

CHATFIELD EAST PROPERTY OWNERS ASSOCIATION

NOTICE OF ANNUAL MEETING

SATURDAY, SEPTEMBER 26

10AM

9720 US HWY 85 N

(Grace Presbyterian Church NE corner of Santa Fe/Highlands Ranch Pkwy)

We are grateful to the folks at Grace Church for allowing us to use their tent! Please wear a mask as you enter. Bathrooms will be available inside. Coffee, donuts and water will be served.

AGENDA

1. **Welcome and Sign in:** Please bring a copy of the proposed Covenant Restatement as posted on the website at cepoa.org under the Documents Tab **10 min Need 26 members in attendance**
2. **Introduction of New Residents** (JW) (Viallant/Brightmire-Kirtner)
3. **2019 Minutes** (NM)
4. **Elections:** Wiskamp/Atencio terms are up
5. **Treasurer's Report** (MG) Balance/Projections/P&L/Payees
6. **Fire Update** (MG)
7. **OLD BUSINESS**
 - a. Horse Trail Signs (JW/KA) Phase II
 - b. Augmentation Update from Water Attorney (NM/CG)
8. **NEW BUSINESS**
 - a. Well Reports/Well Usage (CG, KA, NM?)
 - b. Proposed Covenant Restatement (JW)
 - c. Formal Covenant/Rule Violations to be issued in October
9. **Q/A Session** (Please sign up to speak when you sign in! Each allotted 3-5 min)

Meeting Minutes from CEPOA Community Meeting 6:30 p.m. May 15, 2019
South Metro Fire Station #40

I. Call to order at 6:37 p.m.

BOD Members Present: Janice Wiskamp (President), Kathie Atencio (Secretary), Mike Greene (Treasurer), and Cathy Gunderson.

A quorum was established at the time we started with a total of 31 lot owners that signed in.

II. Welcome and Introduction of New Neighbors - Janice Wiskamp

III. Annual Meeting Minutes from April 25, 2018 - Kathie Atencio

The meeting minutes were sent out with the meeting agenda. We received a motion to approve the minutes, and the community members present approved the minutes from last year's annual meeting.

IV. Election of New Board of Directors - Janice Wiskamp

Three Board positions expire: Mike Green (Treasurer), Cathy Gunderson, and Nina McVicker. They are all running again to fill the positions. There was a last call for write in candidates from the floor. No one else volunteered to serve on the CEPOA Board.

V. Treasurer's Report - Mike Greene

Have a \$111K in our balance. Bookkeeping fees were reduced from \$3500 to \$1500. Financials have been cleaned up and the reserve was put in a capital account restriction. There was a \$25K reserve for the insurance deductible, but now we don't have that much to pay for a deductible anymore (\$2,500). The CCIOA requires a reserve study, so the BOD put that together and we stated we knew of two possible long-term obligations that we have to pay as a community (pump and our obligation for augmentation and possibly a water attorney to change our augmentation requirement). Mike also proposed we take the \$25K insurance amount and put towards the water well obligations (see Reserve Study). We received a motion to approve the treasurer's report and the community members present approved it.

VI. Water/Well Report - Cathy Gunderson

Our augmentation plan was first drawn up in 1978. Each property owner is legally bound to report their usage of water. Denver usage is how many acres and number of horses you have watered. Assumed 3.5 people per household. Arapahoe is based on actual usage based on their meter.

According to the 2018 water report, we had 78 lots out of 103 that have Denver wells. Fifty-one are on Roxborough water. Forty-one still want to use their Denver well. Twenty lots have wells in the Arapahoe aquifer. Twelve of those lots have hooked up to Roxborough. Thirteen of the 20 lots want to continue to use the well.

As of May 15, 2019, 77 have paid the tap fees with Roxborough water.

All lots should be connected by August 1, 2019. The tap fees will increase to \$41K after August 1, 2019. The usage fee is based on how much is used, so the more water is used, the more one will pay.

There was a discussion about what will happen if someone does not hook up with Roxborough. Douglas County will collect this through the property taxes. Owners of undeveloped lots can pay the \$15K by Aug. 1, then have 18 months to connect, then 6-month extensions at \$500 each.

