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**DECLARATION OF PROTECTIVE COVENANTS**  
**OF**  
**BUCKHORN RANCH**  
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DECLARATION OF PROTECTIVE COVENANTS  
OF  
BUCKHORN RANCH

May 4<sup>th</sup>; THIS DECLARATION AND AGREEMENT is executed the 3<sup>rd</sup> day of May, 2001, by Brush Creek Airport, L.L.C., a Colorado limited liability company, hereafter termed "Declarant".

ARTICLE I  
STATEMENT OF PURPOSE OF DECLARATION

Section 1.1 Ownership of Property. Declarant is the owner of the real property ("Property") situate in Gunnison County, Colorado, described as follows:

The Real Property, together with all improvements situate thereon, as set forth on attached Exhibit A.

Section 1.2 Declaration of Covenants. Declarant hereby makes, declares and establishes the following covenants, restrictions and easements which shall affect the Property. This Declaration of Protective Covenants shall run with the Property and shall be binding upon all persons and entities having any right, title or interest in and to the Property or any lots, tracts or parcels thereof, their heirs, successors and assigns and their employees, guests and invitees and shall inure to and be for the benefit of each Owner of a Lot within the Property.

Section 1.3 Inclusion of Avion Club Filing No. 1. By Amendment to Plat of Avion Club Filing No. 1 and Termination of the Avion Club Declaration of Restrictions, Covenants, Easements, Imposition of Fees and Architectural Control dated the 3<sup>rd</sup> day of March, 2000 and recorded the 2<sup>nd</sup> day of October, 2000, at Reception No. 510418 of the records of Gunnison County, Colorado the owners of a 4/5ths majority of the lots, tracts and parcels of land within Avion Club Ranch Filing No. 1 elected and declared that all of the lots, tracts and parcels of land within Avion Club Ranch Filing No. 1, to be known as Avion Club Filing No. 1, were subject to those Declaration of Protective Covenants of Buckhorn Ranch.

Section 1.4 Intention. Declarant, by this Declaration of Protective Covenants of Buckhorn Ranch, intends to provide for the covenants, conditions and restrictions for Single-Family Residential Lots, Commercial Lots and Multiple-Family Lots, each type of Lot having the uses as set forth in this Declaration of Protective Covenants.

Section 1.5 Subdivision of Property. The Property shall be subdivided and platted in multiple filings collectively known as Buckhorn Ranch. Avion Club Filing No. 1 shall be known as Buckhorn Ranch Filing No. 1, and the future filings within the subdivision shall be known as Buckhorn Ranch Filing No. 2", with a small letter next to the filing number to indicate the sequence of filings, ( Filing 2a, Filing 2b, et. seq ).

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Section 1.6 Common Interest Community. Declarant further declares the Property to be a Common Interest Community in accordance with the Colorado Common Interest Ownership Act.

Section 1.7 Statement of Purpose. This Declaration of Protective Covenants is imposed for the benefit of all Owners and future owners of Lots, tracts, and parcels located within the Property and to provide for the preservation of values of the Property and to preserve the covenants, easements, restrictions, assessments and liens hereafter set forth, all of which are for the benefit of the Property.

Section 1.8 Colorado Common Interest Ownership Act Disclosures and Reservations. Pursuant to the Colorado Common Interest Ownership Act, C.R.S. '38-33.3-100 et. seq. The Declarant makes the following statements and disclosures:

1.8.1 The name of the common interest community is Buckhorn Ranch and the name of its association is Buckhorn Ranch Association, Inc. Buckhorn Ranch is a planned community; but Multi-family Lots therein may be subjected to condominium regimens at the option of the Owner(s) of such Multi-family Lot.

1.8.2 Buckhorn Ranch Subdivision is situate wholly within Gunnison County, and the legal description for the parcel is set forth in Section 1.1 above.

1.8.3 The maximum number of units that the Declarant reserves the right to create is 498.

1.8.4 The description of the boundaries of each unit will be contained in the Plats to be subjected to this Declaration.

1.8.5 The Common Areas and Facilities will be described in the Plats; however, generally, they consist of the roads, the recreational paths, the airstrip and the equestrian area. The pond(s) and water system may be included or dedicated to a private water company that contracts to serve Buckhorn Ranch.

1.8.6 No limited common elements are planned for the Buckhorn Ranch, however, in the event a Multifamily Lot is condominiumized, there may be limited common elements created within such multifamily lot

1.8.7 Development rights and other special declarant rights reserved by the Declarant, all of which apply to the Property, and which may be exercised for a period not to exceed ten (10) years from the date hereof, are as follows:

1.8.7.1 The Declarant has reserved the right to add real estate to the Property, and to subject such added real estate to this Declaration. If this right is exercised in the future the total units (lots) within the Buckhorn Ranch may exceed 498 units (lots) by reason of such addition.

1.8.7.2 The Declarant has reserved the right to create units (Lots) and common elements (Common Areas and Facilities) as part of Declarant's staged platting process.

1.8.7.3 Any Owner, including the Declarant as to unsold units (Lots) has the right to subdivide units (Lots) under the terms and conditions of this Declaration.

1.8.7.4 The Declarant is not obligated to subject all of the Property to this Declaration, and therefore has reserved the right to withdraw any part thereof from its plan of development which has not become subject to this Declaration by the recording of a Plat thereof in the records of Gunnison County, Colorado.

1.8.7.5 The Declarant has reserved the right to complete improvements indicated on the Plat or Plats to be filed for the Buckhorn Ranch, to maintain a sales and management office, and signs advertising Buckhorn Ranch, to grant, create and use easements through the Common Areas for the purpose of making improvements within the Buckhorn Ranch or real estate which may be added to the Buckhorn Ranch.

1.8.7.6 Development rights described in subsection 1.7.7.5 above may be exercised with respect to any parcel of real estate within the Property at any time, without limitation.

1.8.7.7 In the exercise of any Development rights or special declarant rights, the Declarant shall prepare, execute and record an amendment to this Declaration along with any other necessary documents, including a plat.

1.8.7.8 Declarant shall convey common elements no later than when 75% of the lots are sold in the total subdivision. In regard to the airstrip, the airstrip will be dedicated or conveyed no later than when 75% of the lots are sold in the total subdivision or when 100% of the airstrip frontage lots are sold, whichever is earliest. Declarant reserves the rights of use at no charge after such dedication and/or conveyance. Rules and Regulations for the airstrip (the Crested Butte Airport) will be established and modified from time to time by the Declarant and/or the Association.

ARTICLE 2  
DEFINITIONS

The following terms and words shall have the following definitions:

Section 2.1 "Assessments" shall mean regular monthly, quarterly or annual assessments, special assessments or default assessments levied pursuant to the Association Documents to provide the funds required to meet the obligations of the Association.

Section 2.2 "Association" shall mean the Buckhorn Ranch Association, a Colorado nonprofit corporation, or any successor thereof charged with the duties and obligations set forth herein.

Section 2.3 "Association Documents" shall mean the Subdivision Plats, this Declaration of Protective Covenants, the Articles of Incorporation and Bylaws of the Association, any amendments thereto, the Design Guidelines adopted by the Association, and any rules, regulations or policies adopted by the Association.

Section 2.4 "Board of Directors" or "Board" shall mean the Board of Directors of the Association duly elected and acting according to the Articles of Incorporation and Bylaws of the Association. The Board of Directors is also defined as an Executive Board by the Colorado Common Interest Ownership Act.

Section 2.5 "Buckhorn Ranch" shall mean all of the Property as set forth on attached Exhibits A and B and as may be platted or set forth on a Plat filed in the records of Gunnison County, Colorado pertaining to all or any part of the Property.

Section 2.6 "Building" shall mean any structure having a roof supported by columns or walls, or any similar type of improvement situate and located within the Property.

Section 2.7 "Building Site" or "Building Envelope" shall mean any site, envelope or area within a Lot or tract of land where the buildings and other improvements shall be located within such Lot or tract of land as approved by the Design Review Board.

Section 2.8 "Caretaker Unit" shall mean a living unit within a Family Residence or attached to a Family Residence by a breezeway, walkway or other structure having a roof and the living unit designed for occupancy by the Owner of the Lot and his or her family, the Owner's guests or a caretaker of the Owner for the Lot.

Section 2.9 "Colorado Common Interest Ownership Act" shall mean the "Colorado Common Interest Ownership Act of the State of Colorado and being Section 38-33.9-101, et seq., Colorado Revised Statutes."

Section 2.10 "Common Interest Community" shall have the definition set forth in the Colorado Common Interest Ownership Act.



Section 2.11 Condominium shall have the definition set forth in the Colorado Common Interest Ownership Act.

Section 2.12 Cooperative shall have the definition set forth in the Colorado Common Interest Ownership Act.

Section 2.13 "Declarant" shall mean Brush Creek Airport, L.L.C., a Colorado limited liability company, its successors and assigns.

Section 2.14 "Declaration" or "Declaration of Protective Covenants" shall mean this Declaration of Protective Covenants of Buckhorn Ranch and as the same may be hereafter amended, modified or extended.

Section 2.15 "Design Guidelines" shall mean the Buckhorn Ranch Design Guidelines dated March 1, 2001, and any subsequent changes or amendments thereto adopted and approved in the manner set forth in the Declaration of Protective Covenants and Design Guidelines.

Section 2.16 "Design Review Board" shall mean the Board of Directors of the Association.

Section 2.17 "Family Residence" shall mean the primary residence on any Lot designed for occupancy by the Owner of the Lot.

Section 2.18 "Garage" shall mean an attached accessory Building or an accessory portion of a Family Residence or Caretaker Unit designed for the storage of one or more motor vehicles and any incidental use associated therewith. Any Garage, if not within the Family Residence or Caretaker Unit shall be attached thereto by a breezeway, walkway or other structure having a roof.

Section 2.19 "Improvement" shall mean all buildings, structures, parking areas, loading areas, fences, walls, hedges, plantings, poles, driveways, parking areas, utilities, runway and taxi-ways, ponds, lakes, recreational facilities, signs, decks, enclosures, changes in exterior color or shape, excavation, and all other site work including, without limitation, grading, road construction, utility improvements, removal of trees or plantings, and any new exterior construction or exterior Improvement constructed or completed on the Property.

Section 2.20 "Landscaping" shall mean planted areas and plant materials, including trees, shrubs, lawns, flower beds and ground cover.

Section 2.21 Lot shall mean a designated lot as shown on a Map of Buckhorn Ranch.

Section 2.22 "Maintenance Fund" shall mean the fund created by Assessments and fees levied pursuant to this Declaration to provide the Association with funds it requires to carry out its duties hereunder.

Section 2.23 "Member" shall mean any person holding membership in

the Association.

Section 2.24 "Mortgage" shall mean any mortgage, deed of trust or other document pledging a Lot or any interest therein as security for the payment of any indebtedness. "First Mortgage" shall mean any mortgage which is not subject to or junior to any lien or encumbrance, except liens for taxes and other liens which are given priority by statute.

