if any, or for any other expense or purchase incurred or to be incurred, as provided in this Declaration. This section shall not be construed as an independent source of authority for the Starbuck Homes Association to incur expense, but shall be construed to prescribe the manner of assessing expenses authorized by other sections hereof. Any amounts assessed pursuant hereto shall be assessed to Owners in the same proportion as provided for regular assessments in Section 9.2 of this Article. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than 15 days after such notice shall have been given. A special assessment shall bear interest at the same rate as applies to regular assessments as set forth in Section 9.3 of this Article from the date it becomes due and payable if not paid within 15 days after such date.

Section 9.6. Owner Misconduct. If any Common Area, Common Road or other expense is caused by the misconduct of any Lot Owner, the Starbuck Homes Association may assess that expense exclusively against such Owner's Lot.

Section 9.7. Lien for Assessments.

A. The Starbuck Homes Association has a lien on a Lot for Assessment Obligations levied against the Lot and all fees, charges, late charges, attorneys fees, fines and interest imposed against its Owner, from the time the Assessment Obligation or fine becomes due. If the Assessment Obligation is payable in installments, each installment is a lien from the time it becomes due, including the due date set by any valid acceleration of installment obligations. A lien under this Section is prior to all other liens and encumbrances on a Lot except: (1) liens and encumbrances recorded before the recordation of the Original Declaration; (2) a security interest on the Lot which has priority over all other security interests on the Lot and recorded before the date on which the Assessment Obligation sought to be enforced became delinquent; and (3) liens for real estate taxes and other governmental assessments or charges against the Lot. A lien under this Section is also prior to all security interests described above to the extent of an amount equal to the Assessment Obligation based on the periodic budget adopted by the Association which would have become due, in the absence of acceleration, during the six (6) months immediately preceding institution by either the Association or the holder of a first

security interest of an action or a nonjudicial foreclosure either to enforce or extinguish either the Association's lien or a security interest described above. This Section does not affect the priority of mechanics or materialmen's liens. A lien under this Section is not subject to the provision of Section 38-41-201 or 15-11-201, C.R.S. The Association's lien on a Lot for any assessment shall be superior to any homestead exemption now or hereafter provided by the laws of the State of Colorado or any exemption now or hereafter provided by the laws of the United States. The acceptance of a deed to a Lot subject to this Declaration shall constitute a waiver of the homestead and any other exemption as against said assessment lien.

B. Recording of this Declaration constitutes record notice and perfection of the lien. Further recording of a claim of lien for Assessment Obligations is not required. However, the Board of Directors or agent of the Association may cause to be prepared and record in Douglas County a written notice setting forth the amount of unpaid indebtedness, the name of the Owner of the Lot, and a description of the Lot. If a notice of lien is filed, the costs and expenses thereof shall be added to the assessment for the Lot against which it is filed and collected as part and parcel thereof.

C. A lien for an unpaid Assessment Obligation is extinguished unless proceedings to enforce the lien are instituted within six (6) years after the full amount of the Assessment Obligation becomes due.

D. This Section does not prohibit an action to recover sums for which subsection A of this Section creates a lien or to prohibit the Association from taking a deed in lieu of foreclosure.

E. A judgment or decree in any action brought under this Section shall entitle the Association to costs and reasonable attorney fees, which shall be additional Assessment Obligations of the Owner of the Lot.

F. The Association's lien may be foreclosed by the same procedure by which a mortgage on real estate is foreclosed. The Board shall have the power to bid at the foreclosure sale, and if title is obtained, hold, lease, mortgage, and encumber or convey the same.

G. In any action by the Association to collect Assessment Obligations or to foreclose a lien for unpaid Assessment Obligations, the court may appoint a receiver for the Owner to collect all sums alleged to be due from that Owner prior to or during the pendency of the action. The court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the action to the extent of the Association's Assessment Obligations.

H. Sale or transfer of any Lot shall not affect the lien for said assessments or charges except that sale or transfer of any Lot pursuant to foreclosure of any first security interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture, shall only extinguish the lien of assessment charges as provided by applicable Colorado law. No such sale, transfer, foreclosure, or any proceeding in lieu thereof, including deed in lieu of foreclosure, nor cancellation or forfeiture, shall relieve any Lot from continuing liability for any assessment charges thereafter becoming due, nor from the lien thereof.