Someone asked if it was 1 for 1 with the augmentation requirement? There are water decrees in place that explain what is required. If we wanted to change things, this is something we would need to ask a water attorney to determine what flexibility we have to make changes. Currently we must pump out 7.0 million gallons/year through our community well.

There was a suggestion that we ask how many people are in a household when we collect the water report in 2019. This question will be added. There was a suggestion that we do nothing. We were told this is not an option and that the Denver Water Board would shut down all our wells.

There was a comment made that we have used more water than what we have pumped out from our community well even at 7.0 million gallons/year, so our augmentation may need to go into the future even if we were not to use our wells.

VII. Other Updates - Janice Wiskamp

- CEPOA Web Page: The community web page has been updated. Please review it if you haven't seen it. It has agendas for meetings, meeting notes, water decrees, covenants, bylaws, etc. - Looking for Nominations for Committee Members: Members are needed for a South Entrance Committee.

- Horse Trails: We will be replacing the horse trail signs. We are also looking at taking bids for mowing.

IX. Survey - Nina McVicker

Nina was unable to come due to a last-minute conflict, so this was not covered.

XI. Reserve Study - Mike Greene

We can hire a water engineer to help us to figure out actual amounts of water that is being used. We would then have a better idea of how successful we might be to change our augmentation plan if we go to court. The BOD would like to take the \$25K that was in a reserve account and set it aside for the use of water issues. We currently spend \$12K/year in electricity to pump the water out from the community well (and for the street lighting by the entrance). Keith suggested a stand-alone water meeting after August 2019. This was approved by the community members present.

XII. Open Q & A Session

XIII. Voting Results - Kathie Atencio/David DeVries

The votes were counted for the three vacant positions and Mike Greene, Cathy Gunderson, and Nina McVicker all received votes to fill the CEPOA Board Positions for a two-year term.

XIII. Adjournment

We adjourned at 7:58 p.m.

Minutes taken by Kathleen M. Atencio, CEPOA Secretary

CHATFIELD EAST SUBDIVISION (Original dated 1978)

Moeller-Graf Associates 385 Inverness Pkwy #200

ENGLEWOOD, CO 80112

PROTECTIVE COVENANTS OF CHATFIELD EAST

YELLOW HIGHLIGHT INDICATES A CHANGE

TAN HIGHLIGHT INDICATES A RELOCATION/or CLARIFICATION OF EXISTING COVENANT/RULE

UNDERLINED TEXT INDICATES CCIOA LAW

RECITALS

1. The Association is the owners' association for the Chatfield East Subdivision, (the "Subdivision"). The Subdivision was created by, among other documents, the Protective Covenants of Chatfield East, recorded May 26, 1978 at Reception No. 217867 in the records of the Clerk and Recorder of Douglas County, Colorado, as amended and supplemented from time to time (the "Covenants"), and the Plat Map of Chatfield East recorded May 23, 1978, at Reception No. 217696 in the same records, as corrected and amended from time to time, (collectively referred to as the "Map"). Terms which are defined in the Covenants shall have the same meanings herein unless otherwise defined.
2. The original 1978 Covenants authorizes amendment to the Covenants "by an instrument signed by sixty (60%) percent of the then owners of the lots, such instruments to be recorded agreeing to change said covenants in whole or in part." Amendment is also authorized by applicable provisions of the Colorado Common Interest Ownership Act, Colorado Revised Statutes §§ 38-33.3-101 et. seq. ("CCIOA").
3. The original 1978 Covenants were drafted forty years ago by the original Subdivider. The owners of lots within the Subdivision find that it would be in the best interest of the Subdivision to modernize, update and clarify the architectural control provisions and use restrictions, so as to provide for uniform, consistent and efficient regulation of improvements on the lots within the Subdivision, as well as bringing the covenants into compliance with CCIOA.
4. NOW, THEREFORE, in accordance with and subject to the provisions of CCIOA and the Covenants, as amended and supplemented, the Association adopts the following reorganization and rewriting of the original 1978 Covenants as follows:

