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Electronically Recorded Jefferson County, CO
Faye Griffin, Clerk and Recorder TD1000 N

After recording, return to:
Century Communities
8390 E. Crescent Pkwy, Suite 650
Greenwood Village, CO 80111
Attn: A. Baker

PARTY WALL AGREEMENT AND DECLARATION

THIS PARTY WALL AGREEMENT AND DECLARATION ("**Agreement**") is made and executed on the date hereinafter set forth by Westown Townhomes, LLC, a Colorado limited liability company ("**Declarant**").

WITNESSETH:

WHEREAS, Declarant is the owner of certain improved real property situated in the City of Arvada, County of Jefferson, State of Colorado, more particularly described on Exhibit A attached hereto and incorporated herein by this reference (as more particularly described below, the "**Property**").

WHEREAS, upon each Lot (as hereinafter defined) the Declarant has constructed or will construct an attached single family residential dwelling unit (as more particularly described below, each a "**Unit**").

WHEREAS, Declarant desires to establish a common plan for the Lots and each of the Units under separate ownership, subjecting the Lots and Units and other improvements constructed thereon to certain rights and obligations related and appurtenant thereto, and for certain cooperation and upkeep of the Lots, as provided in this Agreement; and for the purpose of protecting the value and desirability of the Property and for the purpose of furthering a plan for the improvement, sale and ownership of the Property, to the end that a harmonious and attractive development of the Property may be accomplished and the health, comfort, safety, convenience and general welfare of the Owners (as hereinafter defined) of the Property, or any Lot therein, may be promoted and safeguarded.

WHEREAS, nothing herein shall create or be deemed to create a Common Interest Community, as defined by the Colorado Common Interest Ownership Act at C.R.S. §38-33.3-103(8); therefore, nothing in this Agreement shall be governed by the Colorado Common Interest Ownership Act.

WHEREAS, Declarant desires to provide hereby for a party wall agreement, easements, certain cooperation by the Owners, and other matters.

NOW, THEREFORE, Declarant hereby declares that all of the Property shall be held, sold and conveyed subject to the following easements, reservations, restrictions, liens, charges, covenants and conditions which are for the purpose of protecting the value and desirability of the properties which shall run with the real property and be binding on all parties having any right,

title or interest in the described properties or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each Owner thereof.

DEFINITIONS

Unless the context expressly provides otherwise, the following terms shall have the following meanings:

A. "**Property**" means all of Lots described on Exhibit A attached hereto and incorporated herein by this reference, together with the Units constructed thereon.

B. "**Lot**" means each separate lot that is described on Exhibit A attached hereto, and such Lots may also be referred to collectively as the "**Lots**". If a Unit is constructed on a Lot, the term "Lot" or "Lots" as defined and used herein may include the Unit constructed on such Lot or Lots.

C. "**Unit**" means any one of the residential dwelling units comprising the Multiplexes and "Units" means all of the residential dwelling units comprising the Multiplexes.

D. "**Multiplex**" means each of the residential buildings constructed on the Property comprised of more than one attached Unit, which may be referred to collectively as the "**Multiplexes**".

E. "**Owner**" means the record owner, whether a person, persons, firm, corporation, partnership or association, or other legal entity, or any combination thereof, owning a fee simple title to a Lot, and does not include any such person having an interest herein merely as a mortgagee or beneficiary under a deed of trust, unless such mortgagee or beneficiary under a deed of trust has acquired fee simple title hereto pursuant to foreclosure or any conveyance in lieu thereof. A person ceases to be an Owner upon conveyance of its Lot by deed or upon entering into a binding installment land contract. Such cessation of ownership does not extinguish or otherwise void any unsatisfied obligation of such person existing or arising at or prior to the time of such conveyance. Together all such owners are described as the "Owners".

F. "**Party Wall**" means the foundation wall, the footing under such foundation wall, the shaft liner fire wall supported by the foundation and a roof sheathing or parapet, if existing, capping such fire wall which are part of the original construction of the Units located on the Lots and are located and constructed on or adjacent to the common Lot boundary line which separates two adjoining Lots, and which constitutes a common wall between adjoining Units, as such Party Wall may be repaired or reconstructed. A Party Wall is a structural part of and physically joins the adjoining Units on each side of the Party Wall. Without limiting the foregoing, the term "Party Wall", as used herein, shall also include any two (2) walls that generally meet the foregoing definition, and that together

constitute the wall between two adjoining Units, even if such walls are separated by a de-minimus amount of air space.