I. Any payments received by the Association in the discharge of an Owner's obligation may be applied to attorney fees and costs first, then late fees, penalties and interest, and then the oldest balance due.

Section 9.8. Personal Obligation. The amount of any assessment chargeable against any Lot and improvements thereon shall be a personal and individual debt of the Owner thereof, but shall be limited to the respective Owner's share of such assessments. No Owner may exempt himself from liability for the assessment by abandonment of a Lot or waiver of the use or enjoyment of all or any part of the Common Area or Common Roads. Suit to recover a money judgment for unpaid common expenses, any penalties and interest thereon, the cost and expenses of such proceedings, and all reasonable attorneys' fees incurred by the Starbuck Homes Association in connection therewith, shall be maintainable without foreclosing on or waiving the assessment lien provided herein.

Section 9.9. Statement of Status of Assessment Payment. The Association, upon written request, shall furnish an Owner or their designee, or a holder of a Security Interest or its designee, a written Statement setting out the amount of unpaid Obligation against the Lot. Said request shall be delivered personally or by certified mail, first class postage prepaid, return receipt requested, to the Association's registered agent. The Statement shall be furnished within fourteen (14) calendar days after receipt of the request, delivered personally or by certified mail, first class postage prepaid, return receipt requested, and is binding on the Association, the Board of Directors and each Owner, or the Association shall have no right to assert a lien upon the Lot for unpaid assessments which were due as of the date of the request.

Section 9.10. Personal Liability of Purchaser for Assessments. Subject to the provisions of Section 9.9 of this Article, a purchaser of a Lot shall be jointly and severally liable with the seller for all unpaid assessments against the Lot up to the time of conveyance to the purchaser, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

ARTICLE X

MASTER ASSOCIATION AND DECLARATION

Section 10.1. Membership in the Master Association. All Owners shall be members in the Master Association. All members shall abide by all rules and regulations of the Master Association and the terms and provisions of the Master Declaration. Each Lot shall be charged with assessments for membership in the Master Association which shall be determined by the Board of Directors of the Master Association.-

Section 10.2. Master Association. The Starbuck Homes Association shall have the power, subject to the primary power of the Board of Directors of the Master Association, to enforce the provisions of the Master Declaration but only as they relate to the Property, and to collect regular, special, and default assessments on behalf of the Master Association. The Board of Directors of the Starbuck Homes Association may adopt rules and regulations from time to time regarding use of the Common Area, the Common Roads, and regarding the Property, providing the rules and regulations are not inconsistent with the Master Declaration, which shall at all times be deemed to control.

Section 10.3. Limitations on Delegation and Exercise of Power. Notwithstanding the provisions of Section 10.1 above or any other provision of this Declaration; (i) the Starbuck Homes Association shall not delegate its authority to exercise its power on behalf of the Association to the Master Association, and (ii) the Master Association shall not exercise such powers on behalf of the Starbuck Homes Association.

ARTICLE XI

USE RESTRICTIONS

Section 11.1. Commercial or Business Activities. All Lots shall be used for residential purposes only and shall not be used for any business, manufacturing, or commercial purpose whatsoever; provided, however, if the Development Guide so allows and if prior written approval of the Starbuck Homes Association is obtained, an Owner may use a specifically designated portion of his house or dwelling on his Lot as a home business office, which approval may be withdrawn or terminated by the Starbuck Homes Association upon reasonable notice and for reasonable cause. For purposes of this section, reasonable notice shall be 30 days unless the Board of Directors of the Starbuck Homes Association determines that a longer or shorter time is appropriate. Any Lot may be leased by the Owner subject to the provisions hereof.