- 1. The Chatfield East subdivision is a part of Section 21 and 28, Township 6 South, Range 68 West of the 6th P.M. Douglas County, Colorado.**

All lots in all blocks in said subdivision shall be known and described as residential lots and will be restricted by all the covenants contained herein. No structure whatsoever, other than one private single-family dwelling together with a private garage and suitable barn or shed for horses, for use in connection with said single family dwelling, shall be erected, placed or permitted to remain on any lot. There shall be no more than one (1) residence per lot. No

lot shall be further subdivided. There shall be no buildings or fences constructed on bridle paths as shown on the plat. There is a 100-year flood plain platted in the subdivision which will not allow any dwelling units to be constructed on it. The developers assume no liability in regard to any construction performed in this area or any loss occurring from flood damages, motorized vehicles are expressly prohibited from all bridle paths, recreation areas and flood plain areas. Location of mailboxes for U.S. Postal Service shall be determined by the Architectural Control Committee if service is not available to each site.

2. ANIMALS AND WILDLIFE

1. Wildlife and habitat for wildlife shall be fully protected by all lot owners. Open space (Tracts A & B) shall be maintained in the best interest of wildlife with enforcement and control regulated by the Homeowners' Association. **NO HUNTING or Shooting (including air rifles, sling shots, and firearms) ALLOWED in the open space or anywhere in Chatfield East.**
2. No animals will be raised on any lot for commercial reasons. Household pets will be allowed. However, no more than **four (4)** of any kind will be allowed without approval of the Architectural Control Committee or its assigns. All dogs must be confined to runs or leashes and are not allowed to run at large. Dogs must be confined to the property. When walking within the subdivision all dogs must be kept on leash and owners are responsible for cleaning up after their pets.
3. A maximum of four (4) horses will be allowed. In order to prevent overgrazing, livestock shall be kept in a small corral not to exceed twenty-five percent (25%) of the lot size and only allowed to occasionally graze in remaining native grass. Supplementary feeding will be necessary to maintain animals.
4. Other animals will be allowed only with the approval of the Architectural Control Committee and in accordance with the Douglas County zoning regulations.
5. All barns, sheds, corrals and other animal facilities must be kept clean and odor free. The Architectural Control Committee's approval is expressly required for the erection of buildings for livestock.

3. GARDENS/LANDSCAPE

1. A family garden not to exceed 1,000 square feet is permissible, but no additional ground shall be broken for farming or agricultural purposes.
2. **Owner(s) may remove trees and shrubs around the home for fire prevention purposes if the removal complies with a written defensible space plan created by a governmental entity.**
3. Each lot owner is required to plant at least six (6) trees within one (1) year of the completion of the residence on the lot. More trees are encouraged.

4. BUSINESSES

No store, office or other place of business of any kind shall be allowed in Chatfield East that generates excessive commercial traffic. Residences may be used as a home office, a hobby business or an internet business provided that said use does not hold sales inventory or have outside storage of business materials or business equipment. No more than one (1) personal business vehicle shall be stored on the outside of the property, that no significant numbers of employees or customers commute to said residence.

In compliance with state law, one (1) Small in-home daycare is allowed within CEPOA. Said business shall carry appropriate liability insurance for their business and shall name the CEPOA as an assigned to be held harmless of any business-related liability.

5. SEWAGE/SOILS/WASTE

- A. Sewage shall be disposed of only by and through a septic system designed by a qualified engineer with adequate dimensions and capacity and of a type approved by Tri-County Health Department or an approved municipal service if available. No septic tank or field system shall be nearer than fifty (50) feet to any building plot line except with the consent of the appropriate health officials and the County and State, and no sewage, waste, water, trash, garbage or debris shall be emptied, discharged or permitted to drain into any body of water in or adjacent to the subdivision. No outside toilets or privies shall be permitted on any tract in this subdivision. All toilet facilities must be a part of the residence or garage and shall be a modern flush type and connected with a proper septic tank system.
- B. The type of soils present in some lots may not meet requirements as to their ability to support standard absorption fields, therefore, construction limitations may exist. The following studies must be obtained before construction is to take place on any lot:
 - C. A foundation soil analysis performed by a qualified soils engineer
 - D. Percolation reports for absorption fields designed by a qualified engineer
- E. No portion of the property shall be used or maintained as a dumping ground for rubbish, hazardous waste, trash, garbage or other waste. Trash, garbage or other waste shall be kept in sanitary containers. All incinerators or other equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition.
- F. No portion of any property shall be used as an access road to any other property or as an access to an area outside CEPOA.