G. "**City**" means the City of Arvada, Colorado.

H. "**County**" means Jefferson County, State of Colorado.

I. "**District**" means, the Westown Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado.

ARTICLE ONE
Party Wall & Other Improvements

1. General. Each provision of this Agreement and each agreement, promise, covenant, or undertaking to comply with or to be bound by the provisions of this Agreement which is contained herein is: (a) incorporated in each deed or other instrument by which any right, title or interest in any Lot is granted, devised or conveyed, whether or not set forth or referenced in such deed or instrument; and (b) by virtue of acceptance of any right, title or interest in any Lot by an Owner or other interest holder, is accepted, ratified, adopted and declared by such Owner or other interest holder, and a personal agreement, promise, covenant and undertaking of such Owner or other interest holder, and such Owner's or other interest holder's heirs, personal representatives, successors, and assigns for the benefit of the other Owner or other interest holder.

2. Easement and General Rules of Law to Apply. The Owners of the Lots on each side of a Party Wall own an undivided one-half interest in the Party Wall. To the extent not inconsistent with the provisions of this Agreement, the general rules of law regarding party walls, and liability for property damage due to gross negligence or willful acts or omissions, apply thereto. The Owners of the adjoining Lots which are separated by a Party Wall each have a perpetual and reciprocal easement in and to that part of the adjoining Lot for mutual support, maintenance, repair and inspection, and for the installation, repair and maintenance of utility lines and other facilities, and to permit the Owner of the adjoining Lot to do the work reasonably necessary in the exercise of their rights provided in this Agreement. In addition, the Owners of the Lots upon which Units within one Multiplex are located each have a perpetual and reciprocal easement in and to those portions of all other Units in the Multiplex required for mutual support of a common roof on the Multiplex, including maintenance, repair and inspection, and to permit the Owner of any other Unit within the Multiplex to do the work reasonably necessary in the exercise of such other Owner's rights provided in this Agreement. Maintenance, repair and/or reconstruction of a Party Wall may be performed during reasonable hours only, and no entry may be made onto any other Owner's Lot except as reasonably necessary after reasonable notice to the Owner or occupants of such affected Lot.

3. Support. The Owners of adjoining Lots on each side of a Party Wall shall have the full right to use the Party Wall in aid of the support of water, sewer, electric and other utility lines, and in support of joists, crossbeams, studs and other structural members as may be required

for support of the Unit located upon such Owner's Lot, and for the reconstruction or remodeling of such improvements. Notwithstanding the foregoing sentence, however, no such use shall impair the fire rating of the Party Wall or the structural support to which any such Unit is entitled under this Agreement, including, without limitation, the support of a common roof over the Units in a Multiplex.

4. Alterations of Party Wall and Common Roof. Party Walls and the common roof of a Multiplex shall not be materially altered or changed, except by mutual written agreement of the Owners of the adjoining Units and in accordance with plans prepared by a licensed engineer or architect. No Owner of a Lot shall have the right to destroy, remove, or make any structural changes, extensions or modifications of a Party Wall which would jeopardize the fire rating of the Party Wall or the structural integrity of the Units constructed on the adjoining Lots without the prior written consent of the Owner(s) of such adjoining Lots. In addition, no Owner of a Lot shall have the right to destroy, remove, extend or modify the common roof of a Multiplex without the prior written consent of the Owners of all Units within the Multiplex, provided, however, that such prohibition does not restrict or hinder an Owner from having that portion of the common roof above its Unit repaired, replaced or re-shingled without the consent of any other Owner. In the event an Owner must obtain the prior written consent of any other Owner under this Section, such Owner seeking consent must also obtain the prior written consent of the holders of first lien mortgages or first lien deeds of trust on all such Units within the Multiplex. Any such agreement for change, extension or modification of the Party Wall or common roof shall be recorded in the office of the Clerk and Recorder of the County, and shall expressly refer to this Agreement. No Owner shall subject a Party Wall to any use which unreasonably interferes with the equal use and enjoyment of the Party Wall by the adjoining Owner.

5. Sharing of Repair and Maintenance. Subject to the terms of Section 8 of this Article below, the cost of reasonable repair and maintenance of a Party Wall between two (2) adjoining Units shall be shared equally by the Owners of the adjoining Units. If an Owner fails to repair or maintain the Party Wall, the other Owner, contiguous to the Party Wall, his agents, servants and employees may, upon five (5) days written notice and without cure, enter upon the Lot and into the Unit of the defaulting Owner and make the necessary repairs or perform the necessary maintenance of the Party Wall and shall be entitled to bring suit for contribution from the other Owner or pursue any other rights or remedies at law or in equity.

6. Weatherproofing. Notwithstanding any other provisions of this Agreement, an Owner who by his gross negligence or willful act causes a Party Wall to be exposed to the elements shall bear the entire cost of furnishing the necessary protection against such elements.

7. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Agreement is appurtenant to the land and is binding on such Owner's successors in title.