Notwithstanding the foregoing, business or commercial activities may be permitted, at the discretion of the Board, so long as:

- A. No Lot or the improvements thereon are devoted to business, trade, professional, commercial or public enterprises;
- B. The existence or operation of the business or commercial activity is not apparent or detectable by sight, sound, smell or vibration from the exterior of the improvements on the Lot, and does not increase traffic within Starbucks;
- C. The business activity conforms to all zoning requirements for the property;
- D. The business activity does not increase the insurance obligation or premium of the Starbucks Homes Association;
- E. The business activity is consistent with the residential character of the Lot and does not constitute a nuisance or hazardous or offensive use, determined in the sole discretion of the Board of Directors;
- F. No Lot shall be used or rented for transient, hotel or motel purposes.

The terms "business, trade, professional or commercial" and "business activity" shall be construed to have their generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other consideration, regardless of whether such activity is engaged in full or part time, generates a profit, or requires a license.

Section 11.2. Use of Common Area. There shall be no obstruction of the Common Area, nor shall anything be kept or stored on any part of the Common Area by any Owner without the prior written approval of the Starbucks Homes Association. Nothing shall be altered on, constructed in, or removed from the Common Area by any Owner without the prior written approval of the Starbucks Homes Association.

Section 11.3. Prohibition of Increases in Insurable Risks and Certain Activities. Nothing shall be done or kept on any Lot or in or on the Common Area, or any part thereof, which would result in the cancellation of the insurance on the Lot, or any part thereof, or is an increase in the rate of the insurance on Starbucks at Castle Pines, or any part thereof, over what the Starbucks Homes Association, but for such activity, would pay, without the prior written approval of the Starbucks Homes Association. Nothing shall be done or kept on any Lot or in or on the Common Area, or any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit, or other imposed requirement of any governmental body. No damage to, or waste of, the Common Area or any part hereof shall be committed by any Owner, or by any member of the Owner's family, or by any guest, invitee, or contract purchaser of any Owner, and such Owner shall indemnify and hold the Starbucks Homes Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him, the members of his family, or his guests, invitees, or contract purchasers. Failure to so indemnify shall be a default by such Owner under this section, and such amount to be indemnified shall automatically become a default assessment determined and levied against such Lot. At its own initiative or upon the written request of any Owner (and if the Association determines that further action by the Starbucks

Homes Association is proper), the Starbucks Homes Association shall enforce the foregoing indemnity under the provisions of Section 9.7 of this Declaration.

Section 11.4 Structural Alterations and Exterior Appearance. All improvements on Lots shall be installed in accordance with the plans and specifications approved by the Starbucks Design Review Committee. No structural alterations to any existing improvement on any Lot (including the construction of any additional skylight, window, or door) or any Common Area shall be made or caused to be made by any Owner without the prior written approval of the Board of Directors and the Starbucks Design Review Committee. No work shall be undertaken which may result in changes in the appearance of any improvement on any Lot,

including, without limitation, the exterior color and texture and roof material of the house or dwelling on the Lot, except as permitted by the Starbuck Design Review Committee and the Board of Directors. No addition or alteration of landscaping or exterior lighting on any Lot, or Common Area shall be undertaken without the prior written approval of the Design Review Committee and the Board of Directors.

Section 11.5 Rules and Regulations. No Owner shall violate the Rules and Regulations, as adopted from time to time by the Starbuck Homes Association pursuant to Article III hereof.

Section 11.6 Antennas. Except as may otherwise be permitted by the Design Review Committee, all exterior radio antenna, television antenna, or other antenna, satellite dish of one meter or less in diameter, shall be placed, erected or maintained on Lot, so as to be screened from view of adjoining Lots or the street in such manner as will allow for reception of an acceptable quality signal at no unreasonable cost or delay to the Lot Owner.

Section 11.7. Signs. No signs, billboards, posterboards, or advertising structure of any kind (permanent or temporary) shall be erected or maintained for any purpose whatsoever except such signs as have been approved by the Starbuck Homes Association and the Design Review Committee. Any signs, which are permitted under the foregoing restrictions, shall be erected or maintained on any Lot only with the prior written approval of the Starbuck Homes Association.

Section 11.8 Water and Sewage. Each structure designed for occupancy or use by human beings shall connect with the water and sewage facilities of the Castle Pines Metropolitan District or such other water or sewer systems as the Starbuck Homes Association may approve. No private well shall be used as a source of water for human consumption or irrigation, nor shall any facility other than those provided as set forth above be used for disposal of sewage.