6. SIGNS

No sign of any kind shall be displayed to the public view on any residential lot except one sign not more than six (6) square feet advertising the property for sale or rent, or except signs used by a builder or developer to advertise the property during the construction and sale period, and except signs identifying CHATFIELD EAST subdivision on property fronting U.S. Highway No. 85.

Owner(s) and occupant(s) may display on their property, in their windows or on balconies on their lots American flags of no larger than 4 feet by 6 feet and install flagpoles of no greater height than 12 feet.

Owner(s) and occupants(s) may display on the inside of the residence's window or door a service flag (sometimes called blue star or gold star banner) of no more than 20 inches by 30 inches indicating the military service of a member of the owner's or occupant's immediate family during a time of war or armed conflict.

Owner(s) or occupant(s) may display one political sign on the owner's sold property or in the residence's window for each contested election and ballot issue from 45 days before through 7 days after election up to the size and number of signs allowed by the local municipal or county ordinance. If there is no such ordinance, each sign shall be no larger than 36 inches by 48 inches.

7. OIL AND GAS DRILLING

No oil or gas drilling, oil or gas development, operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil or gas wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any building lot.

8. VEHICLES AND PARKING

1. No motor vehicle of any type shall be permitted to remain on the property in a non-operating condition of more than thirty (30) days in any calendar year. Any such vehicle which does not display current and valid license plates and safety inspection stickers as required by State law shall be deemed to be in a "non-operating" condition. Parking shall be accommodated on site with no parking allowed on public streets.

2. Vehicular structures without transportation purposes are defined for the purpose of this Regulation to include, but are not limited to, race tracks, drag strips, obstacle courses and demolition arenas, either formally or informally constructed, for the purpose of providing a means for motorized or non-motorized vehicular use. Vehicular structures excluded from this definition include formal driveways constructed primarily for ingress and egress to a residence or permanent garage (subject to the approval of the Architectural Control Committee), and formal residential roads.

3. Motorized vehicles are expressly prohibited from all bridle paths, recreation areas and flood plain areas.

9. PROPANE TANKS

Propane tanks, if used, must be camouflaged by building and/or landscaping so that they cannot be seen from subdivision roads.

10. FIRES, FIREARMS, NOXIOUS ACTIVITY, FIREWORKS

No noxious or offensive activity shall be carried out within the subdivision nor shall anything be done or permitted which will constitute a public nuisance or threat therein. Nor shall any firearms be discharged within the subdivision. Firearms as used herein shall be construed to mean rifles, shotguns, pistols, cannons, explosives, air rifles, BB guns or similar devices. Fireworks are strictly prohibited. Open fires are strictly prohibited.

11. EASEMENTS/ SETBACKS

Easements and rights of way as shown on the recorded plat or plats, are hereby reserved in this subdivision for bridle paths, poles, wires, pipes and conduits for heating, lighting, electricity, gas, telephone, sewer, water or any other public or quasi-public utilities service purpose, together with the right of ingress and egress at any time for the purpose of further construction and repair.

No fence or structure whatever shall be constructed on the CEPOA Bridle Paths.

Bridle paths are for CEPOA residents only, and only for pedestrian/animal use. No motor vehicles shall be allowed on CEPOA Bridle paths.

12. WATER

The Association as well as any owner shall adhere to the most current governing Water Decrees. The Board May investigate ways to research and/or renegotiate the degrees in the interest of the community. Any change that requires action or expense by the membership will be submitted to the membership for vote. See cepoa.org for complete Water information.

