

Member's Handbook



Cuerno Verde
"The Pines"

Distributed by the Cuerno Verde Owners Association.

To Members of the Cuerno Verde Owners Association:

Membership in the Association is a requisite for every owner of property within Cuerno Verde Pines subdivision. We encourage you to exercise your privileges and to support the Association by fully accepting your obligations as a Member.

The purpose of this Handbook is to provide a reference for determining these privileges and obligations and to assist in understanding and achieving our common goal of maintaining Cuerno Verde Pines as a desirable place to live. Within the following pages, Members will find general information about the area and copies of the By-Laws, Covenants, Restrictions, and Resolutions for the Association. We hope you find this material useful. This information is available digitally on the CVOA website: <http://www.cuernoverde.org/>. Please refer to the website for a list of Directors and their contact information. Custer County Planning and Zoning produces a free Homeowner's Packet called "*Getting Started*" that the Association highly recommends. Copies are available at the Planning and Zoning office in the Custer County Courthouse.

Board of Directors
Cuerno Verde Owners Association

Contact Information:
Cuerno Verde Owners Association
P.O. Box 116, Westcliffe, CO 81252

Please refer to the CVOA website for current list of Directors and contact information:
<http://www.cuernoverde.org/>

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GENERAL

Cuerno Verde Pines is located in Custer County, Colorado and is situated on the western slope of the Wet Mountain Range as it descends to the Wet Mountain Valley, overlooking the Sangre de Cristo Mountains. The subdivision lies within all or portions of Sections 7 thru 9, 16 thru 21, and 28 thru 30, Range 71 West (R71W), Township 23 South. "The Pines" consists of approximately 3,667 acres which have been platted into 537 tracts of 5 acres or more. All lots have been sold by the developer. More than 225 acres have been dedicated for parks and common areas. Approximately 33 miles of roads were constructed and dedicated to Custer County although some roads were not accepted for maintenance.

The Cuerno Verde Clubhouse was completed in the spring of 1976. In August, 1989, the Cuerno Verde Owners Association's Board of Directors assumed responsibility for governing the subdivision.

Cuerno Verde is Spanish meaning "greenhorn." In September 1779, an expedition of Spaniards under Mexican Governor Don Juan Bautista de Anza met and defeated a Comanche Indian war party at the base of a mountain in what is now part of the San Isabel National Forest. The Comanche chief, long considered by the Spaniards a "scourge of this kingdom," was named Cuerno Verde after the bull elk or deer that are bold when their antlers are growing and still "green." The deaths of Cuerno Verde and 38 others, including his first-born son and four of his warrior captains, brought an end to large scale Indian raids in an area between Pueblo region on the north and the Indian Pueblos of New Mexico to the south. Cuerno Verde Pines subdivision borrows its name from nearby Greenhorn Mountain (approximately twenty miles to the southeast) named for the Comanche chief.

CUERNO VERDE OWNERS ASSOCIATION

By purchasing property within Cuerno Verde Pines, you have agreed to abide by the Covenants, conditions and restrictions recorded on the property before you purchased it. As a property owner, you are also a member of the Cuerno Verde Owners Association (CVOA) and therefore, responsible for annual membership dues. Having chosen Cuerno Verde to be your community, we are sure that you will want to contribute to its harmony and prosperity. Our future as a community depends to a great extent on the attitude and cooperation of each of us as neighbors. As we all take pride in Cuerno Verde, each of us will want to maintain our property as an attractive place to live, now and for generations to come.

PRESERVATION OF NATURAL RESOURCES

The Covenants were established for the protection of the natural environment and to enhance the value, desirability and attractiveness of the subdivision. Central to the Covenants is the preservation of the natural beauty and wildlife. Hunting is **NOT** allowed and restrictions have been placed on fencing and pets in order to protect wildlife from injury. Owners are

encouraged to be proactive in preservation efforts and to initiate and maintain a habitat that will attract birds and sustain wildlife.

Water conservation is most important. A Water Augmentation Plan for Cuerno Verde Pines subdivision was established and decreed by the District Court, Water Division 2, State of Colorado in June 1980. Even though this decree was executed after Filings 1 and 2 were developed and platted, all property owners in Cuerno Verde Pines are subject to the Water Augmentation Plan set forth in the By-Laws, Article X, Water Rights and Conservation.

ASSOCIATION FACILITIES

Clubhouse:

CVOA owns and maintains a clubhouse at the southern end of the subdivision. The clubhouse contains a large kitchen, areas for dining and games, bar, and lounge. The clubhouse is fully equipped (e.g., kitchen appliances, cooking utensils, dishes and glasses, furniture, game tables). Social events organized by the Association's Social Committee are held at the clubhouse.

The clubhouse is available for the exclusive and private use of Members on a reservation basis. Members planning a special event such as a wedding reception, anniversary, or family reunion should consider using the clubhouse. The following conditions apply:

1. Member must be in good standing with dues current.
2. Maximum capacity for any function is 100. If more than 25 are present at a private function and liquor is served, the Board may require a Sheriff Deputy or Posse member be hired at the Member's expense and remain present during the function.
3. The Member must be present in the clubhouse at all times during preparation, the event and clean-up.
4. Hours of use shall be between 8:00 AM and 9:00 PM. Sleeping or overnight functions are not permitted.
5. Animals are not allowed in the clubhouse with the exception of certified service animals.
6. Thirty (30) days prior to the event date, the Member must pay a \$200.00 deposit per day to make a reservation. The deposit is returned after ensuring the clubhouse has been cleaned and returned to its previous condition. If there is damage or missing items, the Member is responsible for repair or replacement.
7. The clubhouse **IS NOT** available to any external group or organization, corporation, or commercial purpose.

For reservations or further information, contact a Social Committee member. Contact information is available on the CVOA web site: <http://www.cuernoverde.org/>

Antelope Park:

CVOA owns and maintains approximately 225 acres which have been dedicated for parks and common areas. The largest of these is Antelope Park adjacent to the clubhouse. Antelope Creek flows from the canyon behind the clubhouse through the west side of the park. The canyon is also a common area which offers scenic terrain for hikers and nature lovers. Please refrain from disturbances to the canyon by limiting activity to foot traffic. Motorized vehicles are not allowed within any park or common area.

GOVERNMENT SERVICES

Emergency 911 Service is available to Custer County. Dialing 911 will connect you with an emergency dispatcher in Westcliffe for Fire, Sheriff, and Ambulance services.

Fire Protection:

Cuerno Verde Pines is included within the Wet Mountain Fire Protection District (FPD), a volunteer fire fighter department with the nearest station located in Rosita. For information: (719) 783-9245. For Emergency Only: Dial 911.

With increased concern about wildfires, the Wet Mountain FPD recommends:

1. Removing all trees and bushes within thirty (30) feet of structures and maintaining grasses at a height of 4 to 6 inches.
2. Within 70 feet of structures, prune tree limbs to ten (10) feet above the ground, thin shrubs, and maintain grasses and weeds at a height of 4 to 6 inches.
3. Enclose the area under porches and decks to prevent accumulation of debris.
4. Place fireplace ashes in metal containers, cover and dispose of properly.
5. Use fire resistant building materials. Use UL approved fire retardants on highly combustible materials to reduce the chance of sparks causing fires.
6. Provide a water source such as a hose connected to your water heater or pump. Have shovels, rakes and hoes readily available.

7. Place fire extinguishers of adequate size near exits and be familiar with their operation!!
8. Plan adequate access to structures from roads, two ways if possible. Clear steep and narrow driveways.
9. Cooperate with your neighbors and help with fire suppression.
10. Do not burn leaves, debris, trash, rubbish, etc. Burning of refuse is prohibited!
11. Routinely clear twigs, needles and leaves from roofs, gutters, porches and decks.
12. Cooperate with local authorities and report any fire immediately.
13. Know your property location by road name or number and be able to provide an accurate location of the fire you are reporting. The Fire Department and Sheriff's Office recommends all homeowners install a street address sign at the driveway to their property to allow for quick identification and response.

For a nominal fee, property owners can contact the Wet Mountain FPD and have a representative perform a risk assessment and provide recommendations to mitigate fire risk on an owner's property.

Law Enforcement:

Law Enforcement is provided by the Custer County Sheriff's Department, 702 Rosita Ave, Westcliffe. For information: (719) 783-2270. For Emergency Only: Dial 911.

Medical Clinic/Ambulance:

Cuerno Verde Pines is included in the Custer County Medical Clinic area of coverage. The clinic is located at 704 Edwards Street, Westcliffe. Ambulance service is provided from the clinic. For information: (719) 783-2380. For Emergency Only: Dial 911.

Schools:

Custer County Public Schools (District C-1) for kindergarten through 12th grade are located at 709 Main Street, Westcliffe. For information: (719) 783-2291.