Section 2.25 "Open Space" shall mean any tract or parcel of land designated on a Plat as Open Space and conveyed to the Association for the common use and enjoyment of all Owners.

Section 2.26 "Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot; provided, however, that prior to the first conveyance of any Lot for value after this Declaration, the Owner shall mean the Declarant unless the Declarant has designated its successor in ownership of fee simple title to exercise the rights, duties and obligations of ownership.

Section 2.27 Person shall mean a person, corporation, partnership, joint venture, association, fiduciary or any other type of entity or designation by which title to any Lot is held.

Section 2.28 "Plat" or Subdivision Plat shall mean the Plat of Avion Club Filing No. 1, and the Plats of Buckhorn Ranch Filing No. 2 (denominated Filing 2a, 2b, etc.), and all additional filings as platted, and as the same may be amended, enlarged or revised from time to time and affecting the Property. All filings shall be collectively known as Buckhorn Ranch.

Section 2.29 "Property" shall mean and include all of the property subject to this Declaration.

Section 2.30 Townhouse shall mean two or more Single-Family Residences, each being a separate individual residence on a Lot separated and connected each to the other by a Common Wall.

ARTICLE 3  
USE OF LOTS WITHIN BUCKHORN RANCH

Section 3.1 Building Site Use. The Building Site of each Lot shall be used for the construction, erection and maintenance of all Buildings situate upon the Lot in the manner provided in this Declaration of Protective Covenants.

Section 3.2 Family Residence Lot. Each Lot, except only a Lot designated for commercial use or multiple family use, shall be used for a Single-Family Residence, a Garage and a Caretaker Unit for the exclusive use and enjoyment of the Owner of the Lot, members of his family, his guests and his caretaker. The Lot may be utilized for landscaping, the installation and maintenance of utilities, irrigation ditches and the water and sewer systems of Buckhorn Ranch.

3.2.1 Lots 1 and 3 may be used for lodges, bed and breakfast establishments, or other similar establishments. Lots C2, C3, 1, and 3 shall be limited to an aggregate of 50 short-term rental rooms on all the Lots. The use of such Lots may require approval by Gunnison County, Colorado.

**Section 3.3 Commercial Lot.** A Lot, designated on a Plat by the letter C, shall be used exclusively for commercial purposes that are consistent with the residential development of Buckhorn Ranch and limited to:

3.3.1 Retail businesses to serve the residential lots such as filling stations or service stations, convenience stores, restaurants (including the dispensing of alcoholic beverages), retail or wholesale bakeries, apparel and recreational and sports shops. Lots 1, 3, C-2 and C-3 may house conference or meeting areas.

3.3.2 Lodges, bed and breakfast establishments, hotels or motels, and similar type establishments, with or without meals. Lots C2, C3, 1, and 3 shall be limited to an aggregate of 50 short-term rental rooms on all the Lots.

3.3.3 Guest ranches.

3.3.4 Association buildings and services, including a fire station, and governmental sub-stations and utility stations. A fire substation may be located within the residential section south of the runway.

**Section 3.4 Multiple-Family Lots.** A Lot, designated on a Plat by the letter M, shall be used exclusively for Multiple-Family Residences. Multiple-Family Residences include condominiums, townhouses, apartments, cooperatives, timeshare units and individual Family Residences. A Multiple-Family Lot may be subdivided or divided into separate ownership interests, either as attached and detached Family Residences and including Garages. Lot M-1 shall contain up to 72 multi-family units along with 32 affordable housing units. Lot M-2 shall contain up to 74 detached clustered homes. Lot M-3 shall contain up to 54 detached clustered homes. The type and number of residences for each Multiple-Family Lot shall be as approved by Gunnison County, Colorado.

**Section 3.5 Water and Irrigation.** All irrigation ditches and the water decreed therein are owned and controlled by the Declarant. All irrigation within Buckhorn Ranch shall be in accordance with the irrigation plan and practices adopted by the Declarant and the water system operator in accordance with paragraph 9.3 below. The Declarant or water system operator shall at all times determine and administer the allocation of irrigation water within Buckhorn Ranch. No Owner, family members, guests, invitees, or employees shall, at any time, interfere with, obstruct or utilize any irrigation ditch or irrigation water for the irrigation of the Open Space unless expressly authorized to do so by the Declarant or water system operator; provided, however, any Owner may at any time utilize the irrigation water available for the irrigation of the Owner's Lot in accordance with the Rules and Regulations established by the Declarant or the water system operator. No owner shall have the authority to drill a new well or utilize existing wells not included in the water decree without the express

written approval of the Declarant or water system operator. All irrigation wells, springs and ditches are controlled by the Declarant or others who have prior ownership or interest in such. Water system is controlled by provisions in Section 9.3 of this document.

**Section 3.6 Wildlife.** Wildlife, in its natural state within Buckhorn Ranch, will be encouraged. The recreational and agricultural usage of Buckhorn Ranch will be accomplished in a manner to encourage and protect all wildlife, and no hunting or taking of any wildlife shall be allowed except in accordance with all applicable laws, rules and regulations, this Declaration and the rules and regulations of Buckhorn Ranch.

**Section 3.7 Recreational Activities.** All recreational activities within Buckhorn Ranch, including but not limited to skiing, hiking, bicycling, and horseback riding shall be in accordance with Rates and Regulations adopted by the Board of Directors. All recreational activities shall be solely for the private use and enjoyment of the Owners, members of their family, their guests and invitees.

**Section 3.8 Partition of Lots.** No Family Residence Lot or Commercial

Lot may be partitioned, subdivided nor, in any manner, divided into two or more tracts of land. The Multi-Family Lots may be subdivided, partitioned, or divided as set forth in Section 3.4 above.

**Section 3.9 Combining of Lots.** In the event that the same Owner owns two or more adjoining Lots and desires to change the location of the Building Envelopes for each Lot to reflect a single Building Envelope for the combined usage of both Lots, the Owner may do so subject to compliance with the following conditions:

3.9.1 By appropriate land covenant or other recorded document, the Owner commits, agrees and covenants that all of the combined Lots will be treated as a single Lot for the purpose of compliance with the Declaration of Protective Covenants and must thereafter remain in common ownership by the same Owner.

3.9.2 The Owner submits to and obtains recorded approval from the Design Review Board for the change of the Building Envelope.

3.9.3 The Association approves of the combining of the lots and the new assessment on the combined lots.

**Section 3.10 Required Approval of Gunnison County, Colorado.** The development and use of any Commercial Lot or Multiple-Family Lot is subject to any required approval of Gunnison County, Colorado and the Association.

**Section 3.11 Use of Crested Butte Airport.** The Crested Butte Airport at Buckhorn Ranch ("the CBA") is presently owned by the Declarant, in accordance with the terms and conditions of the Stipulation and Settlement Agreement approved on January 22, 2001 between the Board of County Commissioners of Gunnison County

and Brush Creek Airport, L.L.C, and Garrison County Resolutions affecting the use and operation of the CBA including, but not limited to Resolutions No. 01-07, No. 01-08 Amending No. 95 Series 1973, No. 01-09 Amending No. 31, Series 1999; the Special Restrictive Covenants recorded on December 22, 1995; and the Landrum & Brown Study of the Crested Butte Airport (Rouse site) dated July 3, 1975, and any subsequent amendments.

3.11.1 It is the intent of the Declarant, its successors or assigns to transfer ownership of the CBA to Buckhorn Ranch Association, Inc. ("the Association") no later than the earlier of 1) when 75% of the lots in Buckhorn Ranch have been sold, or 2) when 100% of the airstrip frontage lots have been sold. It will be at the discretion of Brush Creek if an earlier date of transfer occurs.

3.11.2 The Declarant, and the Association reserve the right to adopt Rules and Regulations governing the use, operation, and control of the Crested Butte Airport, and specifically adopt the Rules and Regulations dated March 3, 2001, attached to this Declaration for the use, operation, and control of the CBA.

3.11.3 Prior to the transfer of ownership of the airstrip to the Association, Brush Creek will collect all initiation fees, annual fees and user fees to be utilized at the discretion of Brush Creek, except for the fees generated for parking on Lot C-1, which is owned by Buckhorn Ranch Association, Inc. In return Brush Creek will be responsible for the care, maintenance and payment for liability insurance as is required by Garrison County Board or County Commissioners in the Stipulation and Settlement Agreement approved on January 22, 2001 until the airport ownership is transferred to the CBA's subsequent parent, Buckhorn Ranch Association, Inc. At the time of transfer of ownership from Brush Creek to the Association, these duties and responsibilities will also be transferred as well as the right to collect subsequent initiation fees, annual fees and user fees to be utilized at the discretion of the Board of Directors of the Crested Butte Airport Association (hereinafter called "the CBAA"), a subsidiary committee operating under the umbrella of its parent, the Buckhorn Ranch Association, Inc. The CBAA committee will operate financially independent from the master Association.

3.11.4 All owners of property located at Buckhorn Ranch, including those lots adjacent to and remote from the airstrip, hereby grant an easement and acknowledge the existence of the CBA described herein, and of record in the Preliminary Plat of Buckhorn Ranch of 1997, and the Plats of the future filings of Buckhorn Ranch. The owners acknowledge the fact that aircraft will occupy the airspace above the airstrip to an infinite height, and the aircraft will have the right to cause in all air space above the surface of the airport such noise, vibrations, fumes, dust and fuel particles that may be caused by the operations of the CBA while aircraft are taking off, taxiing or landing. Owners at Buckhorn Ranch do waive or release any right or cause of action which it may now have, or which it may have in the future, against the CBA owners, its successors and assigns, due to such noise, vibrations, fumes, dust and fuel particles that may be caused by the operation of aircraft landing at, taking off from, or operating at or

on the CBA.

3.11.5 The easement and right-of-way hereby granted includes the continuing right by the CBA to prevent the erection of structures or buildings within the owners' property that violates setback regulations established by the FAA and/or imposed by Garrison County regarding Safety and Object Free Areas.

3.11.6 Owners agree that they will use reasonable care to not permit the use of electrical or electronic equipment in such a manner as to create electrical interference with radio communications between any ground installation and aircraft, nor interfere with communication from aircraft to aircraft, that would make it difficult for flyers to communicate in a safe and reasonable manner necessary to operate their aircraft during mobile procedures requiring maneuverability of such aircraft.

#### ARTICLE 4 USE OF SINGLE-FAMILY RESIDENTIAL LOTS

Section 4.1 Residential Use All Single-Family Residential Lots shall be used exclusively for residential purposes and shall be limited to one single-family Residence with an attached Garage, an attached Caretaker Unit, and an unattached Hangar where appropriate. No additional Buildings, Improvements, or usage shall be permitted except as authorized by this Declaration and the Design Guidelines.

Section 4.2 Building Site The Family Residence, with attached Garage and attached Caretaker Unit shall be situate within the designated Building Site of the Lot.