13. ARCHITECTURAL CONTROL

a. COMPOSITION OF COMMITTEE

An Architectural Control Committee for Chatfield East is constituted. It shall consist of three (3) persons appointed by the Board of the Association, Each such appointment shall be made for a 3-year term of office, subject to the aforesaid power of removal, Board of Directors (BOD) may reappoint members by mutual agreement of the Board of Directors and the member, or may choose to appoint a different member at the end of each three-year term. In the case there are fewer than three (3) members, the board may appoint temporary members. In the absence of any appointment, the Board of Directors shall be the Committee until such time as a new committee can be formed. The Architectural Control Committee is subject to the direction of the Board and must report to the Board as and when directed to do so. The Board may remove Architectural Control Committee members at any time for any reason or no reason. A majority of the

Architectural Control Committee may designate a representative to act for it. Neither the members of the Committee, nor its designated representative, if any, shall be entitled to any compensation of any kind for service performed pursuant to this covenant. Members of the Committee, like the Board and other Committee's, will be exempt from personal liability when acting within the scope of their official duties.

b. OVERVIEW OF ACC GUIDELINES

Per paragraph II.A. of the CEPOA Covenants, the Architectural Control Committee (ACC) has been formed by the Chatfield East Property Owners Association (CEPOA) and has the task of reviewing and approving of all plans for all improvements (new or remodeled dwellings, outbuildings, decks, gazebos, greenhouses, patio covers, fences, dog runs, etc.) to be constructed on each Chatfield East lot. ACC approval is not required for improvements or changes that are limited to interior only.

ACC Guideline updates may be adopted by BOD vote of simple majority. Complete ACC Guidelines shall be available at cepoa.org. Homeowners should refer to the latest ACC Guidelines before considering any applicable architectural changes.

The purpose of the ACC is to ensure and maintain the superior quality of the improvements constructed on the project and to protect the effects of the improvements on any adjacent or neighboring properties.

Failure to gain approval by the ACC before beginning any construction will constitute a covenant violation and may include fines as outlined in the decree.

c. PROCEDURE FOR SUBMISSION OF PLANS

The process begins with an Informal Meeting or correspondence with a spokesperson of the ACC at which time any questions about the requirements of a submission can be clarified.

Following this meeting the Applicant must submit one hard copy set of plans (as well as a digital copy) with all dimensions and notes to be clearly legible. Before any construction work begins owners shall be responsible for submitting complete plans, specifications and any required samples or material descriptions for the scheduled work. Plans for the improvement must clearly contain the following:

1. Chatfield East Subdivision Architectural Control Committee Residential Improvement Application Form
2. Topographic map of the parcel illustrating the location of all buildings and improvements;
3. Site plan indicating the boundaries of the parcel, the location of proposed buildings, driveways and parking areas, existing and proposed grading and drainage, easements, utility locations, retaining walls, patios and terraces, and septic system;
4. Exterior elevations, and sufficient detail to indicate the architectural character of the buildings, including a complete description of exterior materials to be used;

5. Floor plans, indicating the square footage of each floor for all enclosed spaces for each building and the location of exterior mechanical systems (such as A/C units, propane tanks, etc.);
6. Roof plan indicating the type, pitch, proposed materials and colors and height from finished grade to the highest point on the ridge line;
7. Specifications including all exterior wall materials, exterior doors and trim materials, all paint and stain colors to be used, roof and flashing materials; and
8. Douglas County Drainage, Erosion, and Sediment Control (DESC) plan.

A hard copy of the plans are to be sent to the following address:

Chatfield East Property Owners Association

c/o Architectural Control Committee

P.O. Box 192

Littleton, CO 80160

A digital copy of the plans are to be submitted to the ACC.

The ACC will review the initial submissions and provide verbal comments or requests for revision within 15 days of the submission of the materials listed above. If a revision to the plans is requested, the ACC shall review the revision within 15 days of complete submission of the revision.

Once a plan set is approved by the ACC, the ACC will schedule a second meeting with the applicant at his or her lot at which time the ACC will view the site. Prior to this meeting the applicant should have the site staked to indicate the property lines, and footprint of all buildings, if applicable.

If the ACC denies approval, the ACC shall state the reason(s) for denial; thereafter, the applicant may revise the plans and resubmit. Should the ACC deny approval during the process, the applicant may appeal the decision within ten days to the CEPOA Board of Directors. The appeal should state the exact reasons of disagreement, and explain why the property owner does not want to comply with the ACC decision.