Mail:

Postal delivery and other services are provided by the US Post Office, 4 Bassick Place, Westcliffe, CO 81252. For information: 783-2453.

Roads:

All roads in Cuerno Verde were dedicated to Custer County. Some were not completed to County specifications and are not maintained by the County. Snow removal on County maintained roads is provided by Custer County Road and Bridge, 213 North Fourth Street, Westcliffe. For current road maintenance policies, Members should call 783-2281 or consult the Custer County Road and Bridge website:

<http://www.custercountygov.com/index.php?pg=roadbridge>

Dark Skies: In 2015, Westcliffe was designated as Colorado's first International Dark Sky Community. Dark Skies have come to be recognized as a resource worth preserving. Please consider using hooded outdoor lighting. For information: <http://www.wetmndarkskies.org>

RENTALS

Owners may rent the primary residence and if applicable, a guest quarter. The Covenants allow only one single family occupancy per lot. The habitable structure(s) must be rented to one tenant. Owners must ensure that tenants observe all rules and regulations of the Association.

CAMPING

Cuerno Verde Pines is a residential subdivision intended for permanent family dwellings. The Covenants allow for suitable motor homes, camping trailers, etc. to be used by Members to enjoy camping on their property for up to thirty (30) days per year. However, such motor homes, trailers, etc., cannot remain on the property beyond the aforementioned thirty (30) days. Beyond that period, any motor home, camping trailer, etc. must be concealed from view or stored in a Covenant approved structure or offsite. Dumping of chemical toilets on private or public property is illegal. Waste must be transported to an authorized dump station. (Custer County Ordinance)

BUILDING GUIDELINES & PERMITS

Cuerno Verde Owners Association Covenant construction standards are in some instances more restrictive than Custer County construction standards. Property owners must submit plans for construction or modifications of **ANY STRUCTURE, BUILDING OR OUTSIDE APPURTENANCE, INCLUDING FENCES** to the Cuerno Verde Architectural Control Committee before construction.

Submission of Plans:

To avoid conflicts with CVOA By-Laws and Covenants, it is suggested Members begin any project by submitting plans to the Architectural Control Committee before applying for a County Building Permit.

Submitting the following information with the request will ensure a timely review:

1. Construction drawings of: one private single family dwelling; any other Covenant allowed structures (attached garage, guest or caretaker quarters, detached garage, barn or shed for horses.) Drawings must show:
 - a. Floor plans, dimensions of each structure, including elevations.
 - b. Construction materials, including colors.
2. Site Plan that shows exact location of the primary residence and any Covenant allowed structures, the water well, and the septic system. Site plans must depict property boundaries and all proposed building/structure's location measured in "feet" from all property boundaries. Cuerno Verde Owners Association follows Custer County setback minimums at fifty (50) feet from all property lines and building height limits at thirty (30) feet above finished grade. These regulations can be found on the website:
<http://www.custercountygov.com/>
Planning and Zoning, Section 6, Paragraph 2-3, Pages 51-52
6.2 Required Setbacks
No portion of any building or structure shall be located, erected or maintained less than fifty (50) feet from any property line or roadway easement boundary nor less than sixty (60) feet from the edge of the driven surface of a roadway, where a recorded roadway easement does not exist.
6.3 Maximum Building Height
The vertical distance from the highest point of the finished grade of the building perimeter to the high point of the building structure must not exceed thirty (30) feet.
3. A construction schedule showing estimated start and completion dates. Construction must be pursued aggressively and completed within one hundred eighty (180) days. If necessary, submit a request for extension to the Architectural Control Committee.
4. Cuerno Verde Homeowners Association dues must be current.

5. New homes constructed in Filings 3 through 6 must install a water well flow meter and provide semiannual (twice a year) meter readings to the Association.

Note: Colorado Division of Water Resources highly recommends that new construction within Filings 1 and 2 install a water well flow meter as it may be required in the future.

6. Fencing:

- a. Aesthetic Fencing

- i. Must be for decorative uses only, such as boundary markers, driveway entrances, parking area definition, and must have alternating sections with breaks.
 - ii. Must not be detrimental to, nor interfere with wildlife movement.
 - iii. Must not exceed 48 inches in height.
 - iv. Must be comprised of natural materials (e.g.; wood, stone) and be of design and color harmonious to the natural surroundings. No stockade or privacy fencing will be allowed as perimeter fencing or where it obstructs adjacent property owners' view.

- b. Fencing for Horses

- i. Total fenced area not to exceed 25% of lot area.
 - ii. Not to exceed 60 inches in height.
 - iii. No barbed wire, electrified wire, or woven wire (e.g., chain link, rabbit fence, chicken wire).

7. Guidelines for Renewable Energy Systems

- a. Plans for renewable energy systems must be submitted to the Architectural Control Committee for approval.

- b. Plans must include:

- i. Manufacturer's certification as an approved renewable energy system including system design and components.
 - ii. Detailed site plan showing renewable energy system location in relation to all structures, water well, septic system, easements, and property lines.
 - iii. If applicable, documentation of renewable energy system's connection to electric utility grid.
 - iv. Per Colorado House Bill 08-1270, Section 38-30-168; HOAs may place aesthetic and auditory provisions that impose reasonable restrictions on the dimensions, location or external appearance of a renewable energy system or energy efficient device to reduce interference with the use and enjoyment of adjoining properties. At its discretion,

the Board may send letters to potentially affected property owners seeking comment on the proposed structure, and will consider those responses in the review process.

8. Generators powered by fossil fuels are excellent as back-up electrical power sources. As the primary power source device, generators are not compatible with noise nuisance regulations.
9. Guidelines for other Structures/Devices
 - a. Includes only structures/devices required to be allowed by government statute.
 - b. Refer to Submission of Plans, #2. for site plan requirements. Review for other allowed structures/devices will consider aesthetic factors, including the auditory and visual impact of the structure/device as a nuisance to adjoining properties. At its discretion, the Board may contact potentially affected property owners seeking comment on the proposed structure/device, and will consider those responses in the review process.
 - c. Final Note: Due to the proximity of Cuerno Verde to the Silver West Airport, the Owner/Member is required to submit written assurance of compliance with Silver West Airport Authority per limitations of the Silver West Airport Protection Overlay District Regulations:
[http://www.custercountygov.com/pdf/Airport Authority Regulations.pdf](http://www.custercountygov.com/pdf/Airport_Authority_Regulations.pdf)

Submit plans to: Architectural Control Committee, Cuerno Verde Owners Association, P.O. Box 116, Westcliffe, CO 81252. After reviewing the plans, the Architectural Control Committee will recommend approval, conditional approval, or disapproval to the Board of Directors. The Committee will retain the submitted plans or copies for future reference.

County Building Permit:

Plans approved by the Cuerno Verde Board of Directors should be submitted to the Custer County Planning and Zoning Office. Upon request, permit application forms, instructions and information may be obtained from:

Custer County Zoning Office

P.O. Box 203 (205 South 6th Street, on north end of County Courthouse)

Westcliffe, CO 81252, telephone: 719-783-2669

Note: see Custer County Links on the CVOA website: <http://www.cuernoverde.org/>

Permit Fees are based on the category of the structure (e.g., new dwelling, additions to existing building, accessory building) and gross floor area.

Any structure erected, occupied, moved or structurally altered, without the prior purchase of a Zoning Permit will bear a penalty of double the cost of the permit, plus the basic permit fee.

A Building Permit Application should be completed and returned to the Planning and Zoning Office with the permit fee, a drawing of the property that shows existing buildings, proposed buildings, well and other water sources, and components of sewage disposal systems. -The drawing must show distances from the property lines to buildings, water sources and sewage disposal systems, as well as the access to the property. The Custer County Zoning Resolution requires structures be located a minimum of fifty (50) feet from all property lines, including roadways, and structures be no higher than thirty (30) feet from finished grade. If the permit is for a structure intended for human habitation, a permit for a sewage disposal system or variance must be approved prior to preliminary approval of the Planning and Zoning Permit.

Septic System Permit:

Prior to receiving a building permit, an Individual Sewage Disposal System (ISDS) Permit, commonly called a Septic System Permit must be applied for and issued by the Custer County Planning and Zoning Office. A soil percolation test must first be performed to determine whether a standard septic system can be installed or a septic system designed by a qualified Engineer (engineered system) is required. The soil percolation test must be performed by a qualified Geologist, Engineer or Technician (licensed contractor) for each septic system. A list of licensed contractors may be obtained, along with the Septic Permit Application form, from the Custer County Planning and Zoning Office. The soil percolation test report, Septic Permit Application, and permit fee should be submitted together to the Zoning Office. All septic systems must be installed by a licensed Custer County septic contractor.

Water Well Permit:

Application must be made by the property owner or licensed well drilling contractor to the Colorado Division of Water Resources in Denver. Well Permit Fees vary so owners should contact the Division of Water resources for the current application cost.

