

Hilltop Ranch

Declaration of Protective Covenants

This Declaration of Protective Covenants (the “Declaration”) is made as of the _____ day of _____, 2002, by Timberline Properties of Colorado, LLC (herein after called the “Declarant”). The Declarant is owner of the Hilltop Ranch subdivision as shown on the attached plat and located in the S ½ of Section 1, Township 37 North, Range 16 West, N.M.P.M., in Montezuma County, Colorado.

Whereas Declarant desires to restrict and impose certain protective covenants on Lots 1, 2, 3, 4, 6, 7 and 8 (lot 5 excepted) to ensure harmonious relationships among land users, to protect and enhance real property values, to conserve the natural beauty of the environment and to protect it’s character for the benefit of all present and successive owners of any or all of said tracts. Declarant does hereby impose the following covenants and restrictions, to wit:

Covenants

Access Roads – Declarant is reserving a 60-foot wide easement for general ingress and egress to each Lot not served by County roads. This easement shall be used for public utilities in addition to Lot Owner ingress and egress. The easement shall be 30 feet on each side of centerline of the access roads as shown on attached plat for Hilltop Ranch. Private access roads extending from the platted subdivision roads to individual Lots shall not be constructed adjacent to any Lot lines for aesthetic reasons. When all underground utilities are in place, Declarant shall gravel the common roads within the subdivision.

Entrances – Declarant reserves the right to construct improved entrances at both entrance locations within the 60-foot wide access easement. Entrances may be constructed of log, stone, adobe, steel or any combination thereof. Electric privacy gates may also be installed at each entrance. Declarant reserves the right to place signage at both entrances advertising the Hilltop Ranch subdivision until all Lots have been sold.

Easement to National Forest – Declarant is reserving two 10-foot wide easements for Lot owner access to National Forest. Easements shall be located between Lots 1 & 2 and between Lots 5 & 6 as shown on the attached plat. These easements shall be used for pedestrian, horseback and bicycle travel only. No motorized vehicles shall be allowed on access easements to National Forest within Hilltop Ranch. No gates, fences or obstructions will be placed across either easement although Declarant reserves the right to place locked gates at the entrances to both easements if deemed necessary due to misuse at which time Lot owners will be given keys to the gates.

Obstructions on Common Access Roads – No gates, fences or obstructions will be placed across any Common Access Road within Hilltop Ranch other than at entrances.

Drainage – At the location where private access roads connect to the subdivision access road as recorded on the plat of Hilltop Ranch, a drainage culvert of not less than 12 inches in diameter and 16 feet in length shall be installed at the Lot owner's expense. Culvert shall be installed during construction of Lot owner's private access. Private entrances shall also be constructed with a crown and ditches such that water does not drain onto Hilltop Ranch common access roads.

Dwellings per Lot – No more than one primary dwelling and accompanying outbuildings may be allowed per Lot. Outbuildings are considered as barns, stables, sheds, detached garages or other similar structures. Each residence may also have a single guesthouse.

Dwelling Size Requirements – Primary dwellings shall be a minimum of 1400 square-feet not including garages, decks or covered porches. Guesthouses shall not exceed 1000 square-feet and shall be occupied no more than 8-months per year. Some lot owners may use the property only seasonally; therefore, guesthouses may be built initially and used a maximum of 8-months per year *or* for a period not to exceed 12 months during the construction of a primary residence. No structure, whether home or outbuilding, shall be built exceeding 35 feet in height from ground level.

Residential Construction Requirements – All construction upon the Property shall be new construction. No previously erected building, structure, or improvement shall be moved to or placed upon any Lot. All primary residences and guesthouses must be built on a permanent foundation. All conventional construction methods are permitted for primary residences and guesthouses. Frame, brick, log, stone, stucco, steel and adobe structures are all acceptable. Modular homes, mobile homes, and homes of an "A" frame design will not be permitted as either permanent residences or guesthouses. Galvanized paneling shall not be used on the sides of residences or any other structure.