Section 4.3 Caretaker Unit One Caretaker Unit, within the Family Residence or attached thereto by a breezeway, walkway or other structure having a roof, shall be allowed on each Lot.

A Caretaker Unit may be used as a residence of an Owner's family or guests, a caretaker and the family of the caretaker of the residence, or for a long-term rental tenant, subject to the condition that not more than two persons, other than the tenant and his family, may reside in the Caretaker Unit. Long-term rental means a period of three consecutive months or more.

The Caretaker Unit shall be served and connected with the same water and sanitation facilities designed and used by the Family Residence of the Lot and access to the Caretaker Unit shall be the same access driveway as used by the Family Residence, unless otherwise approved by the Design Review Board.

Section 4.4 Garage One Garage within the Family Residence or attached by a breezeway, walkway or other structure having a roof to the Family Residence shall be required on each Lot. All Garages shall, at a minimum by size, be a two car garage and sufficient in size to park and store all motor vehicles, recreational



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vehicles, all terrain vehicles, snowmobiles, boats and trailers located upon the Lot, unless a Hangar on the Lot will provide adequate storage.

Section 4.5 Fire Protection Systems. All residential buildings situate upon the Property shall have installed and maintained smoke detectors, or other fire suppression systems required by the governing fire protection district.

Section 4.6 Approval of Use. No improvement shall be constructed on any Lot, except only as approved by the Design Review Board.

Section 4.7 No Commercial Use. No commercial or business enterprise of any nature shall be allowed or permitted on any Lot except as authorized by this Declaration and the Design Guidelines; provided, however, that the Owner of a Lot may be permitted to conduct an in-home executive office or an in-home occupation, artistic or literary activity on a Lot upon the prior approval by the Design Review Board as to such occupation or activity. No such occupation or activity shall be approved by the Design Review Board which would create a visual, sound or traffic nuisance. Any such occupation or activity shall be subject to a reasonable limitation as to the number of persons and the number and type of motor vehicles involved in such occupation or activity. Certain in-home activities may require a Land Use Change Permit from Gunnison County.

#### ARTICLE 5

#### USE OF COMMERCIAL LOTS

Section 5.1 Commercial Use. All Commercial Lots shall be used exclusively for commercial uses and purposes as provided in Article 3.

Section 5.2 Building Site. Any commercial building shall be situate within the designated Building Site of the Commercial Lot.

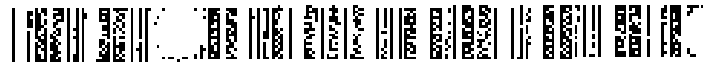
Section 5.3 Approval of Use. No Improvement or use shall be constructed or commenced on any Commercial Lot, except only as approved by the Design Review Board.

#### ARTICLE 6

#### USE OF MULTIPLE-FAMILY LOTS

Section 6.1 Multiple Family Use. All Multiple Family Lots shall be used exclusively for residential purposes as set forth in Article 3, together with, garages and common community or recreational buildings. No additional buildings, improvements or usage shall be permitted except as authorized by this Declaration and the Design Review Board. Design Standards for multifamily residences may differ from Design Standards set forth for Single Family Residences.

Section 6.2 Building Site. All improvements and structures shall be situate within the designated Building Site of the Multiple-Family Lot.



Section 6.3 Fire Protection Systems. All residential Buildings situate upon the Property shall have installed and maintained smoke detectors or other fire suppression systems required by the governing fire protection district.

Section 6.4 Approval of Use. No Improvement shall be constructed on any Multi-Family Lot, except only as approved by the Design Review Board.

Section 6.5 No Commercial Use. No commercial or business enterprise of any nature shall be allowed or permitted on any Lot without the express approval of the Association. Certain activities may or may not require a Land Use Change Permit from Gunnison County.

ARTICLE 7  
DESIGN REVIEW AND APPROVAL

Section 7.1 Board. The Board of Directors of the Association shall appoint the members of the Design Review Board.

Section 7.2 Review and Approval. No Family Residence, Caretaker Unit, Garage, Building or Improvement shall be commenced, constructed, erected, maintained, altered or changed upon any Lot, nor shall any Landscaping or fencing be accomplished, nor shall any exterior addition, change or alteration be made, until the plans and specifications therefor have been submitted to and approved in writing by the Design Review Board in the manner hereafter set forth and contained in the Design Guidelines.

Section 7.3 Submission Requirements. Prior to the commencement of any such construction or the accomplishment of any items requiring the approval of the Design Review Board, an application, together with all plans and documents, for such Building, Improvement or item shall be submitted to the Design Review Board for approval. The submittal requirements and the method of review shall be as set forth in the Design Guidelines.

Section 7.4 Quorum. A majority of the Design Review Board shall constitute a quorum and all decisions of the Design Review Board shall be by a majority vote of the Members present.

Section 7.5 Final Decision. The decision of the Design Review Board as to the final plan application shall be final, subject only to the right of judicial review as provided by the laws of the State of Colorado. The Board shall indicate to any applicant, in the event of disapproval of the final plan application, the reasons why the final plan application was rejected and grant to the applicant an opportunity to resubmit with the revisions and corrections that would bring the request for final plan approval into conformity with the requirements of this Declaration of Protective Covenants and the Design Guidelines.

Section 7.6 Rules and Regulations. This Design Review Board may adopt such rules and regulations as are appropriate to govern its proceedings as a





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Design Review Board.

Section 7.7 Design Review Fee. The Design Review Board shall adopt a schedule of fees to be charged for each application submitted to the Design Review Board for review and approval. Such fee shall be in an amount reasonably determined to cover the actual costs and fees of the Design Review Board in processing the application. Such fee shall be paid by the applicant on or before the date of hearing on the application.

Section 7.8 Limitation of Liability. The Design Review Board shall use reasonable judgment in approving or disapproving all plans and specifications submitted to it for review and approval. Neither the Design Review Board, nor any individual member thereof, shall be liable to any person for any official act of the Design Review Board in connection with the submission of any plans and specifications for approval, except only to the extent that the Design Review Board, or any individual member thereof, acted with malice or wrongful intent.

Section 7.9 Building Permit. In addition to the approval requirements by the Design Review Board, each Owner is responsible for obtaining all approvals, licenses and permits as may be required by Gunnison County, Colorado, and any entity or district having jurisdiction over the Lot prior to the commencement of construction.

Section 7.10 Variances. The Design Review Board may grant variances as to the design requirements contained in Article 9 of this Declaration of Protective Covenants and the Design Guidelines and the location of the Building Site under the following conditions:

7.10.1 An application for a variance shall be submitted in the same manner as is required for design review approval. If the requested variance is part of an application for approval of a Building or other structure, such request may be submitted as part of that application.

7.10.2 The location of the Building Site within any Lot may be changed or adjusted by variance based upon the following criteria:

7.10.2.1 Such variance is necessary and desirable to take advantage of terrain and site features for the construction of any improvement and such change would not unreasonably detract from the Building Site, any other Lot or Buckhorn Ranch.

7.10.2.2 The application for such variance shall include a certificate from a Professional Engineer licensed to do business in the State of Colorado as an acceptable Building Site based upon geological and soil condition.

7.10.2.3 Any change in location of a Building Site from that shown on a Plat of Buckhorn Ranch shall be confirmed by an amended plat of the Lot for which such variance is requested. The plat

shall be prepared by a licensed Colorado surveyor at the request, of and at the cost of, the Owner of the Lot, signed by the Owner and approved by the Design Review Board. Such amended plat of the Lot shall be filed in the records of Gunnison County, Colorado.

7.10.3 A variance of the design requirements of this Declaration or the Design Guidelines may be granted if such variance is reasonable, is in keeping with the overall design requirements of Buckhorn Ranch and does not unreasonably detract from the Building Site, any other Lot, or Buckhorn Ranch.

Section 7.11 Association Requirements. The Association, prior to the construction of any Buildings or Improvements within the Open Space, shall submit a final plan, therefore to the Design Review Board and the Design Review Board shall hold a hearing thereon in accordance with the procedure set forth in the Design Guidelines.

## ARTICLE 8 DESIGN REQUIREMENTS

Section 8.1 Design Requirements. Any Family Residence, Caretaker Unit, Garage, Commercial Building, Building or Improvement situate within Buckhorn Ranch shall comply with the design requirements of this Article.

Section 8.2 Building Site. Any Building or Improvement shall be constructed entirely within the designated Building Site for the Lot.

Section 8.3 Uniform Building Code. All Buildings and Improvements shall meet all of the requirements, including fire protection standards, of the Uniform Building Code and any other building code or fire code of Gunnison County, Colorado then in effect.

Section 8.4 Building Density. Building Density and specific Design Guidelines will be set forth in a separate document entitled, Buckhorn Ranch Design Guidelines.

Section 8.5 Height. Height of structures shall be controlled by the Design Guidelines.

Section 8.6 Fireplaces. Each Building may contain one wood-burning fireplace or wood-burning stove. All additional fireplaces or stoves must burn natural gas rather than wood. The wood-burning fireplace or wood-burning stove must be equipped with emission controls providing the maximum protection reasonably available as to the emission of pollutants and shall comply with the Environmental Protection Agency Phase II (Colorado Phase III) Requirements contained in the Colorado Department of Health and Environment's Regulation No. 4, as it may be amended, or applicable requirements then in effect.

Section 8.7 Design Guidelines. The Design Review Board shall adopt Design Guidelines which shall include all design requirements for the construction of

any Family Residence, Caretaker Unit, Garage, or other Buildings or Improvements within Buckhorn Ranch and the method of procedure and the plans and documentation that are required by an applicant to submit an application to the Design Review Board. Such Design Guidelines are in addition to the requirements of this Declaration, are supplemental thereto and are enforceable in the same manner and shall have the same force and effect as this Declaration. Such Design Guidelines may be altered, amended, revised, and changed from time to time as determined by the Design Review Board.

## ARTICLE 9 CONSTRUCTION, USE AND MAINTENANCE REQUIREMENTS

Section 9.1 Excavation. No excavation shall be made on any Lot, except in connection with a Building approved in accordance with this Declaration of Protective Covenants.

Section 9.2 Electrical, Telephone and Utility Services. All electrical, telephone and utility services within any Lot shall be underground.

### Section 9.3 Water Service

9.3.1 All Lots Connected to Central Water System. All lots within Buckhorn Ranch shall be connected to and shall utilize the central water system as defined herein. All surface water crossing the Buckhorn Ranch property, springs emanating from within the Buckhorn Ranch property and all groundwater underlying all lots within the Buckhorn Ranch property is hereby expressly reserved to the Declarant.

9.3.2 Central Water System and Water System Operator. The Declarant or a designated successor or assignee of the Declarant (to the central water system and the Water Decree (hereinafter the "water system operator"), shall construct, own and operate a central water system which will provide potable water to all lots within Buckhorn Ranch.