It is highly advisable to drill the water well prior to construction of the residence.

Well Permit Applications may be obtained from the drilling contractor and submitted, along with the permit fee, to the Colorado Division of Water Resources, Department of Natural Resource, 1313 Sherman Street, Suite 821, Denver, CO 80203.

Road / Driveway Access Permit:

Driveway access to county roads requires a permit, in advance of driveway construction, from the County Road & Bridge Supervisor. Driveway culverts will have a MINIMUM length of thirty (30) feet. The inspector will determine the diameter and length of the culvert needed during the initial inspection. Driveway Access Permit applications may be obtained on line or from Road and Bridge Supervisor, Custer County Road and Bridge, P.O. Box 1669, 213 North Fourth Street, Westcliffe, CO 81252. Phone: (719) 783-2281. Consult website:

[http://www.custercountygov.com/pdf/DRIVEWAY ACCESS PERMIT.pdf](http://www.custercountygov.com/pdf/DRIVEWAY_ACCESS_PERMIT.pdf)

Electrical / Plumbing Permits and Inspections:

Any structure that will have electricity or plumbing requires a State permit before construction.

Plumbing includes both water and propane. All electrical and plumbing construction is inspected by the State of Colorado, Department of Regulatory Agencies. Questions about methods of construction, permit applications, fees, and inspection requirements should be directed to the website: <https://www.colorado.gov/dora/dpo>

The most efficient way to request an inspection is through the Online Permit System at:

https://www.colorado.gov/pacific/dora/DPO_Electrical_Plumbing_Permits

UTILITIES

Electrical:

Sangre De Cristo Electric Association, Inc., 29780 US Highway 24, Buena Vista, Colorado, 81211, toll free: 1-800-933-3823.

Telephone:

CenturyTel, P.O. Box 6001, Marion, LA 71260, toll free: 1-800-201-4099 for residential service, toll free: 1-800-824-2877 for repairs.

Propane Gas:

Propane gas suppliers are listed in the Westcliffe telephone directory.

BY-LAWS OF CUERNO VERDE OWNERS ASSOCIATION

ARTICLE I — NAME AND LOCATION

The name Cuerno Verde Owners Association is hereinafter referred to as the “Association.” Meetings of Members and Directors may be held at such places within the State of Colorado as may be designated by the Board of Directors.

The Association mailing address is:
CVOA, P.O. Box 116, Westcliffe, CO 81252.

ARTICLE II — DEFINITIONS

Section 1. “Association” shall mean and refer to Cuerno Verde Owners Association, its successors and assigns.

Section 2. “Properties” shall mean and refer to that certain real property described in the Declaration of Protective Covenants for Cuerno Verde “The Pines”, a real estate subdivision, and recorded in Custer County, Colorado, April 18, 1973 in Book 167, Page 541, as amended by Amendment to Declaration of Protective Covenants for Cuerno Verde “The Pines” a real estate subdivision recorded December 23, 1974 in Book 170 at Page 487, and as further amended by Amendment to Declaration to Protective Covenants for Cuerno Verde Pines Subdivision, recorded June 23, 1980 in Book 178, Page 271, together with any other real property made subject to the provisions of the Declaration.

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

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

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

Section 6. “Declaration” shall mean and refer to the Declaration of Protective Covenants, as amended, described in Section 2 above, recorded in the Office of the Clerk and Recorder, Custer County, Colorado.

Section 7. “Articles” shall mean the Articles of Incorporation of the Association.

Section 8. “Member” shall mean and refer to those persons entitled to membership in the Association as provided in the Declaration and the Articles.

ARTICLE III — VOTING RIGHTS

As provided in Article IV of the Articles, no member shall be eligible to vote at a meeting of the Association unless all dues and fines are paid and liens satisfied.

ARTICLE IV — MEETING OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the Members shall be held each year on the Saturday of Labor Day weekend at 11:00 AM. In the event the Board of Directors shall determine there is insufficient business to justify the expense of an annual meeting of Members, then the Board may cancel said meeting without further action.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request by the Members who are entitled to vote one fifth (1/5) of the voting members.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting to each Member entitled to vote thereat, addressed to the Member’s address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and in the case of a special meeting, the purpose of the meeting. For the purpose of issuing notices, the Board of Directors may establish a record date for determination of membership, in accordance with the laws of Colorado. For additional information, please visit:

<http://www.cuernoverde.org> and <http://www.facebook.com/cuernoverde>

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

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary at least twenty-four (24) hours prior to the commencement of the meeting of Members at which such proxy is sought to be utilized. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member

of his/her Lot, and shall also cease upon attendance in person by the Member who previously gave a proxy. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise specifically provided in the proxy.

Section 6. Majority Vote. At any meeting of Members at which a quorum is present, the affirmative vote of Members representing one (1) vote more than fifty percent (50%) of the votes present in person or by proxy and entitled to be voted of Members shall be the act of the Members, unless the vote of a greater number is required by law, the Declaration, the Articles of Incorporation, or these By-Laws.

ARTICLE V — BOARD OF DIRECTORS:

ELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of no less than five (5) Directors. Directors must maintain good standing throughout their term.

Section 2. Term of Office. Board members will be elected for three (3) year terms and staggered so that no more than two (2) Board members shall be elected in any given year.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of removal of a Director, the successor shall be selected by the remaining Members of the Board and shall serve the unexpired term of the predecessor. Every Director whose removal is voted upon by the Members shall be entitled to speak and be heard prior to the vote for removal.

Section 4. Resignations, Vacancies. Any Director may resign at any time by giving written notice to the president or to the secretary of the Association. Such resignation shall become effective at the time specified therein, and acceptance of the resignation shall not be necessary to make the resignation effective. Any vacancy occurring in the Board of Directors owing to resignation or death shall be filled by the affirmative vote of a majority of the Directors then in office, even though less than a quorum. A Director selected to fill a vacancy shall be elected to serve the unexpired term of the predecessor.

Section 5. Compensation. No Director shall receive compensation for any service rendered to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of Association duties.

Section 6. Meetings by Telephone. The Directors may hold meetings via teleconference and any action taken by the Board at such a conference call meeting shall have the same force and effect as such action taken at a meeting at which a quorum of the Board was physically present.

Section 7. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 8. Election. All Members in good standing are eligible for election to the Board of Directors. Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation. The persons receiving the largest number of votes shall be elected.

ARTICLE VI — MEETING OF DIRECTORS

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

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or any two (2) directors, after not less than seventy-two (72) hours notice to each Director.

Section 3. Quorum, Majority Vote. The presence, in person or by proxy, at the meeting of the Board of Directors of one-third (1/3) of the Directors (but in no event less than two Directors) shall constitute a quorum, and the vote of a majority of those present and entitled to vote shall be an act of the Board of Directors. If however, such a quorum shall not be present or represented at any meeting, the Directors entitled to vote thereat shall have to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented.

Section 4. Waiver of Notice. Before, at, or after any meeting of the Board of Directors, any Director may waive, in writing, notice of such meeting and such waiver shall be deemed equivalent to the giving and receipt of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice except when a Director attends the meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

ARTICLE VII — POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- (a) adopt and publish rules and regulations governing the use of common areas and facilities owned by the Association, and the personal conduct of the Members, their tenants and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights, and right to use of any common recreational facilities, of a Member during any period in which such Member shall be in default in the payments of any assessment levied by the Association; such rights may also be suspended after notice and hearing before the Board, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association by these By-Laws, the Declaration, or by law, and not reserved to the membership by other provisions of said documents or the law;
- (d) declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (e) employ a manager, and independent contractors, or such other employees as it deems necessary, and to prescribe their duties.

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

- (a) cause to be kept a complete record of all its acts and affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fifth (1/5) of the Members entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (1) fix the amount of the annual assessment;
 - (2) each annual assessment period is January 1 to December 31 of each calendar year; assessments will be mailed in December and are due by January 31 of the assessment year;
 - (3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.
- (d) issue, or cause an appropriate officer to issue, upon demand by any person, a certification setting forth whether or not any assessment has been paid. A charge may be made by the Board to the Member for the issuance of these certifications to cover cost. If a certification states an assessment has been paid, such certification shall be conclusive evidence of such payment;

- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Area to be maintained;
- (h) cause the payment of taxes on the Common Area owned by the Association;
- (i) regulate and enforce the terms and conditions of the water augmentation plan as set forth in the certain decree issued by the District Court in and for Water Division No. 2, State of Colorado, Case No. 79CW152, in the Matter of the Application for Water Rights of Cuerno Verde “The Pines”, Inc., in the Antelope Creek, a tributary of Grape Creek, in Custer County, entitled “Findings of Fact, Conclusions of Law and Decree Approving Plan for Augmentation” (hereinafter referred to as the “Water Decree”);
- (j) assume ownership and control of, and maintain, common areas and equipment within the Properties including common drinking water sources;
- (k) administration and enforcement of the Declaration;
- (l) surveillance over property to prevent theft or vandalism;
- (m) repainting and replacement of signs;
- (n) surveillance over adjacent development and new county or state laws in order to maintain property owners’ rights and uphold values; and
- (o) appoint members of the Architectural Control Board.