No construction may commence until final written approval of all construction drawings has been granted by the ACC and a building permit has been issued for the ACC - approved plans by the Douglas County Building Department. At least 15 days prior to commencement of construction the applicant shall submit to the ACC, at least one set of the final construction drawings to ensure that the construction drawings are in compliance with the final submittal. Any modification to the approved plans during construction must be submitted to the ACC for re-approval.

As per our Covenants, applicants will have 270 days to complete the project after approval is received by the ACC. Requests for extension can be submitted to the ACC for consideration.

The ACC reserves the right to waive or vary any of the procedures or architectural guidelines at its discretion, for good cause shown. Any waiver or variance granted shall be considered unique and will NOT set any precedent for future decisions. Architectural guidelines included in this document may change from time to time to reflect new and changing conditions. Owners contemplating activities covered herein should obtain the most recently approved version of the design architectural guidelines from the CEPOA via the Chatfield East website at cepoa.org.

No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot as a family dwelling, either temporarily or permanently. However, this covenant shall not restrict a building contractor or land developer from maintaining a temporary office, trailer office, tool shed, lumber shed and/or sales office for the purpose of erecting and selling dwellings; provided that the Architectural Control Committee shall have the authority to order the removal of said temporary structures whenever in their sole discretion the same have been on the premises and unreasonable length of time.

Neither the ACC nor its assignees shall be liable for damages to anyone submitting plans for approval, or to any Owner by reason of mistake in judgment, negligence or nonfeasance arising out of, or in connection with, the approval or disapproval or failure to approve any plans or specifications. Every Owner or other person who submits plans to the committee for approval agrees, by submission of such plans and specifications, that they will NOT bring an action or suit against the committee or its individual members to recover damages.

14. ASSESSMENTS

1. Dues are billed January 1, due January 31
2. Second Notice goes out Feb. 1, due end of February (Grace Period)
3. Late Payment Fee of \$50 assessed March 1, due end of March.
4. April 1 the account is turned over to attorneys for collection. Property owners will have to pay all attorney and collection fees, lien fees and legal fees in addition to late fees.

15. ENFORCEMENT OF COVENANTS

Violations. A violation is defined as any action, behavior, or architectural matter that stands in opposition to the covenants laid out here. A violation may be reported by a resident or noticed by a board member. Once a violation has been confirmed, the following actions shall be taken:

1. **Notification.** The violation shall be brought to the attention of the offending homeowner in written notification in letter form via mail or email. In the notification communication, the Board of Directors will outline the violation, point out the article in the Covenant that is

being violated and provide a deadline for remedy, and a schedule of penalties to commence if the deadline passes with no remedy. The deadline for remediation shall depend on the severity of the violation and whether the violation presents an immediate health or safety concern for the community. Whether or not the homeowner acknowledges this notification, the written notification shall serve as official notification of the violation.

2. **Response.** The homeowner may respond to the notification of violation in written notification in letter form via mail or email to the President of the Board of Directors, or may attend a regular Board of Directors meeting in person to discuss. Meeting dates, times and locations are posted on cepoa.org.
3. **Resolution.** The homeowner shall notify the Board of Directors when the violation has been remedied. If the homeowner does not notify the Board of Directors of the remedy, the Board of Directors will follow up with the homeowner at the deadline for remedy set at the initial notification. If the violation remains unresolved, the Board of Directors may take any or all of the following actions:
 - a. **Fines.** The Board of Directors may levy fines for violations ranging from \$500 - \$10,000 per month depending on the severity of the violation and the risk it imposes to the health or safety of the community.
 - b. **Summary Abatement.** Whenever the Board of Directors of the Association shall find and determine that there shall have been erected on any residential lot any structure which is in violation of these covenants, the Board of the Association or its designees, shall have the right to enter upon the residential lot where such violation has been found to exist, and to summarily abate and remove at the expense of the owners thereof, any structure, situation or condition that may exist on said property contrary to the intent and meaning of these covenants; neither the Association or its agents assigns or designees shall be deemed guilty in any manner of trespass for such entry, abatement or removal, and by acceptance of a deed subject to these covenants, the owner of any such lot expressly consents to such entry. Costs of expenses of such entry, abatement and removal, shall be and remain a lien upon the residential lot, by recording a written statement in the office of the Douglas County Clerk and Recorded as provided in paragraph 18 above.
 - c. **Judicial Enforcement.** Without limiting the foregoing remedy, if any owner shall suffer or permit a violation or threaten to violate any covenant herein contained, any other owner of a residential lot in the subdivision may institute proceedings at law or 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 violation. Upon approval of the bringing such action by the Board of Directors of the Association, said owner seeking to enforce these covenants shall be entitled to reimbursement of any attorneys' fees not otherwise recovered in connection with such action, from the enforcement of covenants funds established in paragraph 17 of these covenants. The Board of Directors of the Association, upon finding that a violation of these covenants exists and upon failure or refusal of the owner of the residential lot upon which such violation exists to comply herewith, shall institute proceedings at law or equity to recover