9.3.3 Operation of the Water System; Tap Fees; Capital Costs. Potable water shall be provided by the water system operator to the lots either by contract with the Association or through individual contracts with the lot owners within Buckhorn Ranch. All lots shall be required to pay a fee for the provision of water service by the water system operator. The amount of the fee shall be established from time to time by the water system operator, including the right to charge a reasonable fee per month from the date of a lot owner's purchase of a lot until the lot is connected to the central water system. Upon connection of a lot to the central water system and payment of a water tap fee as provided below, then the lot shall pay a water fee equal to the then existing rate for provision of water services.

9.3.4 Each lot owner shall, at the time of connection to the central water system, pay to the water system operator the water tap fee rate then in effect. In the alternative and to lock in the tap fee rate, at the time of purchase of a lot, the lot owner may pay the prevailing tap fee charged at time of purchase.

9.3.5 Limitations on Termination and Amendment. No amendment or termination shall be permitted to Section 10.3 of this Declaration that has the effect of modifying or releasing the Buckhorn Ranch Property or any Lot within the Buckhorn Ranch Property from the provisions of the Water Decree, as that term is defined herein, without the express written consent of the water system operator and/or the Declarant.

9.3.6 Incorporation of the Water Decree. On March 26, 1982, the District Court, Water Division 4, State of Colorado entered its Ruling of Water Referee in Case Nos. W-3517, W-3518, W-3519, W-3520, W-3521, W-3232 and W-3233 that was captioned "In the Matter of the Application for Water Rights of Richard A. Landy in the Gunnison River or its Tributaries, In Gunnison County," hereinafter referred to herein as the "Water Decree." A proceeding to amend the Water Decree was approved by the District #4 Water Referee on May 17, 2000 and the order signed by the judge on June 21, 2000. For purposes of this Declaration of Covenants, the term "Water Decree" shall refer and relate to all amendments or modifications to the Water Decree which may be obtained in the future by the Declarant, its successors and assigns. The Declarant or the water system operator, as defined herein, shall have the express right to seek amendments to the Water Decree and the terms of any modified Water Decree shall be a covenant running with the title of each lot within Buckhorn Ranch and shall inure to the benefit of and be binding upon all lots within the Buckhorn Ranch Property.

9.3.7 Covenants Subject to Water Decree. The Property, each Lot, each Owner and these Covenants shall at all times be subject to the Water Decree, as it may be amended from time to time. In the event of an irreconcilable conflict between these Covenants and the Water Decree, then the terms of the Water Decree shall control to the extent of the inconsistency.

9.3.8 Specific Provisions for Implementation of Water Decree. The following provisions are included in these Covenants pursuant to the terms of the Water Decree. These specific provisions shall supersede any other provision of these Covenants to the contrary, shall not be subject to amendment without the written consent of the Declarant or the water system operator and shall survive the termination of these Covenants:

9.3.8.1 The sewage disposal for each Lot shall as set forth in Section 10.4, 10.4.1 and 10.4.2.

9.3.8.2 Without the express written consent of the Declarant or the water system operator, no single family residential lot shall have more than 1000 square feet of irrigated lawn and/or garden area. Further, there shall be no watering of livestock or noncommercial animals on any lot within Buckhorn Ranch with the sole exception being a lot or lots specifically designated as an equestrian facility.

9.3.8.3 Declarant and/or the water system operator shall

have the right to enter onto any Lot for the purposes of administering the Water Decree, including the right to install at a lot owner's expense a water meter or other appropriate measuring device to document the exact water usage for each lot, or for the development, construction, or maintenance of new facilities required by the Water Decree, including, without limitation, wells, springs, pumping facilities, or other necessary structures.

9.3.8.4 Declarant, the Association, the water system operator and each Owner, and their successors and assigns, shall have the right to enforce the Water Decree. Any violation of the terms of the Water Decree shall be a violation of these Covenants, and all enforcement rights and remedies available under these Covenants shall be available to enforce any violations of the terms of the Water Decree, including the right to impose special assessments.

9.3.8.5 There is hereby reserved to the Declarant and/or the water system operator the right to make further amendments or modifications to the Water Decree and to enact reasonable rules and regulations imposing additional restrictions upon the supply and use of water within the Property, including but not limited to water rationing and curtailment of water use during times of shortage.

9.3.8.6 The Declarant and/or the water system operator, is hereby granted a non-exclusive easement over the Common Areas, roads, easements and rights of way in the Property for the purposes of locating, constructing and maintaining pipelines, wells, pumps, equipment, structures, infrastructure and any other items necessary or advisable for the operation of the central water system.

9.3.9 Additional Provisions. All Lots within Buckhorn Ranch shall:

9.3.9.1 Comply with all applicable laws, rules and regulations of the Association.

9.3.9.2 Be subject to the easements and rights of way as set forth on the Plans of Buckhorn Ranch and specifically including all necessary easements and rights of way to the Association to construct, install, maintain and repair the central water system including, but not limited to any wells, lakes, springs, service lines, storage facilities or ditches.

Section 9.4 Sewer Systems. All Lots within Buckhorn Ranch shall:

9.4.1 Be connected to and utilize the central sewer system connected to and maintained by the East River Regional Sanitation District unless an individual lot is excluded by the East River Regional Sanitation District and the



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Association.

9.4.2 Comply with all of the applicable laws, rules and regulations of the East River Regional Sanitation District.

9.4.3 Be subject to the easements and rights of way as set forth on the a Plat of Buckhorn Ranch and specifically including all necessary easements and rights of way to the Association and/or the East River Regional Sanitation District, to construct, install, maintain and repair the central sewer system.

Section 9.5 Assessments. Each Owner of a Lot shall be responsible for and shall be required to pay any cost, including tap fees, user fees, and costs of installation within such Owner's Lot, for the connection and use of such water service and sewer service, and specifically including assessments payable to the Declarant for such services.

Section 9.6 Signs. No sign of any kind shall be displayed to public view on any portion of any Lot, without the prior written consent of the Design Review Board and in accordance with the Gunnison County Sign Code. An Owner may erect a sign not to exceed three square feet identifying the Owner and/or address of the Lot without prior written consent. All other signs shall be approved by the Design Review Board. The Declarant reserves the right to erect and display signs for promotion and sale of Lots within Buckhorn Ranch to prospective purchasers.

Section 9.7 Drainage. No Owner shall do or permit any work, construct any Improvements or do any Landscaping which shall alter or interfere with the natural drainage of the Property, except to the extent the same is approved by the Design Review Board and as authorized for any surface water discharge easement.

Section 9.8 Temporary Structures. No temporary structure, mobile home, modular home, trailer house, travel trailer or recreational vehicle shall be permitted on any Lot, except only as may be determined to be necessary during the period of construction of the Family Residence and/or Caretaker Unit as specifically approved by the Design Review Board. Provided, however, a motorhome, travel trailer or similar vehicle of any Owner or their guests shall be permitted on a Lot for a short term period of time, not to exceed 80 days in any one calendar year.

Section 9.9 Continuity of Construction. All construction, reconstruction, alterations or Improvements shall be prosecuted diligently to completion and shall be completed within fifteen months of the commencement thereof, unless an exception is granted by the Design Review Board.

Section 9.10 Landscaping. The Lot and all Landscaping thereon shall be maintained in its natural condition to the extent possible. Lawns and artificial Landscaping shall be minimal and in no event shall an irrigated lawn and garden exceed 1,000 square feet in total area unless approved by the Design Review Board in writing. Vegetation within 30 feet of all Buildings on the Lot shall be mowed and maintained, within reason, to a height of six (6) inches. No trees shall be cut or removed from any Lot except only (1) as required to permit ingress and egress to and from the Building

Site, (2) to clear the actual construction site for any Family Residence, Caretaker Unit, or Garage, (3) to remove any diseased or dead trees, (4) to remove any tree that poses a danger to any Building, (5) limited tree cutting approved by the Board of Directors in the manner that will not be visible to any other Lot or as required for Wildfire Safety, and (6) as may be approved by the Design Review Board.

**Section 9.11 Trash and Open Storage.** No trash, ashes, garbage or other refuse shall be allowed to see revisions accumulate or placed on any Lot or area within the Property. There shall be no burning or other disposal of refuse out of doors. Each Owner shall provide suitable receptacles for the temporary storage and collection of such refuse and all such receptacles shall be screened from the public view and from the wind and protected from animals (including black bears) and other disturbance. Additionally, no storage of equipment, inventory, objects, materials or salvage material shall be allowed unless contained within a Building that has been duly approved by the Design Review Board. During the construction or renovation of a Family Residence or Improvement, construction materials and equipment shall only be stored upon the Lot in accordance with the Design Guidelines and the approval of the project by the Design Review Board.

**Section 9.12 Abandoned or Inoperable Vehicles.** Abandoned or inoperable automobiles, airplanes or motor vehicles of any kind, except as hereinafter provided, shall not be stored or parked on any portion of a Lot. "Abandoned or inoperable vehicle" shall be defined as any vehicle which has not been driven or flown under its own propulsion for a period of three months or longer; provided, however, this shall not include vehicles parked by Owners while on vacation. Upon approval of the Design Review Board, an Owner may store a vehicle within a Garage which the Owner is remodeling or rebuilding for a period of longer than three months. 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 seventy-two hours thereafter, the Association shall have the right to remove the same without liability to it, and the expense thereof shall be charged against the Owner.

**Section 9.13 Noise.** No exterior horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of persons and Improvements on any Lot, shall be placed or used on any Lot. No animals shall be kept or maintained on any Lot which create a nuisance by noise, including without limitation, barking dogs. The Airport Association shall have the right to limit the times of the day when aircraft operation shall be allowed.

**Section 9.14 Nuisance.** No obnoxious or offensive activity shall be carried on within the Property, nor shall anything be done or permitted which shall constitute a public nuisance. No noise or other nuisance shall be permitted to exist or operate upon the Property so as to be offensive or detrimental to any other part of the Property or its Owners or occupants; provided, however, that this Section shall not apply to any noise or other activity approved by the Design Review Board as to the construction of any Improvements.

**Section 9.15 Hazardous Activities.** No activities shall be allowed or conducted on

the Property which are or might be unsafe or hazardous to any person or property. Such hazardous activities include, but are not limited to, fireworks, firearms, bow and arrows, explosives, air or pellet guns or any similar type devices except only in approved areas in accordance with Rules and Regulations adopted by the Board of Directors. No outside open fires shall be permitted on any Lot unless contained within a cooking or barbecue type unit or grill or unless specifically approved by Declarant.

#### ARTICLE 10 ANIMALS

Section 10.1 Dogs and Cats. The Owner of a Lot may keep and maintain a reasonable number of dogs and cats within the Lot subject to the following conditions:

10.1.1 All dogs and cats shall be confined to the Lot or attached to a leash or other suitable control device.

10.1.2 The owner shall at all times be personally liable and responsible for all actions of any dog or cat and any damage caused by the dog or cat.

10.1.3 No dog or cat shall create a nuisance nor noise problem within Buckhorn Ranch.

10.1.4 The owner of any dog or cat shall be personally responsible and liable for the cleanup of any excrement left by such dog or cat within Buckhorn Ranch.