ARTICLE VIII — OFFICERS & THEIR DUTIES

Section 1. Enumeration of Officers. The Officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other Officers as the Board may from time to time by resolution create.

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

Section 3. Term. The Officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year.

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

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

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

Section 7. Multiple Offices. A person may hold more than one office simultaneously, except that no person shall simultaneously hold the offices of President and Secretary.

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

President

The President shall preside at all meetings of the Board of Directors and of the Members; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments, shall co-sign all checks and promissory notes, and shall be the chief executive officer of the Association having general and active control of the affairs of the Association and general supervision of its officers, agents, and employees, subject to any management agreement authorized by the Board of Directors.

Vice-President

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

Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board, its Executive Committee, and the Members; serve proper notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the

Association together with their addresses, and the names and addresses of their mortgagees, if any, and shall perform such other duties as required by the Board.

Treasurer

The Treasurer shall receive and deposit in appropriate CVOA bank accounts all monies of the Association and shall disperse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular and annual meeting and deliver a copy of each to the Members. The Treasurer shall perform all other duties incident to the office of Treasurer, and upon request of the Board shall post a bond satisfactory to the Board conditioned upon faithful performance of his duties. The cost of such bond shall be paid by the Association.

ARTICLE IX — ARCHITECTURAL CONTROL

Section 1. Review of Plans. Prior to building or erecting any structure (building, deck, fence, wall, canopy, awning, gazebo, pergola, tower, renewable energy system, or other improvement) detailed plans and a construction timeline for the project must be submitted and approved in writing by the Board of Directors. Members must receive approval to erect, alter, move, or remove any structure. No changes or alterations can be made to any structure (such as change of exterior or roof color or material) prior to submitting detailed plans and a project schedule describing proposed changes or alterations to the Architectural Control Committee and receiving Board approval in writing.

All submissions must include detailed plans and specifications showing the nature, kind, shape, height, materials, color and location. The project must be in harmony with surrounding structures and topography.

Section 2. Architectural Control Committee. The Architectural Control Committee shall be appointed by the Board and shall exercise its best judgment to see that all improvements, construction, landscaping, and alterations on land within the properties conform to and harmonize with existing surroundings and structures. The committee shall consist of three (3) persons or more appointed by the Board of Directors of the Association.

Section 3. Procedures. The Architectural Control Committee shall review all submitted requests and plans. The Architectural Control Committee shall recommend approval, conditional approval or disapproval of such requests and plans to the Board of Directors for final determination. In the event the Board of Directors fails to take action within thirty (30) days of the Member's completed submission, approval will not be required, and Article IX will be deemed to have been satisfied.

Section 4. Majority Vote. A majority vote of the Architectural Control Committee is required for approval, conditional approval or disapproval of proposed requests and plans. The Committee decision will be submitted to the Board of Directors for final determination.

Section 5. Written Records. The Architectural Control Committee shall maintain written records of all applications received and of all Committee responses.

Section 6. No Liability. The Architectural Control Committee shall not be liable in damage to any Member submitting requests for approval or to any person within the Properties by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove with regard to such requests.

ARTICLE X — WATER RIGHTS AND CONSERVATION

Section 1. Decree Approving Plan of Augmentation. Pursuant to the June 10, 1980 Findings of Fact, Conclusions of Law, and Decree Approving Plan for Augmentation issued in the District Court in and for Water Division No. 2, State of Colorado, Case No. 79CW152 entitled “In the Matter of the Application for Water Rights of Cuerno Verde “The Pines”, Inc. in Antelope Creek, a Tributary of Grape Creek, in Custer County, (the “Decree”) the Association has certain rights and obligations with respect to the usage of water by Owners. The purpose of this Article VIII is to set forth such rights and obligations, provided, however, in the event of any conflict between the provisions of this Article VIII and the Decree, the provision of the Decree, or any authorized modification thereto approved by the Court, shall control. All Owners and the Association are bound by and subject to the provisions of the Decree, and any authorized modifications thereto approved by the Court.

Section 2. Well Water. Well water may be withdrawn from the single unit or multiple unit wells within the Project drilled under authorized permits. All such water may be solely for domestic, in-house purposes and for occasional livestock watering. The phrase “domestic, in-house use” precludes any use of water for purposes outside the house, such as car washing, filling swimming or wading pools, or for irrigation of trees, shrubs or lawns.

Section 3. Waste Water. All domestic sewage and waste water from residents in the Project must be disposed of through septic tanks and leaching fields, and non-evapo-transpiration systems.

Section 4. Consumptive Use of Water. The consumptive use of water by Owners in the Project is subject to the following formula, set forth in the decree:

$$Q = .0314a + 01b + 0.224c + 0.0074d + e$$

Where:

Q = consumptive use in acre feet of water per annum;

a = the total number of year-round residences developed;

b = the total number of weekend-vacation residences developed;

C = the total number of year-round residences keeping horses on their lots;
d = the total number of weekend-vacation residences keeping horses on their lots;
e = 0.4 acre feet, in lieu of storage.

If the water available in any water year from July 1 through June 30 is not sufficient to replace the project subdivision depletions as calculated by the above formula, the Association shall institute mandatory means for curtailing domestic in-house use of water. Conversely, if the amount of replacement water available exceeds the projected depletions as calculated under the above formula, then the excess in any one year may be sold, leased, or otherwise disposed of by the Association. The Colorado State Engineer may curtail diversion of water through the wells located in the project at any time the consumptive use by the Owners exceeds the net amounts of consumptive use of water available under the Plan for Augmentation set forth in the Decree.

Section 5. Annual Reports. On or before January 1 of each year, the Association shall report to the Division Engineer for Water Division No. 2 the name and address of its president, the number of residences then constructed available for occupancy, including a statement of the residences that are occupied year-round, the number which are utilized only for weekends and vacations, and specifying those lots that have horses located on them.

Section 6. Water Meters, Semi-Annual Reports. The Owner of each lot **must** install, at such Owner's sole expense, a water meter or other measuring device satisfactory to the Division Engineer for Water Division No. 2. The Association shall supply the Division Engineer with bi-annual readings of such measuring devices on or before January 1 and July 1 of each year, and at such other times as the Division Engineer may by order require.

Section 7. Water Usage Restrictions. In the event water consumption within the Project shall actually exceed, or is projected to exceed, the consumption use as determined in accordance with the formula described in Section 4 above, the Board shall impose mandatory water usage restrictions, including, without limiting the generality of the foregoing, limiting the rate, volume, and hours which water may be appropriated from the wells in the Project. The Board shall establish and levy fines upon every Lot and its Owner which violate such restrictions, which fine shall be due and payable in full by the Owners of such Lot upon demand by the Association.

Section 8. Fines and Liens. The Board shall establish a schedule of fines for violations of any water usage restrictions, which fines shall be levied against every Owner who violates such restrictions, and shall constitute a lien upon the Lot of such Owner. Unpaid fines shall be subject to interest at the rate established by the Board from time to time and set forth in the schedule of fines. Such interest shall accrue commencing the date such fine is delinquent. The Association shall evidence such lien by recording a notice thereof signed by an officer of the Association in the records of the Custer County, Colorado Clerk and Recorder, setting forth the amount and date of such fine, the rate of interest thereon, the legal description of the Lot upon which the lien is being placed, and the Owner of such Lot. This lien shall always be

subordinate to any prior recorded first deed of trust upon such Lot. The lien maybe foreclosed by the Association in the same manner as a real estate mortgage. Foreclosure of this lien shall not preclude the Association from suing such Owners personally on this debt.

Section 9. Enforcement by Court Action. The association may sue any Owner or other person to enforce compliance with the terms of the decree and water usage restrictions imposed by the Association in furtherance of the Decree. Furthermore, any person entitled to enforce the Decree shall be empowered to sue the Association on behalf of the Owners. The terms of the Decree, any modifications thereto approved by the Court, and any protective covenants against the Lots for the purpose of enforcing the Decree, shall be enforced by the Association.

ARTICLE XI —INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Association shall indemnify every Director and Officer, and his/her heirs, executors and administrators against all loss, costs and expense, including counsel fees, reasonably incurred in connection with any action, suit or proceeding to which such person may be made a party by reason of being or having been a Director or Officer of the Association, except as to matters for which such person shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement where the Association is advised by legal counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his/her duty as such Director or Officer. The foregoing rights shall not be exclusive of other rights to which such Director or Officer may be entitled. All liability, loss, damage, costs and expense incurred if suffered by the Association by reason of, or arising out of, or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as a common expense. Nothing contained in this Article shall, however, be deemed to obligate the Association to indemnify any Member who is, or has been, a Director or Officer of the Association with respect to any duties or obligations assumed, or liabilities incurred, as a Member or Owner of a lot under virtue of the Declaration.