Setback Requirements – No residence, building, structure or privacy fencing shall be built within 150-feet of any front or side Lot line, nor within 50 feet of any rear Lot line.

Fencing – Barbed wire fencing shall not be allowed around the perimeter of any Lot unless already in existence along rear Lot lines. Perimeter fencing shall not exceed 4 feet in height and shall not be of a solid, private nature. Perimeter privacy fencing will be allowed only between the Hilltop Ranch subdivision and the neighboring private properties (outside Hilltop Ranch) to the south. Lot owners are welcome to share the expense of side lot line fencing along common boundaries. No residential fencing (around house/yard) shall be erected that exceeds 6 feet in height or results in an obstruction of primary views.

View Obstructions – No structure shall be placed on any Lot such that it *directly* interferes with the primary view of a neighbor's primary residence. The La Plata Mountains shall be considered the primary view in Hilltop Ranch. This shall be evaluated on a first-come, first-served basis i.e., the first residence to be constructed will have no interference concerns. The second residence to be constructed shall not directly interfere with the primary view of the first residence, etc.

Temporary residence – A camp trailer, motor home or pick-up camper may occupy a Lot for recreational purposes only, and shall not become a permanent dwelling nor be left on Lot when owner vacates property unless stored in a closed garage, barn or other permanent structure. Occupancy of camp trailers, motor homes or pick-up campers shall not exceed 30 days per year. Mobile homes, modular homes and construction trailers may be temporarily placed on a Lot for a period not to exceed 12 months during construction of a permanent dwelling and only after obtaining a building permit.

Outdoor Lighting – All outdoor lighting shall illuminate only the direct premises on which it is located and not neighboring properties.

Parking – No parking upon common access roadways shall be allowed within Hilltop Ranch.

Utilities – Declarant agrees to install the primary distribution lines for water and power utilities when four (or fewer) Lots have been sold within Hilltop Ranch. These Primary distribution lines shall be located within the 60-foot wide access road easement and shall not extend into each individual Lot. Phone service will be installed at the Phone Company's expense for a distance of ¼ mile from their existing phone line located adjacent to Hwy 184. Phone line installation will take place when the first residence within Hilltop Ranch requires it. If required, Declarant will pay any additional expense to get phone service beyond ¼ mile to the front Lot line of each Lot.

A utility easement of 15 feet is reserved along each side and along the rear of each Lot, for the purpose of any future utilities. All utilities within the road access easement, along Lot lines as well as across any Lot shall be underground with the exception of those utilities bordering County roads. The owners of each Lot shall contact the various utility companies and at their own expense, arrange for the connection of utilities from the primary distribution lines to their home site or associated outbuildings.

Sewer Systems – Each Lot Owner is responsible for developing sewer systems for their Lot. A public sewer system is not available in the area; therefore, septic tanks and leach fields will be required.

Use – No commercial business or trade shall be engaged in, or upon any Lot. Certain home occupations permitted by Montezuma County Zoning Ordinances may be maintained within the main dwelling although no commercial signage/advertising will be allowed anywhere within Hilltop Ranch.

Restriction of Future Subdivision – No Lot may be further subdivided into less than that shown on attached plat (approximately 35 acres per Lot).

Archaeology – Anasazi artifacts can be found on all Lots within Hilltop Ranch. Lot owners are encouraged to preserve archeological sites within the subdivision. There are numerous archeological consultants in the Four Corners area that can help with site location and excavation if desired. Declarant can provide consultant names and phone numbers as required. Disposition of any archaeological sites and artifacts located on any Lot shall ultimately be at the Lot owners discretion.

Property Maintenance – Owners are responsible for the appearance and maintenance of their Lot. All Lots must be kept neat and have an acceptable appearance. No accumulation of trash, junk, waste materials or weeds is allowed. Lot Owners shall be responsible for removal of all noxious weeds from their Lot and comply with Montezuma County noxious weed control regulations. All Lot owners will be responsible for removal of their own refuse.