Section 10.2 Other Animals and Pets. No other animals or pets may be kept or maintained by any Owner except upon the prior written permission of the Board of Directors, domestic birds excepted.

Section 10.3 Rules and Regulations. The Board of Directors shall adopt suitable rules and regulations as to the keeping and maintaining of animals and pets within Buckhorn Ranch. The Board of Directors shall have the sole authority to determine what constitutes a reasonable number of dogs and cats or other animals, and to determine that any such animal has created a noise, odor or nuisance problem within Buckhorn Ranch. Horses, llamas and mules may be allowed on the trails and streets of Buckhorn Ranch, and also to and from an individual Lot so long as the animal is not kept on such Lot.

Section 10.4 Impoundment of Animals. The Association is specifically empowered to impound any animal running at large within the Property. Upon impoundment, the owner of the animal, if known, shall be immediately notified and the animal taken to the nearest facility which accepts impounded animals. It is the duty of the owner of such animal to recover the animal from such facility and to pay all costs and fees incurred in the impoundment of the animal. If the animal is not recovered by the owner in accordance with the rules and regulations of the impoundment facility, the facility may euthanize the animal without liability to the facility, any other Owner or the Association by the owner of such animal.



ARTICLE II  
BUCKHORN RANCH ASSOCIATION

Section 11.1 Government of Association. Buckhorn Ranch Association, a Colorado nonprofit corporation, shall be governed by and shall exercise all of the duties, privileges and obligations set forth in this Article, and the Articles of Incorporation and Bylaws of the Association.

Section 11.2 Members. Each Owner shall be a Member of the Association. No Owner, whether one or more persons or entities, shall have more than one membership per Lot owned by such Owner, but all persons owning each Lot shall be entitled to the rights of membership and the use and enjoyment appurtenant to the ownership of each Lot.

Section 11.3 Termination of Membership. The right of membership in the Association and the status as a Member shall terminate upon the termination of status as an Owner of a Lot. Upon conveyance, sale or assignment of the Owner's interest, the selling Owner shall be relieved of liability for Assessments levied from and after the date of such sale or conveyance; provided, however, that no such sale or conveyance of any ownership shall relieve an Owner of liability arising prior to the date of such sale or conveyance.

Section 11.4 Voting Rights. All Owners within the Buckhorn Ranch shall be Members of the Association. Each Lot shall be entitled to one vote in the Association. The one vote for each Lot shall be exercised by the Owner and when more than one person or entity holds an interest in a Lot, the vote for the Lot shall be exercised as the Owners may determine among themselves, but the vote for the Lot shall be cast by only one person. In the event a Lot is subdivided, or divided into separate ownership interests, the vote for the Lot shall be reallocated to the separate ownership interests according to their percentage ownership of the Lot.

Section 11.5 Compliance with Documents. Each Owner shall abide by and have the benefit from the provisions, covenants, conditions and restrictions contained in the Association Documents.

Section 11.6 Rules and Regulations. The Association shall from time to time adopt, amend and repeal rules and regulations to be known as the "Buckhorn Ranch Rules and Regulations" governing, among other things, and without limitation:

11.6.1 The use of the Open Space.

11.6.2 The conservation, maintenance, repair and use of all Buildings, Improvements and structures and uses thereof within the Open Space.

11.6.3 The construction, extension, use and maintenance of all roads within Buckhorn Ranch.

11.6.4 The maintenance and keeping of animals within Buckhorn

Ranch.

11.6.5 The establishment of easements for walking, hiking, horseback riding, bicycling, and skiing. Provided, that no easement shall be created or established through a Lot.

11.6.6 Repairs, maintenance and upkeep of all Open Space and any property under the jurisdiction of the Association.

11.6.7 Standards for the care, maintenance, and use of all Lots and all Improvements, Buildings, grounds and Landscaping situate upon such Lots within Buckhorn Ranch.

11.6.8 Standards for the allocation and administration of irrigation water to the individual Lots and Open Space within Buckhorn Ranch.

11.6.9 Installation, construction, maintenance and repair of all recreational facilities within Buckhorn Ranch including hiring and supervision of contractors and maintenance staff.

11.6.10 Regulations and procedure for the collection of delinquent assessments.

11.6.11 All matters delegated to the Association by this Declaration.

Section 11.7 Dedication of Open Space. All Open Space within Buckhorn Ranch is intended for the common use and enjoyment by the Owners within Buckhorn Ranch. The Open Space are hereby dedicated to the above and foregoing uses for the Owners, their families, tenants, employees, guests and invitees, and not to the use of the general public, under the terms and conditions contained in the Association Documents.

Section 11.8 Management of Open Space. The Association shall be responsible for the management and control of the Open Space and all Improvements thereon, and shall keep them in a good, clear, attractive and pleasant condition and shall maintain and repair the same consistent with the purposes and uses of the Open Space as set forth in the Association Documents.

Section 11.9 Roads and Streets. The Association, for and on behalf of the Owners of the Lots within Buckhorn Ranch, shall be responsible for the proper maintenance of all private roads and drives, including the resurfacing, grading, drainage and snow removal thereof and including any construction, extension, or modification after the initial construction by the Declarant. The Association shall specifically:

11.9.1 In the event that any road is not paved, provide dust control on any road following the commencement of construction of any Building on a Lot served by such road when the Association Architectural Design Committee determines its necessary, and at any time that the use of any road

within the Property is the cause of dust pollution, in the form of the use of magnesium chloride, oil treatment, or other suitable dust retardant on the roads, as determined necessary by the Association.

## ARTICLE 12 MAINTENANCE ASSESSMENTS

Section 12.1 Creation of Lien. Each Owner of any Lot, by acceptance of a Deed therefor, whether or not it shall be so expressed in any Deed, is deemed to covenant and agree to pay to the Association: (1) all Regular Assessments or charges; (2) any Special Assessments or charges; and (3) any Default Assessments or charges; all of which shall be fixed, established and collected as determined by the Association. The Regular, Special and Default Assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge and continuing lien upon the Lot against which each such Assessment is made until paid. Each such Assessment, together with interest, costs and reasonable attorneys' fees, shall be the personal obligation of the Owner of such Lot at the time when the Assessment became due.

Section 12.2 Purpose of Assessments. The Assessments levied by the Association shall be limited to and used exclusively for the following:

12.2.1 The maintenance and improvement of all Open Space including the construction, repairs and maintenance of all facilities contained within the Open Space.

12.2.2 The maintenance, repairs, snow removal and improvement of any private road or street within the Property.

12.2.3 Any maintenance, repair or improvement required to be made by any Owner to any Improvement on any Lot which the Owner fails to do.

12.2.4 Any costs and expenses pertaining to the operation of the Association in the performance of its duties.

12.2.5 Any other purpose approved by a majority vote of all Members of the Association.

Section 12.3 Regular Assessments. The Board of Directors shall adopt a final Budget and shall determine, levy and assess the Association's Regular Assessments for the following year in accordance with the Colorado Common Interest Ownership Act prior to the beginning of each fiscal year of the Association and shall mail the budget to the members no less than 14 days nor more than 60 days prior to the Annual Meeting to ratify the Budget.

12.4 Special Assessments. In addition to the Regular Assessments set forth in Section 12.3 above, the Board of Directors may levy, in any fiscal year, one or more Special Assessments for the purpose of defraying, in whole or in part, the cost

of any construction or reconstruction, repair or replacement within or upon any private roads or to make up any shortfall in the current year's budget. Notice of the amount and due dates for such Special Assessments shall be sent to each Owner at least thirty days prior to the due date.

Section 12.5 Assessment for Each Lot. All Regular and Special Assessments shall be apportioned and allocated equally among all Single Family Lots. Commercial and Multifamily Lots may be subject to assessments in accordance to their impact in specific areas as determined by the Declarant.

Section 12.6 Default Assessments. Any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner, shall be a Default Assessment and shall become a lien against such Owner's Lot and may thereafter be foreclosed or otherwise collected as provided herein. Notice of the amount and due date of such Default Assessment shall be sent to the Owner subject to such Assessment at least thirty days prior to the due date.

Section 12.7 Nonpayment of Assessments. Any Assessment, whether Regular, Special, or Default Assessment, which is not paid within thirty days of its due date shall be deemed delinquent. In the event that any Assessment becomes delinquent, the Association, in its sole discretion, may take any or all the following actions:

12.7.1 Assess a late charge of not more than 10% of the amount due and owing per each delinquency.

12.7.2 Assess an interest rate charge from the date of delinquency at a rate four points above the base rate or prime rate charged by the Association's bank, or such other rate as shall be established by the Board of Directors.

12.7.3 Suspend the voting rights of the Owner during any period of delinquency.

12.7.4 Bring an action against any Owner personally obligated to pay the delinquent Assessment.

12.7.5 File a Statement of Lien with respect to the Lot and foreclose such lien in the manner hereafter set forth. The Association may file a Statement of Lien by recording with the Clerk and Recorder of Gunnison County, Colorado, a written statement with respect to the Lot, setting forth the name of the Owner, the legal description of the Lot, the name of the Association and the amount of the delinquent Assessments then owing, which Statement of Lien shall be signed and acknowledged by the President, Vice President or Secretary of the Association and which shall be sent by certified mail, postage prepaid, to the Owner of the Lot at the latest address the Association may have in its records as to the Owner. Thirty days following the mailing of such notice, the Association may proceed to foreclose the Statement of Lien in the same manner as provided for the foreclosure of mortgages under the statutes of the State of Colorado. Such Statement of Lien shall secure all Assessments accruing or

assessed subsequent to the date of recording of such Statement of Lien until the same have been satisfied and released, together with the Association's attorneys' fees and cost incurred in the preparation and recording of such Statement of Lien and any release thereof. In any action for the payment or foreclosure of such Assessment, the Association shall be entitled to recover as part of the action, the interest, costs and reasonable attorneys' fees with respect to the action.

12.7.6 The Statement of Lien shall be superior to all other liens and encumbrances on such Lot, except only any tax and assessment liens levied by any government entity and the lien of any First Mortgage. Provided, however, at all times the lien of the Association shall have priority and status over any other lien or Mortgage as provided by the Colorado Common Interest Ownership Act, as it now exists and as it may hereafter be amended.

Section 12.8 Successor's Liability for Assessment In addition to the personal obligation of each Owner of a Lot to pay all Assessments and the Association's lien on a Lot for such Assessments, all successors to the ownership of a Lot shall be jointly and severally liable with the prior Owner for any and all unpaid Assessments, interest, costs, expenses and attorneys' fees against such Lot.

## ARTICLE 13 ENFORCEMENT OF COVENANTS

Section 13.1 Violations Deemed a Nuisance Every violation of this Declaration of Protective Covenants, the Articles and Bylaws of the Association or any Rules and Regulations adopted by the Association shall be deemed to be a nuisance and is subject to all the remedies provided for the abatement thereof.