ARTICLE XII — BOOKS AND RECORDS

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

ARTICLE XIII — ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments not paid when due shall be considered delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action of law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the common area or abandonment of any lot.

ARTICLE XIV — AMENDMENTS, GOVERNING PROVISIONS AND SPECIAL BY-LAWS

Section 1. Required Approval. Except as provided below, these By-Laws may be amended, at a regular or special meeting of the Members, by a vote of two-thirds (2/3) of a quorum of Members present in person or by proxy and entitled to vote.

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

Section 3, Special By-Laws. Unless authorized by court order, Article X and Article VII, Section 2(i) of these By-Laws may not be altered, amended or repealed.

ARTICLE XV — FISCAL YEAR

The fiscal year of the Association shall be designated by the Board of Directors as January 1 through December 31.

COVENANTS

AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS FOR CUERNO VERDE PINES SUBDIVISION

Cuerno Verde “The Pines”, Inc., a Colorado corporation (“Grantor”), is the owner and developer of all the real property within the subdivision named Cuerno Verde Pines, in Custer County, Colorado. The Grantor has recorded the Declaration of Protective Covenants in the records of Custer County on April 18, 1973, in Book 167 at Page 541, and as amended on December 23, 1974, in Book 170 at Page 487. This Amendment to the Declaration applies to the entire subdivision known as Cuerno Verde Pines.

Grantor hereby makes and declares the following Amendment to the Declaration previously recorded and shall restrict the uses of such real property through the following restrictive and protective covenants.

1. **GENERAL PURPOSES.** These covenants are made to create and preserve the subdivision in a desirable, attractive and beneficial condition, suitable in architectural design, materials and appearance; all for the mutual benefit and protection of the owners of lots in the subdivision.
2. **USES:** Exclusive of one or more plots reserved for commonly owned recreational facilities, each lot in the subdivision shall be used for one single family residence according to plat and covenant restrictions. No structures whatever, other than one private single family dwelling, together with a private garage and servants' quarters or guest facilities, and approved barn or shed for horses, for use in connection with said single family dwelling, shall be erected, placed or permitted to remain on any plot or lot.
3. **APPROVAL OF CONSTRUCTION PLANS:** No building or other structure shall be constructed erected or maintained on any lot, nor shall any addition thereto or change or alteration therein be made, until the complete plans and specifications- including, but not limited to, the floor, elevation, plot and grading plans, the specifications of principal exterior materials and color schemes, and the location, character and method of utilization of all utilities have been submitted to the Grantor and/or Architectural Control Board and by it or them approved in writing. Each building or other structure shall then be constructed, erected and maintained in strict accordance with the approved plans and specifications. At the time plans and specifications are submitted to Grantor and/or Architectural Control Board for approval, the person or persons submitting such plans and specifications shall also submit to Grantor/Board evidence satisfactory to Grantor Board that the Public Health Department of the State of Colorado or the appropriate official of Custer County, Colorado, or any other appropriate governmental agency, has approved his sanitary sewage disposal system. Sewage shall be disposed of only by and through a septic system of adequate dimensions and capacity and of a

type approved by the Board of Health of the State of Colorado and/or the County of Custer. No septic tank or field system shall be nearer than fifty (50) feet to any building or plot line, except with the consent of the appropriate health officials of the County and/or State, and no sewage, waste water, trash, garbage or debris shall be emptied, discharged or permitted to drain into any body of water, or water-course, in or adjacent to the subdivision. All toilet facilities must be part of the residence or garage and shall be of a modern flush type and connected with a proper septic tank system.

In passing upon all such plans and specifications, Grantor/Board shall take into consideration the suitability of the proposed building or other structure, including the materials of which it is built, to the lot upon which it is to be erected, the harmony of the structure with the surroundings and concept of the subdivision, and the effect of the building or other structure on the outlook from adjacent or neighboring lots. Grantor/Board agrees to use reasonable judgment in passing upon all such plans and specifications, but Grantor/Board shall not be liable to any person or persons for Grantor's/Board's decisions in connection with submitted plans and specifications unless it be shown that Grantor/Board acted with malice or wrongful intent.

4. WATER AND SEWER: Each structure designed for occupancy or use by human beings shall connect to an approved domestic water source and approved sewage disposal system. The owner shall, at his expense, install and use a domestic well and septic system. Such well and sewage disposal system must have all necessary public regulatory and governmental permits and approvals.

The individual lot owner's water supply in all lots in Filings 3, 4, 5 and 6 shall be subject to the terms and conditions of the decree in Case No. 79CW152, in the District Court for Water Division No. 2, Pueblo, Colorado. Before a lot purchaser can construct a well on his property, he must obtain a well permit from the Colorado State Engineer's Office in Denver, Colorado. Those lot owners obtaining well permits on the subdivision shall use such watering solely for domestic, in-house use in a single-family dwelling and occasional livestock water, and then only as permitted under the plan of augmentation described in the above Decree. Irrigation and all other uses not specifically permitted under the Decree shall be prohibited.

Due to the climatic conditions that prevail in Custer County, Colorado, and based upon certain terms and conditions in the water augmentation plan, evapotranspiration sewage effluent disposal systems will not be allowed in this subdivision. Only sand filtration (engineered specifications which preclude evaporation at the surface) or acceptable absorption disposal systems shall be permitted in-the subdivision. Each lot owner must obtain State and, if applicable, County Health Department approval for the installation and use of an on-site sewage disposal system.

If and when a water and/or sanitation district is formed for the purpose of providing central water and/or sewage disposal services, by whatever authorized agency or municipality, the owner hereby consents to and shall cooperate with the formation of such district or districts and shall abide by all the rules, regulations and requirements of such district or districts, including the abandonment of any and all domestic wells and/or septic system or other private facilities installed by the owner and the utilization of facilities provided by the district or districts, as may be required by the district or districts.

5. **FENCE:** No fence, wall or similar barrier of any kind shall be constructed, erected or maintained on any lot without the prior approval of design and materials by the Grantor/ Board. No fences are to be built which would encroach upon public easements as provided.

6. **EASEMENTS:** Easements and rights-of-way are hereby reserved as shown or described on the recorded plat of the subdivision and for any public or quasi-public utility service purpose, together with the right of ingress and egress at any time for the purpose of further construction and repair. Unless permission is obtained from individual property owners, trespassing by pedestrians, equestrians, hikers, over-snow or off-road vehicles, etc., on privately property (other than within the easements provided) is prohibited.

7. **DRIVEWAYS:** No trees may be cut or grading done on any lot without the owner's obtaining prior written approval of the Grantor/Board. It is intended that driveways be kept to a minimum and be so located and constructed as to minimize dangerous intersections and retain the natural character of the area. Proper drainage facilities, including culverts, may be designated by the Grantor/Board as a condition for approval hereunder and will be provided by the owner at his expense. Minimum interference with pedestrian and equestrian movements will be observed.

8. **SIGNS:** No signs, billboards or other advertising structure of any kind shall be erected, constructed or maintained on any lot for any purpose whatsoever, except such signs as have been approved by Grantor/Board for identification of residences; also, one sign of not more than eight (8) square feet advertising the property for sale or rent and signs used by the Grantor for selling the subdivision will be allowed.

9. **TRASH:** No trash, ashes, garbage, debris or other refuse shall be thrown or dumped on any land within the subdivision. There shall be no burning of refuse out of doors. Each property owner shall provide suitable receptacles for the temporary storage and collection of refuse and all such receptacles shall be screened from public view and protected from disturbance.

10. **ANIMALS, PETS:** No animals or poultry shall be allowed either temporarily or permanently, except the following: horses, dogs, cats and other usual and suitable household pets. A maximum of four (4) horses per five acre plot will be allowed, and four (4) adult dogs

and/or cats per household. The above exceptions are for household enjoyment only and shall not be raised, bred or boarded for any commercial purposes.

If horses are kept, facilities shall be kept clean and odor free. To prevent overgrazing, horses shall be kept in a small corral not to exceed 25 percent of the lot size and shall only be allowed to graze occasionally in any remaining native grass area owned and fenced by owner. No stallions are to be kept, except by written permission of the Grantor/Board.

11. ANIMALS, PET CONTROL: Domestic animals may be kept, but shall not be left unattended. Pets shall not be permitted to run at large outside the confines of each owner's lot, neither elsewhere in the development nor on adjacent lands. Furthermore, animals must be kept within the "positive control" of their owner at all times. Positive control shall mean that the pet, when on the property of the owner, must be within the sight and earshot of an adult person on the property who is capable of summoning and controlling the pet, and when off the property (within the development or on adjacent lands) must be tethered with a leash no longer within ten (10) feet, one end of which shall be held by a person capable of controlling the pet. No tethered pet shall be left unattended off of the owner's property.