Refuse and Junk Prohibited – No Lot Owner will dump refuse or garbage on any Lot nor will a Lot Owner build, maintain, operate or construct, or in any way cause to be placed within 150-feet of any front or side Lot line, nor within 50 feet of any rear Lot line, any structure or condition that will cause the accumulation or existence of animal waste or a condition causing an obnoxious odor. Any motor vehicle that is inoperable for a period of longer than 30-days shall be stored in a closed garage, barn or other permanent structure.

Domestic Animals – Domestic animals may be maintained on any Lot provided they are confined to that Lot and the pens, corrals, barns, sheds or other enclosures are maintained in a clean, orderly and sanitary condition. In the event any animal becomes obnoxious, troublesome, dangerous, excessively noisy, destructive to wildlife, livestock or fences or if the owner is unable to or fails to confine the animal to their Lot, the animal shall be removed at the owners expense and no longer allowed in the subdivision.

No restriction shall be placed upon ownership of any indoor household pets provided they are not kept, bred or maintained for any commercial purposes.

Livestock and Poultry – One stock animal is allowed per 5-acres. This can be any combination of horses, cows or sheep but shall not exceed one animal per 5 acres. Any animals kept by a Lot Owner must be fenced within the boundaries of the Lot.

No lot owner will be permitted to operate a commercial livestock operation on any Lot except for youth projects such as 4-H or Future Farmers of America.

No pigs or swine will be permitted on any Lot except those identified in youth 4-H or F.F.A. projects. The penned area of such animals shall be maintained in a clean, orderly and sanitary condition and placed near the rear Lot line observing 50-foot setback requirements for rear lot lines.

Homeowners Association - A Homeowners Association will be formed when at least two residences have been constructed within the subdivision. At that time and from thereafter, snow removal and road maintenance shall be shared by the Homeowners. Each owner shall be responsible for and pay for their fair share of the expenses. Any necessary road maintenance shall be at the Declarant's expense until the first residence is constructed within Hilltop Ranch. The first resident of Hilltop Ranch shall be responsible for snow removal/road maintenance until the second residence is constructed which will result in the formation of the Homeowners Association. Entrance gate electrical expenses, if any, shall be shared by the Homeowners as well. Fees for these services shall be paid to the Homeowners Association within 30 days after they are billed.

Should any owner fail to pay required fees within 30 days, the Homeowners Association shall within 60 days thereafter cause to be prepared a Lien statement, giving the name of the owner, their address, legal description of the Lot, amount of unpaid bill or in the alternative, the Homeowners Association may commence Court action for collection of said fees. Said Lien Statement shall be recorded in the office of the County Clerk and Recorder of Montezuma County, Colorado. A copy of the recorded Lien Statement shall be mailed or delivered to the owner of said Lot within 10 days after return of Lien Statement from said County Clerk and Recorder.

Declaration Duration and Terms - All restrictions imposed by this Declaration shall run with the land and attach to the land and to each Lot thereof, and shall be binding upon all present and successive owners, heirs or assigns thereof until May 8, 2012 at which time said restrictions shall be automatically extended for successive periods of ten (10) years each, unless by a vote of a majority of the then owners of said Lots, it is agreed to change said restrictions in whole or in part.

If an owner of one or more tracts within Hilltop Ranch subdivision should violate or cause to be violated, any of the covenants herein, then any one or more of the owners of an interest in a Lot within said subdivision shall have the right to call to the attention of the violator, the alleged breach, and attempt to resolve the matter. Any party to the matter shall have the right to seek relief of irresolvable matters in a Court of jurisdiction within the County of Montezuma, Colorado.

The invalidation of any one or more of these covenants by any Court of competent jurisdiction shall not invalidate the remainder and they shall remain in full force and effect.

IN WITNESS WHEREOF, Declarant has signed this Declaration of Protective Covenants on the date set forth in the acknowledgement.

Timberline Properties of Colorado, LLC
By Casey N. McClellan

STATE OF COLORADO }
 } ss
County of _____ }

The foregoing instrument was acknowledged before me this ___ day of _____, 2002,
by Casey N. McClellan.

My commission expires _____. Witness my hand and official seal.

Notary Public