Section 11.9. Trash. No trash, ashes, or other refuse or debris may be thrown or dumped on the Property. The burning of refuse out-of-doors shall not be permitted. No incinerators or other device for the burning of refuse indoors shall be constructed, installed, or used by any person except as approved by the Starbuck Homes Association. Waste materials, garbage, and trash shall be kept in sanitary containers, which do not make excessive noise when handled, and shall be enclosed and screened from public view and protected from disturbance and shall be disposed of with reasonable promptness in accordance with the Rules and Regulations. The Owner of any Lot subject to these covenants shall keep the premises free of trash, refuse, or debris of any kind, whether said Lot is vacant or occupied.

Section 11.10 Animals. Dogs, cats, or other customary household pets may be kept on the Property; provided, however, that no Owner shall have more than two dogs without the written approval of the Board of Directors. The Board of Directors may promulgate Rules and Regulations modifying this provision with respect to the number or type of permitted pets or providing exceptions for pets such as fish, caged birds and similar indoor pets. No pet of any kind may be kept which abnormally interferes with the rights, comforts, or convenience of other Owners. This includes pets left unattended on patios, decks and within invisible fences. Breeding of any animals on the Property is specifically prohibited. All pets must be under the control of their Owner when outside such Owner's Lot. Any animal kept by an Owner when not in a controlled area on their own property must be on a leash or similar restraint under the direct control of the handler or Owner.

Section 11.11 Noxious or Offensive Activity. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done or placed on the Property, which is or may become a nuisance or cause embarrassment, disturbance, or annoyance to others.

Section 11.12 Abandoned, Inoperable, or Oversized Vehicles. Abandoned or inoperable automobiles or vehicles of any kind, except as hereinafter provided, shall not be stored or parked on any portion of Starbuck. "Abandoned or inoperable vehicle" shall be defined as any vehicle, which has not been driven under its own propulsion for a period of three weeks or longer; provided, however, this shall not include vehicles parked by

Owners while on vacation. A written notice describing the "abandoned or inoperable vehicle" and requesting removal thereof may be personally served upon the Owner or posted on the unused vehicle; and if such vehicle has not been removed within 72 hours thereafter, the Starbuck Homes Association shall have the right to remove the same without liability to it, and the expense thereto shall be charged against the Owner. No unsightly or oversized vehicles, boats, boat trailers, recreational vehicles, snow mobiles, trail bikes or vehicles other than passenger cars, golf carts, and pickup or utility trucks having a rated cargo capacity of one ton or less shall be kept on Property except in a closed garage or as permitted by the Starbuck Homes Association. All snow removal equipment, garden maintenance equipment, and all other unsightly vehicles, equipment, and machinery may be required by the Board of Directors to be stored at a designated location or locations, or removed from the Property or adjacent streets, unless stored by the Owner in a closed garage.

Section 11.13 Annoying Lights, Sounds, or Odors. No lights shall be emitted from any Lot which are unreasonably bright or cause unreasonable glare; no sound shall be emitted from any Lot which is unreasonably loud or annoying; and no odor shall be emitted from any Lot which is noxious or offensive to others.

Section 11.14 Trailers and Recreational Vehicles. No mobile home, trailer, automobile, truck pick-up, camper, or other vehicle may be used for temporary or permanent sleeping or living purposes while on the Property or the Common Roads.

Section 11.15. No Outside Clotheslines. No laundry or wash shall be dried or hung outside any house or dwelling on any Lot.

Section 11.16 Parking and Auto Repair. No Owner shall park, or permit the parking of, any vehicles in any street, Common Road, or portion the Common Area. Vehicle parking shall be permitted only in garages, driveways, or in other parking areas designated by the Board of Directors. Garages may not be used for storage so as to prevent the parking of vehicles in the garage. Vehicles should only be parked in the driveways if there is no space in the garage (e.g. if an Owner has two vehicles and a two-car garage, there should be no parking on the driveways). No automobile repair shall be performed outside the dwelling on a Lot, Common Road or on the Common Area except in emergency situations.