12. TREES: Living trees naturally existing upon a lot, except to the extent necessary for construction purposes, shall not be cut, trimmed or removed from the properties, except that Grantor/Board may approve some thinning or trimming if it seems desirable.

13. LANDSCAPING: All surface areas disturbed by construction shall be restored promptly to their natural condition and replanted in native grasses; but, if owner desires further landscaping to change the character of the lot, he shall submit landscaping plans to Grantor/Board for approval.

14. SETBACK REQUIREMENTS: No building or structure shall be constructed within 50 feet of the center line of any public street or roadway or property line. The only exception to this shall be fences. The maximum building height shall not exceed 25 feet. All buildings of a principal nature shall also be set back a minimum of 75 feet from the center of any stream bed, whether or not such stream bed be of a permanent or temporary nature.

15. TEMPORARY STRUCTURES: No structure of a temporary or unsuitable character, such as a trailer, basement, tent, shack, garage, barn or other out-building, shall be used on any lot as a family dwelling, either temporarily or permanently. This does not apply to suitable motor homes, camping trailers, etc., which may be permitted on a short term basis of up to one (1) month. However, this covenant shall not restrict a building contractor or Grantor from maintaining a temporary office, trailer office, tool shed, lumber shed and/or sales office for the purpose of selling lots or erecting and selling dwellings.

16. PRINCIPAL DWELLINGS: The principal dwelling shall have a minimum fully enclosed ground floor area devoted to living purposes, exclusive of porches, terraces and garage, of 750 square feet, except that where the said principal dwelling is a one and one-half or two story dwelling, the minimum maybe reduced to 450 square feet of ground floor area, providing that the total living area of the one and one-half or two floors is not less than 750 square feet. All principal dwellings equipped with fireplaces shall have an approved fire screen located within the flue, such approval to be given in writing by the Grantor/Board.

17. CUERNO VERDE OWNERS ASSOCIATION: The purchaser of tracts in the subdivision, upon taking title to property in the subdivision, automatically becomes a member of the Cuerno Verde Owners Association, hereinafter referred to as the "Association". Purchasers understand and agree, by taking title, that membership in and full support of the Association is an absolute requisite for every purchaser and owner of a tract or tracts in the subdivision. The purposes of the Association are to assume ownership and control of, and responsibility for, the common areas within the subdivision, to provide surveillance over the property, including, but not limited to, maintenance of signs and enforcement of protective covenants, administration of the water augmentation plan, and to attend to such other matters as may be determined necessary by the Association's Board of Directors. Purchasers understand and agree that payment of dues to the Association and full cooperation with the Association's decisions and policies are requirements concomitant with tract purchase and ownership; that periodic dues and/or fees will be required which must be promptly paid; and that nonpayment of such dues and/or fees will cause a recorded lien for the arrearages of such dues and/or fees to be placed against the defaulting members' tract or tracts.

The Association will operate as a non-profit organization. Its books may be examined at any reasonable time by property owners, and copies of rules and Bylaws separate from these protective covenants will be provided to each purchaser upon request. The Association will not create any unreasonable burden, requirements or costs for property owners in the subdivision. Examples of the Association's responsibilities, for purposes of illustration only, and not as any limitation of the Association's rights and duties, include the following: the regulation and enforcement of the terms and conditions of the water augmentation and court decree concerning the water rights obtained by the Subdivider to provide well permits for the subdivision; payment of taxes on community areas; maintenance of community areas and community equipment, such as the clubhouse, tennis courts, barn stables, corral and maintenance of common drinking water sources; enforcement of protective covenants, surveillance over property to prevent theft or vandalism; repainting or replacement of signs; surveillance over adjacent development and new county or state laws in order to maintain property owners' rights and uphold values. The Subdivider may retain control of and responsibility for all or some of the above functions for a period of three (3) years from the date of the first sale, or until thirty percent (30%) of the lots in the entire subdivision are sold, whichever first occurs.

18. COMMERCIAL ACTIVITY: No store, office or other place of business of any kind shall be erected or permitted upon any of the residential lots or any part thereof, and no commercial activity shall be permitted.

19. CONTINUITY OF CONSTRUCTION: All structures commenced in the subdivision shall be prosecuted diligently to completion and shall be completed within 180 calendar days of commencement, subject only to delays caused by inclement weather, Act of God, strike, or unless some other exception is granted in writing by Grantor or its assigns.

20. RESUBDIVISION: No lot may be resubdivided by an owner.

21. NUISANCE AND FIREARMS: No noxious, dangerous or offensive activity shall be carried on within the subdivision; nor shall anything be done or permitted which shall constitute a public nuisance therein. No hunting or discharge of firearms shall be allowed within the subdivision.

22. EFFECT AND DURATION OF COVENANTS: The conditions, restrictions, stipulations, agreements and covenants contained herein shall be for the benefit of and binding upon each tract in the subdivision, and each owner of property therein, his successors, representatives and assigns, and shall continue in full force and effect until January 1, 1999, at which time they shall be automatically extended for five (5) successive terms of ten (10) years each.

23. AMENDMENT: The conditions, restrictions, stipulations, agreements and covenants contained herein shall not be waived, abandoned, terminated or amended except by written consent of the owners of 75% of the privately owned land included within the boundaries of the subdivision.

24. ARCHITECTURAL CONTROL BOARD: Cuerno Verde Owners Association will have a specific committee designated by the Board of Directors as the Architectural Control Board. Each person wishing to erect a structure on his property shall submit his plans and specifications to the Architectural Control Board for approval before commencing construction.

25. ENFORCEMENT: If any person shall violate or threaten to violate any provisions of this instrument, it shall be lawful for the Association or any person or persons owning real property in the subdivision to institute proceedings at law or in equity to enforce the provisions of this instrument, to restrain the person violating or threatening to violate them, and to recover damages, actual and punitive, together with reasonable attorneys' fees, for such violations.

26. SEVERABILITY: Invalidation of any one of the provisions of this instrument by judgment, court order or decree shall in no way affect any of the other provisions, which shall remain in full force and effect.

Editorial Notes

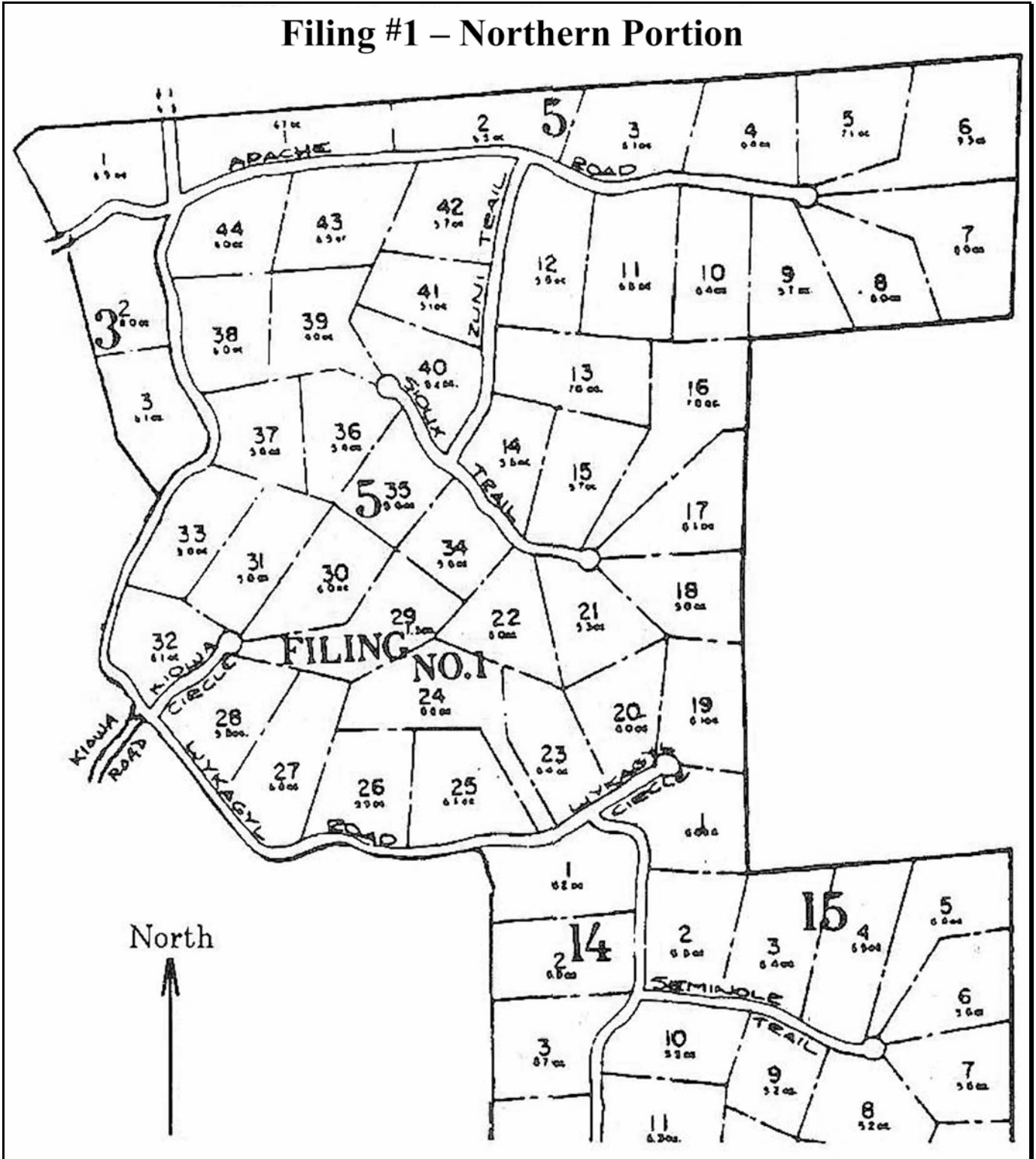
This booklet was originally distributed in 1995 and again, with revisions approved by the members at the annual meeting, on September 3, 2016 by the Cuerno Verde Owners Association as a service to its members. Every effort was made to provide accurate information at the time of printing. However, due to the changing nature of much of this information, the Association assumes no responsibility or liability for any errors or omissions.