damages for the violation or to restrain such violation or threatened violation or to modify or remove structures fully or partially completed in violation of these covenants, and to recover damages actual and punitive, together with reasonable attorney' fees and costs incurred in connection with enforcing these covenants. Costs of maintaining any such action shall be obtained from the enforcement of covenants. Failure of the Association or any owner to enforce any covenant or restriction herein appearing, shall in no event be deemed a waiver of the right to do so thereafter.

16. CONFLICT RESOLUTION

It is important to resolve conflict among HOA members without resorting to court action wherever possible. As such, **meditation is encouraged**. If a dispute arises that is not resolved, the parties must first proceed, in good faith, to mediation or arbitration. Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. Before any mediated settlement is binding, the parties to the dispute must agree to the settlement, in writing. The parties will jointly appoint an acceptable mediator and will share equally in the cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire dispute is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the other at that party's last known address (physical or electronic). Nothing in this Section prohibits either party from filing a lawsuit before or after the date of written notice requesting mediation.

17. CONVEYANCE OF PROPERTY

- A. Chatfield East Development Company shall convey to Chatfield East Property Owners Association, as its sole and separate property, the recreation areas and other common areas identified on the recorded plat together with a non-tributary well to be located at a point near the center of Section 21, Township 6 South, Range 68 West of the 6th Principal Meridian, Douglas County, Colorado, together with all appurtenances thereto including pumps and piping, all of said properties to be thereafter held, owned, maintained and policed by the Property Owners Association.
- B. For the purpose of providing for the continued maintenance, care, repair and improvements of recreation areas, riding courses, and other common areas as shown on the recorded plat of Chatfield East subdivision, Douglas County, Colorado, which is necessary, required or desirable within the subdivision, for the general use and benefit of all property owners, each and every property owner, at any time, in accepting a deed or contract for any property within the subdivision agrees to be and shall be a member of and be subject to the obligations and duly enacted bylaws and rules of Chatfield East Property Owners Association, Inc., a Colorado nonprofit Corporation. In the event of multiple ownership at a residential lot, all persons owning the lot shall be members of the Association, but any vote shall be exercised as the persons owning the lot shall determine among themselves, and in no event shall more than one vote be cast with respect to any single residential lot.

C. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date these covenants are recorded, after which time said covenants shall be automatically extended, for successive periods of ten (10) years; provided, however, that these covenants can be changed at any time by an instrument signed by sixty percent (60%) of the then owners of the lots, such instruments to be recorded agreeing to change said covenants in whole or in part.

18. Severability

Invalidation of any one of these restrictions by judgment of court order shall in no way affect any of the other provisions which shall remain in full force and effect.

19. Hold harmless

CEPOA Board and Committee members are assumed to be acting in the best interest of the membership and are hereby held harmless of any liability while acting in good faith.

DATED this _____ day of _____

CHATFIELD EAST DEVELOPMENT COMPANY, a General PartnershipBy:

STATE OF COLORADO)

) ss.

COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me this _____ day of _____ by _____, General Partner of Chatfield East Development Company, a General Partnership.

Witness my hand and official seal.

My Commission expires: _____

NOTARY PUBLIC