Section 11.17 Outside Burning. There shall be no exterior fires except barbecues, outside fireplaces, braziers, and incinerator fires contained within facilities or receptacles and located in improved areas designated for such purposes or pursuant to rules and regulations adopted from time to time by the Board of Directors. No Owner or Owners shall permit any condition on his Lot which creates a fire hazard or is in violation of fire prevention regulations.

Section 11.18 Preservation of Trees and Shrubs. No trees or shrubs shall be removed from any of the Common Area or Lot without the prior consent of the Design Review Committee, the Starbuck Design Review Committee and the Board of Directors.

Section 11.19 Leasing. The Owner of a Lot shall have the right to lease such Owner's Lot provided such lease and lessee's occupancy of the Lot, shall be subject in all respects to the provisions of this Declaration and the Master Declaration and to the provisions of the Articles of Incorporation and Bylaws of the Association, and the Articles of Incorporation and Bylaws of the Castle Pines Homes Association, Inc., and that any failure by the lessee to comply therewith shall be a default under the lease. Any such lease shall not be for a period of longer than three years nor less than six months.

Section 11.20 Provisions for Fire Protection and Security. Each house or dwelling on each Lot shall be maintained in a manner which will accommodate connection with a security and cable television system for central service under a master service contract or central, computer-controlled monitoring program for security and fire protection purposes to accommodate and connect with the system designated by the Castle Pines Homes' Association, Inc., and each house or dwelling on each Lot shall be equipped with internal, fire

suppression sprinklers and smoke detectors, all as provided in paragraph 13(z) of the Master Declaration.

Section 11.21. Swing Sets, Recreational Equipment. No Owner will allow any swing set, basketball hoops or other recreational equipment to be located on the Owner's Lot.

ARTICLE XII

EASEMENTS

Section 12.1. Recorded Easements. The Property shall be subject to any easements as shown on any recorded plat affecting the Property, or any portion thereof.

Section 12.2. Easements for Encroachments. The Property, and all portions thereof, shall be subject to an easement for encroachments created by construction and overhangs and for settling, shifting, and movement of any portion of the Property. A valid easement for said encroachments and for the maintenance thereof shall exist. Encroachments referred to herein include, but are not limited to, encroachments caused by error or variance from the original plans in the construction of any improvement on any Lot, by error in the plat, by settling, rising, or shifting of the earth, or by changes in position caused by repair or reconstruction of any improvements on the Property.

Section 12.3. Association Lot Maintenance Easements.

A. The Starbuck Homes Association is hereby granted an easement over, across and upon each Lot from the boundary line of each Lot to the foundation of the dwelling unit on the Lot, if any, for the purpose of installation, maintenance, repair, landscaping and other activities necessary for landscaping and maintaining such areas.-

B. If for any reason an Owner fails to maintain his Lot, or any portion thereof for which Owner is responsible subject to Article VIII, the Association may enter upon and maintain or repair such areas for the account of the Owner. Any costs incurred by the Association in such maintenance and repairs shall be charged to the Owner of the Lot. If the Owner fails to reimburse the Association for such costs within 30 days of delivery of notice from the Association, the reimbursed costs shall be deemed an assessment under Section 9.4 of this Declaration and the Association shall have lien rights against the Lot under Section 9.7 of this Declaration as though the Owner failed to pay an assessment.

Section 12.4. Utility Easements. There are hereby created those general easements upon, across, over, in, and under the Property for ingress and egress and for installation, replacement, repair, and maintenance of all utilities, including but not limited to water, sewer, gas, telephone, electricity, and a master television antenna system as indicated on the County Plat. By virtue of these easements, it shall be expressly permissible and proper for the companies providing electrical and telephone services to erect and maintain the necessary poles and other necessary equipment on the Property and to affix and maintain electrical and telephone wires, circuit, and conduits underground on the Lots or Common Area. Should any utility company furnishing a service covered by the general easement herein created request a specific easement by separate recordable document, the Board of Directors, shall have and are hereby given, the right and authority to grant such easement upon, across, over, or under any part or all of the Common Area without conflicting with the terms hereof so long as such easement will not unreasonably cause irreparable injury to any Owner. The easements provided for in this Section 12.4 shall in no way affect, avoid, extinguish, or modify any other recorded easement on the Property or any easement shown on the County Plat of the Property.