Section 13.2 Failure to Comply The failure to comply with this Declaration, the Design Guidelines, or any Rules and Regulations adopted by the Board of Directors or the Design Review Board shall be grounds for an action to recover damages, or for injunctive relief or for specific performance, or any of them under the following terms and conditions:

13.2.1 Written notice of any violation or failure to comply with this Declaration, the Design Guidelines or any Rules and Regulations adopted by the Board of Directors or the Design Review Board shall first be given to any Member or person as to such violation or failure to comply.

13.2.2 Such Member or person shall be given 10 days from the date of such notice to correct such violation or failure to comply.

13.2.3 In the event that any Member or person believes that he or she is not in violation or failure to comply, he or she may request an opportunity for a hearing by the Board of Directors prior to the Association taking further action or commencing any legal proceeding against such Member or person.

13.2.4 Any action by the Association as against any such Member or person shall be by resolution of the Board of Directors following notice as above provided and granting to such Member or person an opportunity to be heard before the Board of Directors.

Section 13.5 Who May Enforce. Any action to enforce any violation of any provision of these Protective Covenants may be brought as follows:

13.3.1 By the Association in name of the Association and on behalf of the Owners.

13.3.2 By the Owner of any Lot.

Section 13.4 Enforcement by Correction. The Declarant or Association shall have the right to enforce all of the conditions of this Declaration relating to appearance and maintenance of any Lot or of the Improvements thereon by going upon the Lot and correcting any violation. Any such action shall be taken in the following manner:

13.4.1 Upon failure to correct any violation or to assure the Declarant or Association that such violation will be corrected after notice and a right to petition the Board of Directors under Section 14.2 above, the Declarant or Association may cause the violation to be corrected. Such correction may include, but shall not be limited, to, decorating or repairing Improvements, removal of unenclosed objects, landscaping, and removal of any vehicle or object violating the parking or storage restrictions herein.

13.4.2 The correction of any violation made by the Declarant or Association in accordance with these provisions shall be at the expense of the Owner. The expense shall be deemed to include not only costs actually expended, but also a normal percentage for overhead and any and all other costs of management, including reasonable attorney's fees.

13.4.3 The Owner shall be personally obligated for all expenses incurred by the Declarant or Association and as security for such obligation the Declarant or Association shall have a lien for any amounts expended hereunder, which lien may be filed and enforced in a manner similar to the lien of the Association for unpaid assessments as provided herein.

Section 13.5 No Waiver. The failure of the Board of Directors, the Association, an Owner or Garrison County, Colorado to enforce or obtain compliance as to any violation, shall not be deemed a waiver of the right to do so for any subsequent violation or the right to enforce any part of such documents.

Section 13.6 Right of Garrison County, Colorado. The Board of County Commissioners of Garrison County, Colorado is specifically granted the right to enforce these Protective Covenants and to bring any action as may be required for the violation of these Protective Covenants as may be required to protect Garrison County, Colorado or its residents. Garrison County, Colorado may enforce this

Declaration of Protective Covenants at its sole discretion, without assumption of any liability whether or not such enforcement is exercised, and without obligation to exercise such enforcement in any circumstance. The ability of Gunnison County, Colorado to enforce this Declaration is non-exclusive and does not preclude any other authorized party from enforcing the same.

#### ARTICLE 14 DURATION OF COVENANTS

Section 14.1 Term. The term of this Declaration of Protective Covenants, and any amendments or supplements thereto, shall be from the date of recording in the records of Gunnison County, Colorado and until January 1, 2030. Thereafter, this Declaration of Protective Covenants shall be automatically renewed for successive periods of ten years each, unless otherwise terminated or amended as hereafter provided.

Section 14.2 Amendment. This Declaration of Protective Covenants, or any provision thereof, may only be terminated, extended, modified or amended as to the Property subject to the Protective Covenants, or any portion thereof, upon the written consent by the Owners of 75% or more of the Lots of any of the filed subdivision plats of Buckhorn Ranch and Declarant so long as land is owned by the Declarant as unplatted land within the Property. Any such amendment shall be by an instrument duly executed, acknowledged and recorded in the records of Gunnison County, Colorado, and upon such recording shall be for the benefit of and be binding on all Owners of Lots within the Property.

Section 14.3 Amendment by Declarant. Notwithstanding the provisions of Section 15.2, the Declarant reserves the sole right and power to modify and amend this Declaration of Protective Covenants, and all plats subject to this Declaration of Protective Covenants, by executing and recording such amendment in the records of Gunnison County, Colorado. Such right or power of the Declarant is limited to (1) the correction of any typographical or language errors in this Declaration of Protective Covenants and/or the plats, (2) any corrections required to comply with the applicable laws, rules and regulations of any governmental entity having jurisdiction over the Property, and (3) any changes or corrections required to reasonably satisfy the requirements of any commercial lender to provide financing for the purchase and/or construction of a Family Residence upon any Lot, which are not contrary to the terms of the agreement. This right and power of the Declarant to modify or amend this Declaration of Protective Covenants and the plats, in whole or in part, as set forth in this Section 14.3, shall be effective only until (1) twelve years after the date of construction of the first Improvements on the Property or (2) the date that 75% of all Lots within the Property have been sold or conveyed to third person owners by the Declarant, whichever occurs first. Provided, however, the Declarant may not amend or revise the location and dimensions of any Lot which has been conveyed by Declarant to another Owner, without the consent of such Owner.

#### ARTICLE 15 PRINCIPLES OF INTERPRETATION

Section 15.1 Severability. This Declaration of Protective Covenants, to the extent possible, shall be construed so as to give validity to all of the provisions hereof. If any provision of this Declaration of Protective Covenants is determined to be invalid, unenforceable or prohibited by any court, the same shall not affect any other provision or section hereof and all other provisions and sections shall remain in full force and effect.

Section 15.2 Construction. In interpreting words herein, unless the context shall otherwise provide or require, the singular shall include the plural, the plural shall include the singular and the use of any gender shall include all genders.

Section 15.3 Headings. The headings on any section or article are included only for purposes of convenient reference and shall not affect the meaning or interpretation of this Declaration of Protective Covenants.

Section 15.4 Written Notice. All notices required under this Declaration of Protective Covenants shall be in writing. Notice to any Owner shall be considered delivered and effective upon personal delivery or five days after mailing by certified or registered mail, return receipt required, to the latest address of such Owner on file in the record of the Association at the time of such mailing.

Section 15.5 Limitation of Liability. Neither the Association nor any officer or director, shall be liable to any party for any action or for any failure to take any action with respect to any matter arising by, through or under this Declaration of Protective Covenants if the action or failure to act was made in good faith. The Association shall indemnify all officers and directors with respect to any action taken in their official capacity as provided in the Articles of Incorporation and Bylaws of the Association.

Section 15.6 Attorneys' Fees. If any legal action is commenced or maintained in court, whether in law or in equity, as to the interpretation, enforcement, construction or the determination of the rights and duties of the parties to this Declaration of Protective Covenants or any provision of the Association Documents provided herein, the prevailing party in any such action shall be entitled to reasonable attorneys' fees together with all reasonable costs and expenses incurred in such action.

Section 15.7 Applicable Law. The proper jurisdiction and venue for any action pertaining to the interpretation or enforcement of the Association Documents shall be the District Court of Gunnison County, Colorado, unless otherwise chosen by the Association and shall be interpreted, construed and governed by the laws of the State of Colorado.

Section 15.8 Interest. Unless otherwise provided in this Declaration of Protective Covenants, any sums, amounts or monies due and owing to the Association under the Association Documents shall bear interest at 18% per year from the date due until paid.

IN WITNESS WHEREOF, the Declarant has executed this Declaration of Protective



Covenants the day and year first above written.

BRUSH CREEK AIRPORT, L.L.C., a Colorado  
limited liability company

By: Richard A. Landy  
Richard A. Landy, Managing Member

DECLARANT  
STATE OF COLORADO )

County of Summit ) ss.

The foregoing instrument above and foregoing Declaration of Protective Covenants was  
acknowledged before me this 15th day of MARCH, 2001, by Richard A.  
Landy, Managing Member of Brush Creek Airport, L.L.C., a Colorado limited liability



Witness my hand and official seal  
My commission expires: 8/29/03

Colette A. Perneck  
Notary Public

ADOPTED by a 4/5ths majority of the members of the Association, on  
March 3rd, 2001.

BUCKHORN RANCH ASSOCIATION, INC.  
a Colorado non-profit corporation

By: Jennifer Crawford  
Jennifer Crawford, President

STATE OF COLORADO )  
County of Summit ) ss.

The foregoing instrument was acknowledged before me this 15th day of  
MARCH, 2001, by Jennifer Crawford, as President of Buckhorn Ranch Association,  
Inc., a Colorado non-profit corporation.

Witness my hand and official seal.  
My commission expires: 05/15/03

[Signature]  
Notary Public

EXHIBIT A

DECLARATION OF PROTECTIVE COVENANTS  
BUCKHORN RANCH

Real Property Subject to Declaration

AVION CLUB FILING NO. 1, recorded May 9, 1994 and bearing Reception No. 451348 of the records of Gunnison County, Colorado,

TOGETHER WITH BUCKHORN RANCH FILING NO. 2a, according to the plat thereof filed 7/12/01 3, 2001 and bearing Reception No. 510420 of the records of Gunnison County, Colorado,

ALSO TOGETHER WITH the following described real property owned by the Declarant upon which future phases of Buckhorn Ranch may be platted:

Township 14 South, Range 85 West, 6th P.M.

Section 7: S $\frac{1}{2}$ NE $\frac{1}{4}$   
N $\frac{1}{2}$ SE $\frac{1}{4}$

Section 8: W $\frac{1}{2}$ NW $\frac{1}{4}$   
NW $\frac{1}{2}$ SW $\frac{1}{4}$

TOGETHER WITH the parcels of property in the quitclaim deed recorded October 13, 2000 at Reception No. 505901, and the quitclaim deed recorded December 19, 2000 at Reception No. 507580 of the records of Gunnison County, Colorado,

EXCEPTING THEREFROM the following parcels of land:

A parcel of land conveyed by Richard A. Lantry, Ronald D. Rouse, Charles M. Ruland, Anogene M. Ruland, and Ruland Ranches, Inc., a Colorado corporation to William J. Lacy in Quit Claim Deed recorded May 5, 1978 in Book 514 at page 79,



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Three tracts of land conveyed by Richard A. Landy to Ruland Ranches Inc., a Colorado corporation described in Quit Claim Deed recorded May 16, 1978 in Book 514 at page 984.

That property conveyed by Brush Creek Airport, L.L.C., a Colorado limited liability company to Eugene H. Vieh, Jr. and Frances H. Vieh in Quit Claim Deed recorded December 8, 1994 in Book 756 at page 914,

AVION CLUB FILING NO. 1, recorded May 9, 1994 and bearing Reception No. 451348 of the records of Gunnison County, Colorado, and,

BUCKHORN RANCH FILING NO. 2a, according to the plat thereof filed March 3, 2001 and bearing Reception No. 510420 of the records of Gunnison County, Colorado.