The following comments are provided for clarification:

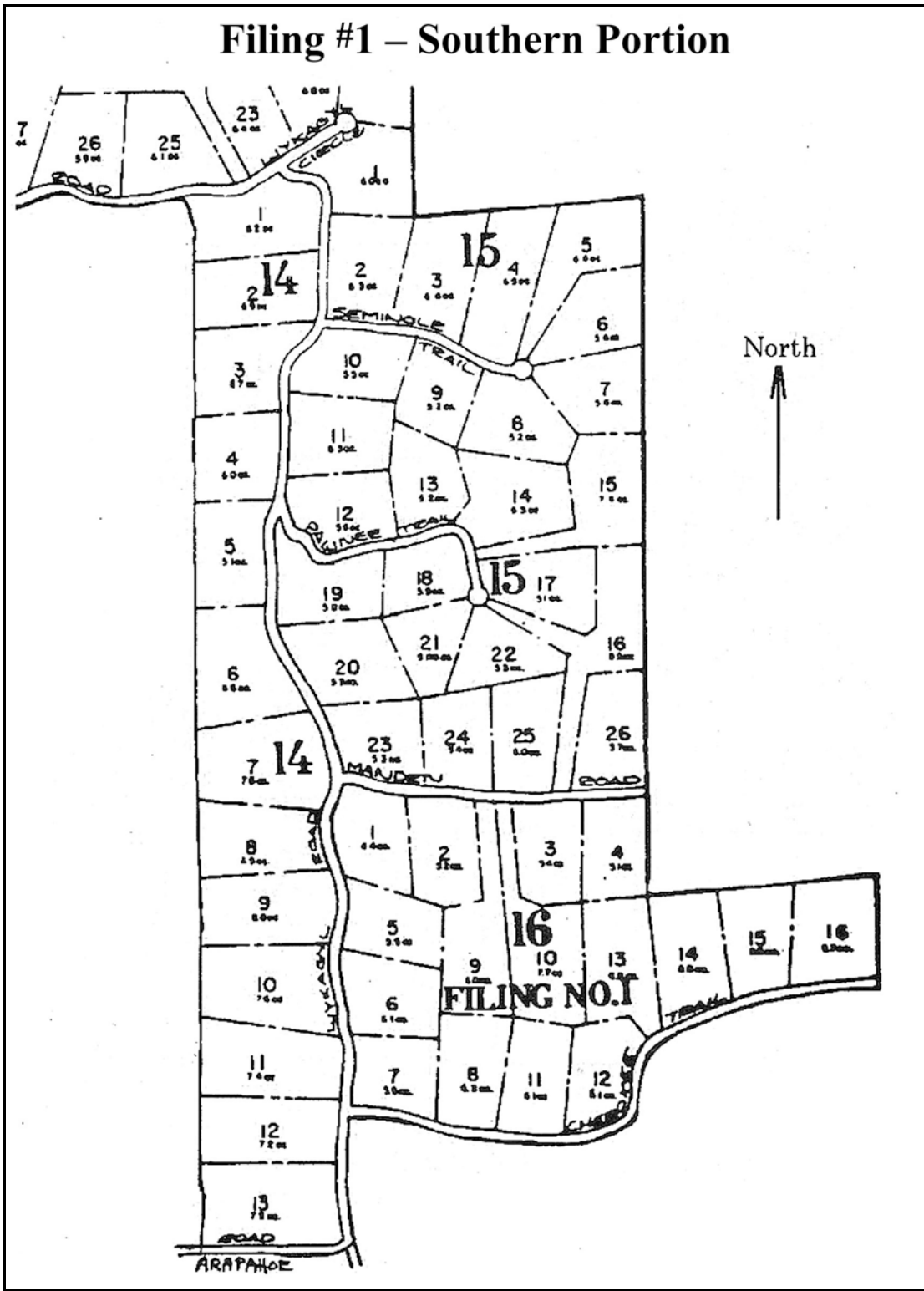
1. Article I of the By-Laws pertaining to Name and Location designates the principal office of the corporation (Association) as being located in Denver, Colorado. Since the Board of Directors assumed full control of the Association from the developer, Cuerno Verde “The Pines” Inc., in August, 1989, the Association’s principal address is: Cuerno Verde Owners Association, P.O. Box 116, Westcliffe, CO 81252.
2. Article III of the By-Laws pertaining to Membership and Voting Rights refers to Class A and Class B Members. Class B membership was terminated when the developer turned over the governing of the Association to the Board of Directors. All members of the Association, by virtue of owning property within the subdivision, are Class A members.