Section 12.5 General Reservation of Easements, Exceptions, and Exclusions. The Association shall have the right to establish from time to time, utility and other easements in, on, under or through the Common Area, the Common Roads or other property owned by the Association for purposes, including, but not limited to, streets, roads, driveways, paths, walkways, drainage, recreation areas, parking areas, and to create other

reservations, exceptions, and exclusions consistent with the ownership of the Property for the best interest of all of the Owners and the Association.

Section 12.6. Emergency Easements. A general easement is hereby granted to all police, sheriff, fire protection, ambulance, and all other similar emergency agencies or persons to enter upon all streets, roads, driveways and upon the Property in the proper performance of their duties. In addition, a general easement is hereby granted to the Association to enter upon the Lots to make emergency repairs or to provide emergency services to the Lot Owners or their families or guests.

Section 12.7 Maintenance Easement. An easement is hereby granted to the Association and their respective officers, agents, employees, and assigns upon, across, over, in, and under the Common Area and Common Roads and a right to make such use of the Common Area and Common Roads as may be necessary or appropriate to perform the duties and functions which they are obligated or permitted to perform pursuant to this Declaration, including the right to construct and maintain storage and maintenance facilities on the Common Area for use by the Association.

Section 12.8 Drainage Easement. An easement is hereby granted to the Association and its officers, agents, employees, successors, and assigns to enter upon, across, over, in, and under any portion of the Property for the purpose of changing, correcting, or otherwise modifying the grade or drainage channels of the Property so as to improve the drainage of water on the Property, or any adjoining land.

Section 12.9 Rights of Association to Own Lots and to Use Common Area. The Association shall have the right, but not the obligation, to purchase and own any Lot for the purpose of maintaining an office for the Starbuck Homes Association, for any resident managers or caretakers employed by the Starbuck Homes Association, for a storage, recreation, or conference area, or for any other use, which the Starbuck Homes Association determines is consistent with this Declaration. The Starbuck Homes Association may also maintain offices, storage areas, conference areas, and recreation areas elsewhere within the Common Area. The costs, expenses, and carrying charges incurred by the Starbuck Homes Association in purchasing and owning said Lot shall be part of the annual assessments.

Section 12.10 Easements Deemed Created. All conveyances of Lots hereafter made shall be construed to grant and reserve the easements contained in this Article XII, even though no specific reference to such easements or to this Article XII appears in the instrument for such conveyance.-

ARTICLE XIII

MORTGAGEE'S RIGHTS

The following provisions are for the benefit of holders, insurers, or guarantors of First Mortgages on Lots. To the extent applicable, necessary, or proper, the provisions of this Article XIV apply to this Declaration and also to the Articles of Incorporation and Bylaws of the Starbuck Homes Association.

Section 13.1. Title Taken by Mortgagee. Any Mortgagee holding a First Mortgage of record against a Lot who obtains title to the Lot and any improvements thereon pursuant to the remedies provided in the mortgage, including foreclosure of the mortgage, will not be liable for any unpaid dues or charges attributable to the Lot which accrue prior to the acquisition of title to the Lot by the Mortgagee.

Section 13.2 Right to Pay Taxes and Charges. Mortgagees who hold First Mortgages against Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Area or Common Roads and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such Common Area or Common Roads, and First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Starbuck Homes Association.

ARTICLE XIV

OBLIGATION TO REBUILD

Section 14.1 Reconstruction. In the event of damage or destruction by fire or other casualty affecting a building, the Owner thereof shall, within six months thereafter either:

- A. Diligently commence to rebuild the same in accordance with the terms hereof, or
- B. Clear and level the Lot, removing all wreckage, debris and remains of the building therefrom and leaving the same in a level, clean condition.