Gunnison County,  
State of Colorado.  
("Real Property")

CRESTED BUTTE AIRPORT AT BUCKHORN RANCH  
RULES AND REGULATIONS  
March 8, 2001

The Crested Butte Airport at Buckhorn Ranch (the CBA) is presently owned by Brush Creek Airport, L.L.C. ("Brush Creek") developer of Buckhorn Ranch. It is the intent of Brush Creek, its successors or assigns to transfer ownership of the CBA to Buckhorn Ranch Association, Inc. ("the Association") no later than the earlier of 1) when 75% of the lots in Buckhorn Ranch have been sold, or 2) when 100% of the airstrip frontage lots have been sold. It will be at the discretion of Brush Creek if an earlier date of transfer occurs. The Rules and Regulations herein are imposed at the present by the owner of the airport, Brush Creek. At the time of transfer to the Association, but not prior to such transfer, the Association may modify the Rules and Regulations subsequently set forth in this document in its unfettered discretion, with the exception of those items dealing with Brush Creek.

All users of the airport here hereby acknowledge that they are using the airport, airstrip, taxiways and parking areas at their own risk.

Prior to the transfer of ownership of the airstrip to the Association, Brush Creek will collect all initiation fees, annual fees and user fees to be utilized at the discretion of Brush Creek, except for the fees generated for parking on lot C-1, which is owned by Buckhorn Ranch Association, Inc. In return Brush Creek will be responsible for the care, maintenance and payment for liability insurance as is required by Gunnison County Board of County Commissioners in the Sale/Purchase and Settlement Agreement approved on January 22, 2001 until the airport ownership is transferred to the CBA's subsequent parent, Buckhorn Ranch Association, Inc. At the time of transfer of ownership from Brush Creek to the Association, these duties and responsibilities will also be transferred as well as the right to collect subsequent initiation fees, annual fees and user fees to be utilized at the discretion of the Board of Directors of the Crested Butte Airport Association (hereinafter called "the CBA"), a subsidiary committee operating under the umbrella of its parent, the Buckhorn Ranch Association, Inc. The CBA committee will operate financially independent from the master Association.

Owners of property fronting the airstrip will continue to possess use rights to the airstrip as defined in 1) The Avion Club Declaration of Restrictions, Covenants, Easements, Imposition of Fees and Architectural Control for Filing #0 Avion Club, 2) subsequent covenants recorded for Buckhorn Ranch, and 3) non-exclusive easements and covenants granted by Brush Creek to individual owners.

The Rules and Regulations enclosed herein will be recorded in Gunnison County. However, regardless of the which entity owns the airport at the time, either Brush Creek or the Crested Butte Airport Association, they reserve the right to amend these Rules and Regulations from time to time upon written notice by Registered U.S. Mail to the existing members at the time of amendment. Amendments by the Crested Butte Airport Association will require a simple majority of proprietary (frontage lot) members. The amendments will also be recorded in Gunnison County.

The duties and responsibilities of Brush Creek in relationship to the CBA (which duties and responsibilities will be passed to the CBA, upon its ultimate formation) are:

- 1) Establish rules from time to time, and enforce the rules and regulations of the airstrip in an orderly manner in order to maximize the safe operation of the airstrip by users.
- 2) Maintain the surface of the airstrip in a safe condition during open seasons.
- 3) Assess, collect and regulate the appropriate fees to ensure the continuity of the airstrip operation as an auxiliary independent (financially) to its parent, Buckhorn Ranch Association, no after ownership is transferred from Brush Creek to the Association.
- 4) Establish and define categories and/or types of membership.

5) Maintain liability insurance to the satisfaction of the Gunnison County Board of County Commissioners in the amount of \$1,000,000, an amount that is adjusted every five years in accordance with the direction of the Board at their meeting on January 22, 2001.

6) Enforce and implement the terms and conditions of the Stipulation and Settlement Agreement approved on January 22, 2001 between the Board of County Commissioners of Gunnison County and Brush Creek Airport, L.L.C. and Gunnison County Resolutions affecting the use and operation of the CBA including, but not limited to Resolutions No. 01-07, No. 01-08 Amending No. 95 Series 1973, No. 01-09 Amending No. 31, Series 1032; the Special Restrictive Covenants recorded on December 22, 1990; and the Landrum & Brown Study of the Crested Butte Airport (Rouse site) dated July 5, 1975.

7) Notify agencies of current airport status

#### A. Membership Categories- Proprietary and Non-Proprietary

1. Proprietary Members - Proprietary Memberships will be limited to the owners of lots that front on the runway, or lots which have access by easement to the runway. There are two categories of Proprietary Members:

##### a. Business Memberships

1. Lodge owners
2. Commercial Businesses

##### b. Residential Memberships

#### 2. Non-Proprietary Members:

a. Owners of Brushhorn Ranch property NOT fronting on the runway. This type of membership is voluntary.

b. Gunnison County Residents - There will be a maximum of 15 members allowed in this category.

#### B. Voting Rights

Brush Creek will maintain all voting rights until the date that the airstrip is transferred to Brushhorn Ranch Association, Inc. Subsequent to the transfer, all Proprietary Members in Good Standing with the Association will have one vote per lot owned, residential or commercial. Only Proprietary Members will have a vote in the CBA. Non-Proprietary Members will not have any voting privileges.

#### C. Membership Initiation Fees

Both Initiation Fees and Annual Dues are established by Brush Creek and may be modified from time to time, with written notice to membership, by the owner of the CBA, i.e. Brush Creek, Brushhorn Ranch Association, Inc. or assigns. No fees may be charged to Proprietary Members while ownership remains with Brush Creek. In the event that ownership of CBA is transferred to the Association prior to sale of 100% of the lots or units within the subdivision, the Association agrees to make memberships available to the existing or subsequent owners within Brushhorn Ranch at reasonable rates approved by Brush Creek in consideration for the transfer of ownership from Brush Creek to the Association. However, although membership fees and dues subsequent to the ownership transfer must be approved by Brush Creek, such fees and dues will be directed to the owner of the CBA at the time, the Association.

1. Proprietary Members - There will be no initiation fee required for Proprietary Members other than one charged or included with the purchase of a home at adjoining the CRA

2. Non Proprietary Members - until December 31, 2001 (additional types of memberships may be created at the discretion of Brush Creek or CRAA)

a. Owners of Non-Frontage Property at Buckhorn Ranch  
There will be an initial initiation fee of \$1500

b. Gunnison County Residents Fee  
There will be an initial initiation fee of \$2500

#### D. Annual Dues

(May be changed from time to time upon written notice to the membership.  
See Paragraph C above)

1. Proprietary Members - Established by Proprietary Members on an Annual basis. There will be no annual fee charged for 2001 nor will there be any annual fee charged to Proprietary Members (Frontage Owners) until airstrip is transferred from Brush Creek or its assigns to the Buckhorn Association, Inc. at which time it will be determined by the Board of Directors of CRAA.

#### 2. Non-Proprietary Members

(Dues for April 1, 2001 through March 31, 2002)

a. Owners of Non-Frontage Lots at Buckhorn Ranch: \$500

b. Gunnison County Residents (maximum of 15): \$750

#### E. Parking of Airplanes

1. Proprietary Members - Frontage Members and Invitees of Members shall park at the residence of the Frontage Member. In the event that space is available on Lot C-1, the common and airplane parking area, then, on a non-reserved basis Invitees may park there on a first-come, first-served basis, giving priority of its own space to Non-Proprietary Members. The Association reserves the right to implement a reservation system, if necessary dictates such action.

2. Non-Proprietary Members - These members may park at Lot C-1 unless invited to park on a frontage lot by the frontage lot owner. Since the Lot C-1 area is limited, a reservation system may be implemented by the Association in the future. Availability will be on a first-come, first-served basis. Priority will be given to Non-Proprietary Members over Invitees of Proprietary Members, since Proprietary Members should always be in a position to offer up-down space in their Invitees or Proprietary Member's lot. In the event that a crowded condition occurs, parking on Lot C-1 will be restricted to one airplane non-proprietary member.

#### F. Parking fees

Parking fees at C-1 will be established by the Buckhorn Ranch Association, Inc. through a committee appointed to manage Lot C-1 and subsequently operate the CRA after ownership is transferred to the Association. All parking fees will be retained by Buckhorn Ranch Association, Inc. prior to and subsequent to any transfer of ownership of the airstrip from Brush Creek to the Association since C-1 is currently owned by the Association. Rules and fees may be changed at the discretion of the Association. Upon the later of ownership of CRA prior to sale of 100% of property at 12400 Ranch, Brush Creek reserves the right to invite prospective owners to tie down on Lot C-1 as to air age to Invitee of Brush Creek.

#### G. Board of Directors and Manager

After the transfer of ownership from Brush Creek to the Association, a three member Board of Directors shall be elected at a special meeting held concurrently with the annual meeting of the Buckhorn Ranch Association, Inc. Only Proprietary Frontage Members shall vote in this election. The chairman of the Board of Directors shall also serve as Club Manager. An onsite manager may be assigned to overlook operations, or a manager may be hired outside of the CBAA membership for such duties, but only with the approval of the CBAA Board of Directors. Initially the Board of Directors will oversee the operation of Lot C-1. Subsequent to the transfer of the airstrip from Brush Creek to the Association, the Board of Directors shall bear the responsibility for the operation and maintenance of the airstrip, as well as Lot C-1.

#### H. Privileges

All members shall have use of the CBA as long as they are in good standing with the CBA and the Buckhorn Ranch Association, Inc. In the event that a member or owner ceases to be member in good standing with either the CBA or the Association, then all use privileges regarding the airstrip shall cease until such time as the member is reestablished in good standing with these organizations.

#### I. Transferability of Memberships

##### 1. Proprietary Members

Proprietary Members may transfer their membership upon written notice to the manager of the CBA, either while the CBA is owned by Brush Creek or when it is transferred to the Association. No fee is due for this transfer. Proprietary Memberships may only be transferred to the subsequent owner of the same Frontage lot.

##### 2. Non Proprietary Memberships

a. Buckhorn Ranch Owners may transfer their membership to a successor owner of the same property with prior written notice to Brush Creek or the CBAA Board of Directors, whichever appropriate. No fee is due for this transfer. However, membership cannot be transferred to an owner of another Buckhorn Ranch property nor a Gunnison County Resident not holding ownership of property within Buckhorn Ranch.

b. Gunnison County membership is not transferable

## Rules of Operation

These rules are formulated in accordance with 1) Board of County Commissioners Resolution No. 73, Series 95, 2) Resolution No. 01-08 further modifying the 73-95 and 3) Resolution No. 01-07 A Resolution Approving Stipulation and Settlement Agreement, approved on January 22, 2001

1. All traffic is directed to approach from the south and land on Runway 20, whenever possible, and depart to the south on Runway 11, whenever possible. There will be minimal aviation traffic over the south end of the runway in area of access road to the South. Notices will be given in the FAA and all airport publications presently known by Developer of these preferential restrictions.