Maps

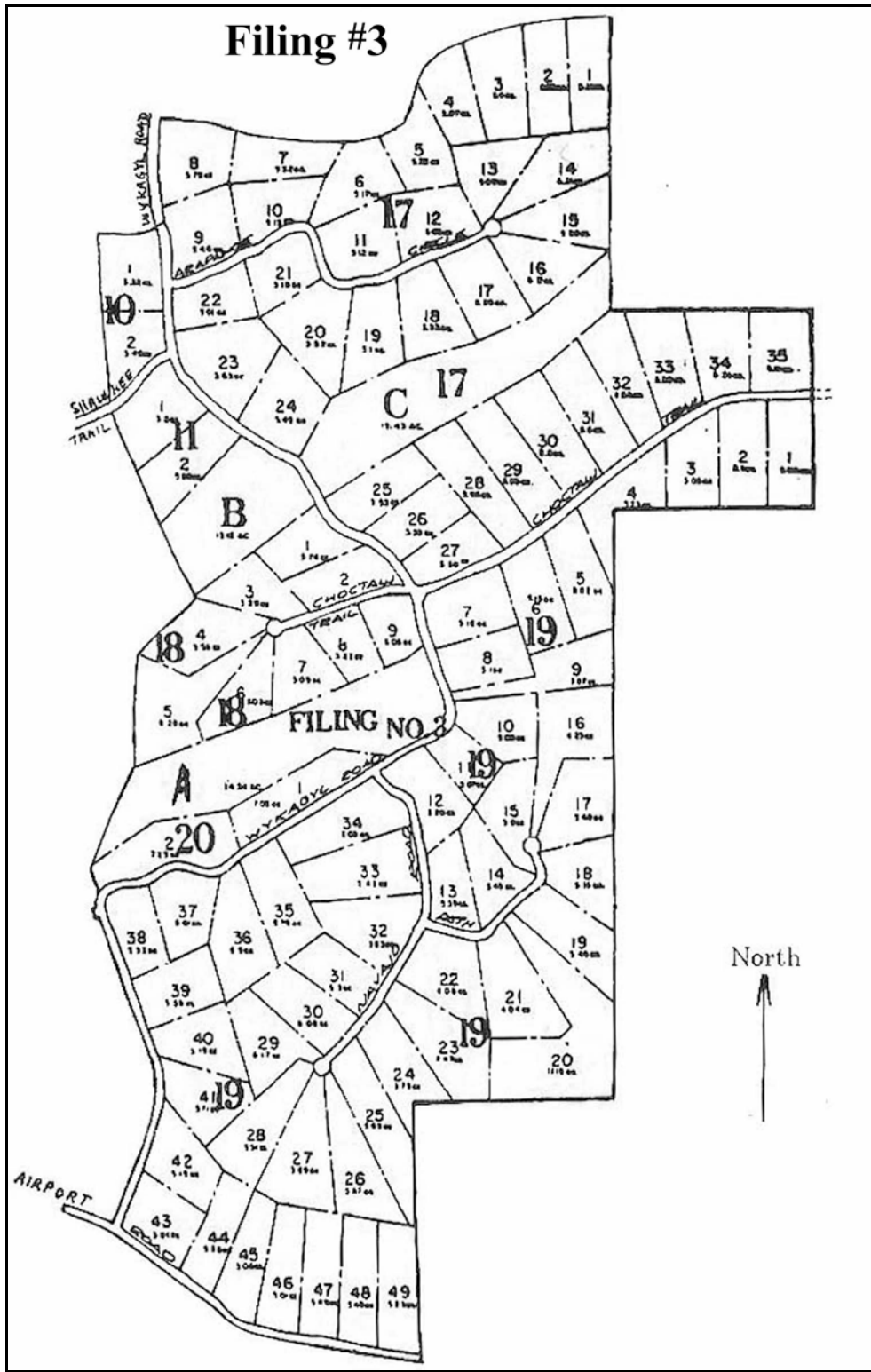
Filing #1 – Northern Portion



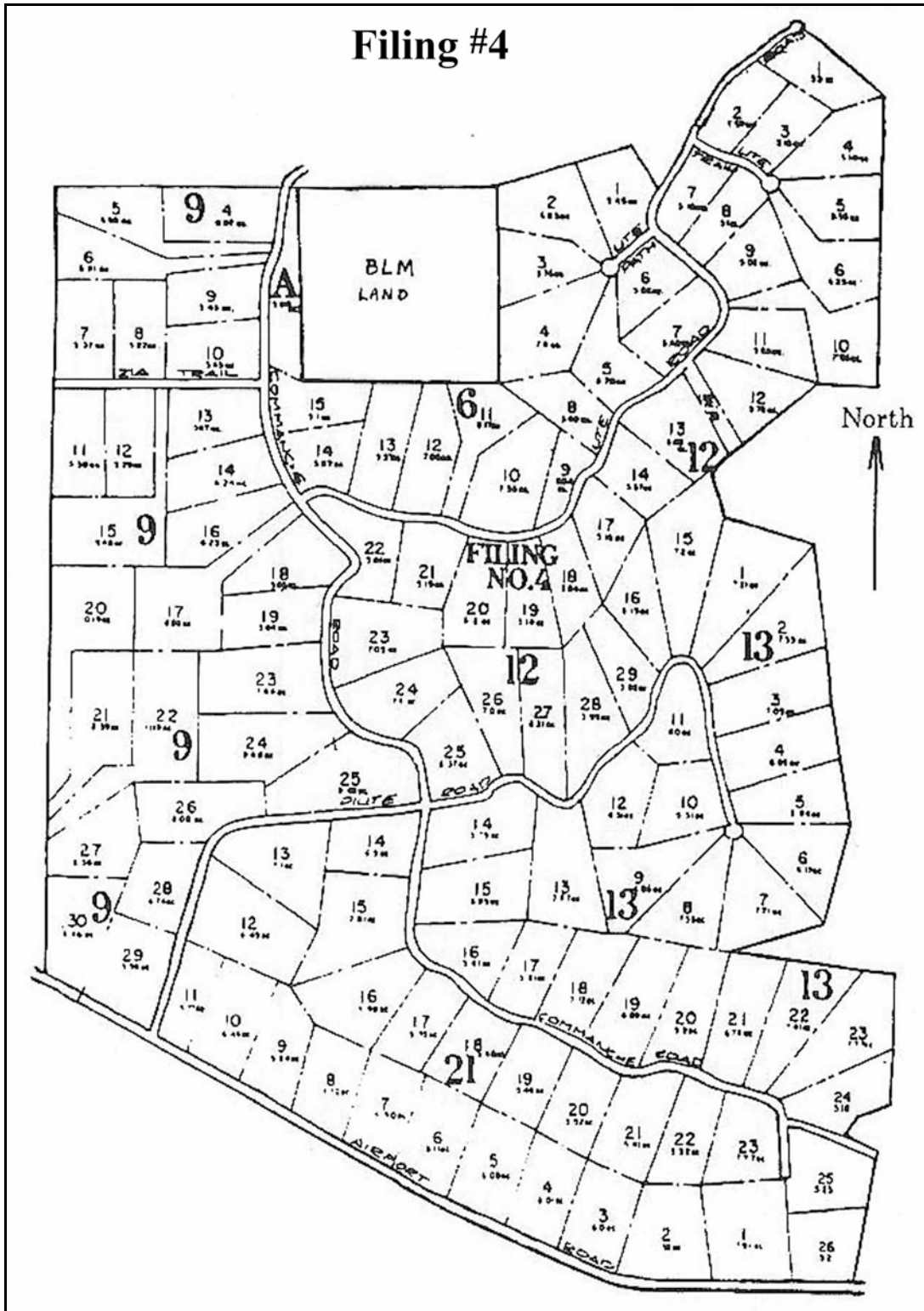
Maps



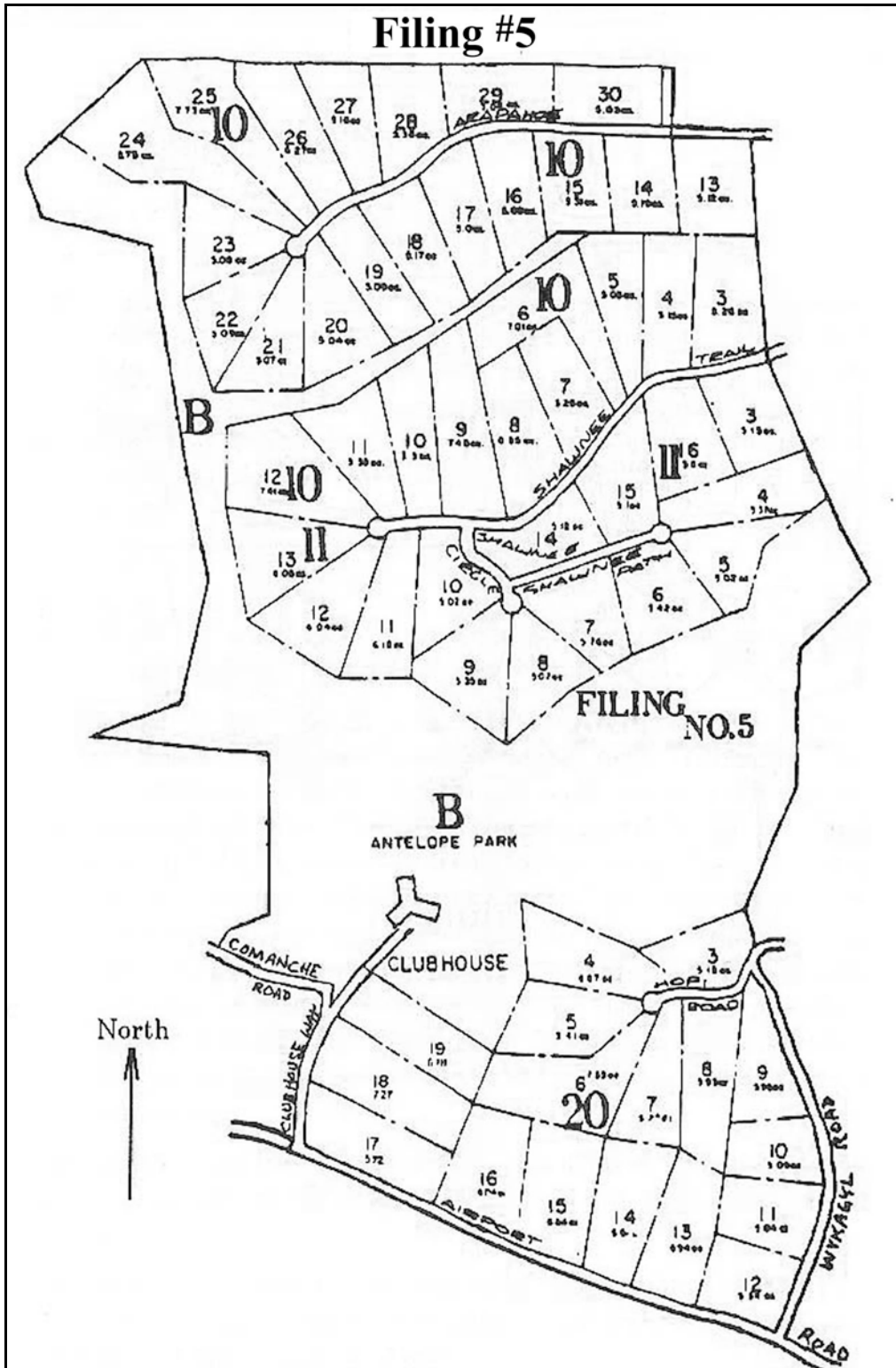
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