Section 14.2. Revisions. Upon reconstruction, the building shall be rebuilt substantially in accordance with the original plans and specifications therefore; provided, however, that the exterior appearance thereof shall substantially resemble the appearance in form and color prior to such damage and destruction.

Notwithstanding the foregoing, however, the Owner of such damaged building may reconstruct or repair the same in accordance with new or changed plans and specifications with the prior written consent of the Starbuck Design Review Committee and the Starbuck Board of Directors.

ARTICLE XVI

GENERAL PROVISIONS

Section 15.1 Enforcement. Except as otherwise provided herein, the Board of Directors of the Starbuck Homes Association or any Owner shall have the right to enforce by a 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 Board of Directors of the Starbuck Homes 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. In any action instituted or maintained for enforcement, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees incurred pursuant thereto, as well as any and all other sums awarded by the Court.

Section 15.2 Severability. Invalidation of any one of these covenants or restrictions by judgment, court order or interpretation of the Act shall in no way affect any other provisions, which shall remain in full force and effect.

Section 15.3 Amendment or Revocation. Unless amended or revoked as provided in this section, the covenants and restrictions of this Declaration shall run with and bind the land in perpetuity. This Declaration may be amended or revoked by the approval of Owners of 67 percent or more of the Lots. Any amendment or revocation must be recorded, and approval of such amendment or revocation may be shown by attaching a Certificate of the Secretary of the Starbuck Homes Association to the recorded instrument certifying that the approval of a sufficient number of Owners has been received by the Starbuck Homes Association.-

Section 15.4. Conflicts in Legal Documents. In case of conflicts between the provisions in this Declaration and the Articles of Incorporation of the Starbuck Homes Association and the Bylaws of the Starbuck Homes Association, this Declaration shall control. In case of conflicts in the provisions of the Articles of Incorporation and the Bylaws, the Articles of Incorporation shall control. In case of conflict between the provisions of this Declaration and the Master Declaration, the more restrictive provision shall control.

Section 15.5 Interpretation Conflicts with the Act. This Declaration shall be governed by and construed in accordance with the Act. To the extent that the provisions of this Declaration are in conflict with the Act, the

provisions of the Act shall control.

Section 15.6. Captions. The captions contained in the Documents are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the Documents or the intent of any provision thereof.

Section 15.7. Gender. The use of the masculine gender refers to the feminine gender, and vice versa, and the use of the singular includes the plural, and vice versa, whenever the context of the Documents so require.

Section 15.8. Waiver. No provision contained in the Documents is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 15.9. Invalidity. The invalidity of any provision of the Documents does not impair or affect in any manner the validity, enforceability or effect of the remainder, and if a provision is invalid, all of the other provisions of the Documents shall continue in full force and effect.

IN WITNESS WHEREOF, the undersigned, being the Secretary of the Starbuck Homes Association, hereby certifies that the affirmative vote of Owners of 67 percent or more of the Lots has been received by the Starbuck Homes Association approving the amendments contained in this Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements.

Dated this 5th day of January 2003 Starbuck Homes Association, Inc., a Colorado nonprofit corporation

Secretary State of Colorado)

) ss.

County of Douglas)

Acknowledged before me this 5th day of January 2003 by

Signed by as Secretary of Starbuck Homes Association, Inc.

ROBERT G. RYCKMAN

Witness my hand and official seal

My commission expires: May 14, 2005

Signed by Lindy Helzer

Notary Public

LEGAL DESCRIPTION OF THE PROPERTY

Castle Pines Filing No. 12-A according to the Plat thereof recorded on December 22, 1994, at reception No. 9466136 in the Real Property Records of Douglas County, Colorado

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EXHIBIT B

DECLARATION MAP

Filing No. 12-A. A portion of planning areas R-50 and R-23. A Replat of Tract "A" of Forest Green filing No. 1 amended, lot 414, Block 4 of Castle Pines 2-B residential plat and all of Starbuck Point, a multi-family tract, also being a part of sections 21 and 22, township 7 south range 67 west of the 6th principal meridian, County of Douglas, State of Colorado. Alternative dev. standards: Lots 4501- 4543 43 alternative lots 11.67 acres, other 11.47 acres.