2. In accordance with the Stipulation and Settlement Agreement approved on January 22, 2001 a separation will be created between the north access road and the north end of the runway as required by the Gunnison County Commissioners in order to maintain an Object Free Area. Existing property lines

buffer area between the road and the runway will be altered to the satisfaction of the Commission at the time that the access road at the narrow end of the runway is installed. All owners acknowledge the recorded existing road easement at the north end of the runway which provides access to the Buckhorn Ranch property of the subdivision south of the runway.

3. A fence will be installed between the road and the runway to prevent pedestrian and domesticated livestock traffic from entering the runway. Also, stop signs and airstrip warning signs will be installed on either side of the north end of the runway.

4. No itinerant aviation traffic will be allowed on the airstrip or tie-down facilities. The airstrip will be limited to private uses as defined.

5. Winter Maintenance - Due to the severity of the weather in the area, the maintenance of the airstrip in the winter can be quite difficult due to heavy snow and wind conditions. It will be determined by the voting membership of the membership entity at the time whether or not it is practical, safe and/or economical to maintain the airstrip in the winter time. For the immediate future, the airstrip will be closed in the winter. Winter is defined as "when there is enough snow on the ground to require plowing". In the event that an owner wishes to open the runway in the winter time, he, or the operator of the snowplow or snowblower equipment, must provide an insurance policy insuring such properties from a) damage to the surface of the runway and b) any liability for property damage and/or bodily injury arising in any way from the operation of the runway in the winter in the amount of \$1 million dollars naming both Brush Creek and Buckhorn Ranch Association, Inc. as additional insured for the period of winter use, 2) plow the runway and level lateral snow banks at his own expense, and 3) be granted approval in writing for such operation by Brush Creek or the Association prior to proceeding.

6. Violations - Infractions of the Rules and Regulations will be handled as follows at the discretion of the airport manager:

1) The violator will be given oral and/or written notice of his violation and five days to cure the violation, unless the violation endangers the safe operation of the airport and/or endangers the health and welfare of any persons or property in the area, in which case the violator shall be subject to ejection from the property as if a trespasser and/or arrest or enforcement by authorities with jurisdiction in this area.

2) After 5 days the violator's rights to use the airport may be temporarily or permanently terminated in writing by the airport manager.

3) The violator will be responsible for any damages caused to the facility, including costs of collection and attorneys fees for enforcement of orders.

4) The violator may be reported to the FAA with a recommendation for disciplinary action. Owners will be responsible for advising violators (as defined) of the rules of operation of the airstrip.

5) Good Standing - In order to enjoy the benefits of the CRA, both Proprietary and Non-Proprietary Buckhorn Ranch members must be in Good Standing with the Association. In the event that the member is not in Good Standing with the Association, the Association shall give written notice to the member that he cannot use the CRA until he is restored to a status of Good Standing. In the event that the member ignores or violates this rule, he will be reported to the Authorities for enforcement of a trespass.

7. Safety - Users of the airport shall follow safety recommendations such as preferred approach pattern from the south, use of radio frequency upon takeoffs, approaches and taxiing to and from tie-down areas or residences.

#### AVIGATIONAL EASEMENT AND BUILDING RESTRICTIONS

All owners of property located at Buckhorn Ranch, including those lots adjacent to and remote from the airstrip, hereby grant an easement and acknowledge the existence of the airport described herein and of records in the Preliminary Plat of Buckhorn Ranch of 1997. The owners acknowledge the fact that aircraft will occupy the airspace above the airstrip to an infinite height and the aircraft will have





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the right to cause in all air space above the surface of the object) such noise, vibrations, fumes, dust and fuel particles that may be caused by the operations of the CBA while aircraft are taking off, taxiing or landing. Owners at Buckhorn Ranch do waive or release any right or cause of action which it may now have, or which it may have in the future, against the CBA owners, its successors and assigns, due to such noise, vibrations, fumes, dust and fuel particles that may be caused by the operation of aircraft landing at, taking off from, or operating at or on the CBA.

The easement and right-of-way hereby granted includes the continuing right by the CBA to prevent the erection of structures or buildings within the owners' property that violates setback regulations established by the FAA and/or imposed by Gunnison County regarding Safety and Object Free Areas.

Owners agree that they will use reasonable care to not permit the use of electrical or electronic equipment in such a manner as to create a critical interference with radio communications between any ground installation and aircraft, nor interfere with communication from aircraft to aircraft, that would make it difficult for flyers to communicate in a safe and noncritical manner necessary to operate their aircraft during critical procedures requiring maneuverability of such aircraft.

**Definitions:**

**Invitee of Frontage Residential Owners:** is hereby defined as a visitor who is invited by an owner of a residential lot that adjoins the runway to visit the owner's residence, not an itinerant who is an visitor who is visiting the Crested Butte area and parks his airplane in a Common Area. An invitee of Residential Owner will not be charged a landing fee nor overnight fee as long as the invited's aircraft is tied down at the residence of the inviting Residential Owner. No invitee of an Owner of property at Buckhorn Ranch, other than the invitee of a Frontage Lot owner, is allowed.

**Invitee of Commercial Owner** is hereby defined as a visitor who is patronizing the Commercial Owners business located on Buckhorn Ranch premises. If a Commercial Owner's Invitee is only utilizing the airstrip, as a method of transportation into the area rather than specifically to patronize the Buckhorn Ranch business, then this use is not allowed. It will be determined by Lot Owner if a separate tie-down, parking or use fee is charged by the Lot Owner rendering a specific service on the Owner's lot. Lot Owner will not be allowed to assess a landing fee to a visitor for use of the airstrip, itself. Such a fee can only be assessed by the owner of the CBA.

In review, an Invitee of a Commercial Owner is not defined as one who is visiting the Crested Butte area without the intention of patronizing the Owner's specific business within the Buckhorn Ranch Subdivision. No "fixed base" operation by any owner will be allowed, since the airstrip is not open to the public. Any services provided by any commercial lot owner must be approved by 1) Board of County Commissioners after review and recommendation by the Gunnison County Planning Commission, and 2) the Buckhorn Ranch Association, Inc., Architectural Control Committee.

**Invitee of Developer:** is defined as a person visiting the area to consider the lease or purchase of a lot or house at Buckhorn Ranch. Landing fees and tie-down fees in the common area will be imposed at the option of the developer upon subsequent to any transfer of the CBA to the Buckhorn Ranch Association, Inc. when that subsequently occurs. Developer's invitees will not be charged a tie-down fee or overnight fee on a lot of C-1 in exchange for Developer's services in maintaining the C-1 tie-down area prior to transfer of ownership to the Association, and in consideration for deeding the airstrip to the Association subsequent to the transfer.

**Invitees of Members:** Invitees are specific invitees who are invited to visit owners who own the runway. Non-Frontage owners nor Gunnison County Members may not invite invitees. No owner may invite the public at large to visit Buckhorn Ranch by air, except for Developer during the sale of its interests in Buckhorn Ranch property.

Length of Runway: The runway surface will be a minimum of 4000 feet as was approved by the Gunnison Board of County Commissioners in 1975 at its inception, as referenced in the Landrum & Brown Study of 1975 as the Route 510.

## ADDITIONAL INFORMATION REGARDING CRESTED BUTTE AIRPORT AT BUCKHORN RANCH (3V6) (A Private Use Facility)

1. Coordinates: N39°54.115 W-106°55.870
2. Runway 11 20 (7wy 14 slopes downhill 2% grade)
3. Elevation: 8,980 Ft
4. Runway Length: approximately 4000 (without displaced threshold). Gunnison County may approve a Displaced Threshold at a subsequent date for takeoffs to the south on Runway 11)
  - a. Bottom Altitude: 9,300 Ft.
  - b. Obstructions: Cattle fences, Hills, Snow Banks on both sides of runway (winter). Watch for uninvited cattle, horses and wildlife.
5. Traffic Pattern: Right traffic RWY 11, Left Traffic RWY 20. Note a baseament procedures in effect at all times. Downwind leg west of HWY 135. If taking-off RWY 20, turn Left Crosswind on or before Brush Creek Rd. Avoid all populated and residential areas, in particular the golf course (Crested Butte Country Club Skyland), Town of Crested Butte, Crested Butte South, Mt. Crested Butte, Riverbend, East River Ranches, Hidden River Ranch, etc.
6. Procedures: All aircraft operations at pilot/operator's own risk (landing, taxi, take offs, etc.) Crested Butte Airport is a high altitude airport that will require exceptional skills regarding mountain flying. Operators should check Density Altitude and alt/aff prior to departure.
7. Surface or Asphalt: Paved with Black Asphalt.
8. Airport is Unattended, no rescue equipment housed at airport. No touch and go's allowed.
9. Parking by prior authorization only in designated area.
10. No Hangar Space is presently available. No facilities nor transportation are available.
11. Updated information provided by FAA Authorized GL Des only
12. Radio Frequency: CTAF: 122.8. All operators shall use the radio frequency when attempting to taxi onto the runway surface land or take-off.
13. Hours of Operation: The Crested Butte Airport shall be operational during normal daytime hours as defined by FAA Regulations.

IN WITNESS WHEREOF, the parties have executed these Rules and Regulations for the Crested Butte Airport this 3<sup>rd</sup> day of March, 2001

BUCKHORN RANCH ASSOCIATION,  
A Colorado non-profit corporation,

By: Jennifer Crawford

Name: Jennifer Crawford

Title: President

ATTEST

Richard A. Landy  
Secretary

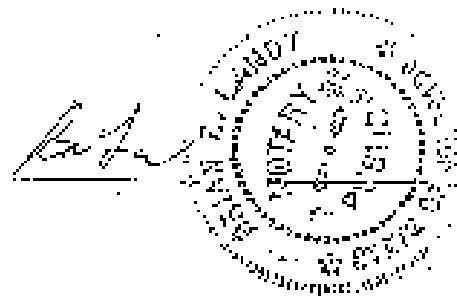
STATE OF Colorado )

County of Archuleta ) ss.

The foregoing instrument was acknowledged before me this 3<sup>rd</sup> day of March, 2001, by Jennifer Crawford as President, and attested to by Richard A. Landy as Secretary of Buckhorn Ranch Association, a Colorado nonprofit corporation.

Witness my hand and official seal,  
My commission expires: 8/31/06

Notary Public



BRUSH CREEK AIRPORT, L.L.C.,  
a Colorado limited liability company

By: *Richard A. Landy*  
Richard A. Landy, Managing Member

DECLARANT

STATE OF Colorado )  
County of Lafayette ) ss.

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of April, 2001, by Richard A. Landy for himself individually and as Manager of Brush Creek Airport L.L.C., a Colorado liability company, the Declarant.

Witness my hand and official seal.  
My commission expires: 03/12/02

Notary Public

*[Signature]*  