8. Damage and Destruction.

a. Should a Party Wall be damaged or destroyed by either the intentional or grossly negligent act of a Unit Owner (or its agent, contractor, employee, tenant, family

member, licensee, guest or invitee), such Owner shall promptly and with due diligence repair or rebuild the Party Wall at such Owner's sole cost and expense, and shall compensate the Owner of the other Unit adjoining the Party Wall for any damages sustained to person or property as a result of such intentional or grossly negligent act. If the responsible Owner neglects or refuses either to make all such repairs or rebuild the Party Wall as required herein, or to pay all of such costs thereof in a timely and prompt manner, then the Owner of the adjoining Lot sharing the Party Wall may have the Party Wall repaired or rebuilt and shall be entitled, in addition to any other rights or remedies at law or in equity, to bring suit to recover the amount of such defaulting Owner's share of the repair and damage costs and the defaulting Owner shall also pay the other Owner's reasonable costs of collection including, without limitation, reasonable attorney's fees.

b. Should a Party Wall be damaged or destroyed by causes other than the intentional act or gross negligence of a Unit Owner (or its agent, contractor, employee, tenant, family member, licensee, guest or invitee), the damage or destroyed Party Wall shall be promptly and with due diligence repaired or rebuilt and the costs of reasonable repair and maintenance of the Party Wall shall be paid equally by the Owners of the Units adjoining the Party Wall; provided that the cost of repairs and maintenance of the stud wall that is adjacent to the two (2) inch fire wall which comprises a part of the Party Wall located on a Lot and of the interior finished surface of a Party Wall located in a Unit shall be the sole expense of the Owner of the Lot on which such stud wall and finished surface is located.

c. If a Party Wall is damaged or destroyed, such damage or destruction shall be promptly and with due diligence repaired and reconstructed by the Owner of the Units adjoining the Party Wall. Repair and reconstruction means restoration of the Party Wall to substantially the same condition in which it existed immediately prior to such damage or destruction. To the extent that such damage or destruction is covered by insurance, then the full insurance proceeds available to the Owner or Owners responsible for making the necessary repairs shall be used and applied to repair and reconstruction of the Party Wall.

d. All repairs must be completed as soon as practicable but not later than sixty (60) days after the event of damage or destruction or if longer than sixty (60) days is reasonably required to complete the repairs, then such longer time as is reasonably necessary as long as the Owner making the repairs has promptly commenced the repairs after the event of damage or destruction and diligently pursues the repairs to completion.

9. Cooperation. The Owners of the Units within a Multiplex shall endeavor to reasonably cooperate with each other with respect to the decisions and the costs and expenses of the periodic reasonable repair, maintenance, reconstruction and replacement of exterior improvements to the Multiplex, to the extent such activities affect more than one Unit, including, without limitation, repair or replacement of the common roof. In addition, the Owners of adjacent Units on each side of a Party Wall within a Multiplex shall endeavor to reasonably cooperate with each other with respect to the decisions and the costs and expenses of the periodic reasonable repair, maintenance, reconstruction and replacement of the Party Wall.

10. Compliance with Law. All alterations, maintenance and repair work completed on or to a Lot, Unit or Multiplex must conform with and meet applicable governmental building codes and safety codes, and it is the responsibility of the Owner or Owners thereof, and the person performing such work or causing such work to be performed to assure conformance.

ARTICLE TWO
Insurance

1. Insurance Maintained by Owners. In addition to any other coverage or additional the Owners of Lots may desire, the Owners of each Lot independently shall obtain and maintain at all times a policy of property insurance issued by responsible insurance companies authorized to do business in the State of Colorado in an amount equal to the full replacement value (i.e., 100% of current "replacement of cost" exclusive of the land, and other items normally excluded from coverage) of the Unit and other insurable improvements located on such Owner's Lot, including, without limitation, that portion of any common roof that constitutes part of the Owner's Unit, which policy shall include (i) a standard, non-contributory mortgagee clause in favor of the holder of the first mortgage or first deed of trust on such Lot, (ii) an "Agreed Amount Endorsement" or its equivalent, (iii) a "Demolition Endorsement" or its equivalent, and (iv) if necessary, an "Increased Cost of Construction Endorsement" or "Contingent Liability from Operations of Buildings Laws Endorsement" or the equivalent. **Each Owner must fully insure such Owner's Unit as provided above, including, without limitation, any portion of a common roof constituting such Owner's Unit, as the Units are NOT insured under any other common insurance policy issued for the benefit of all of the Units.** Any such Owner's policy of property insurance shall afford protection against at the least the following:

a. Loss or damage by fire and other hazards covered by the standard, extended coverage endorsement and for debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage, and

b. Such other risks as shall customarily be covered with respect to Units similar in construction, location and use.

2. Notice of Termination. If available, each insurance policy obtained by the Owner of a Lot providing coverage for such Lot must contain an endorsement to the effect that such policy will not be terminated for nonpayment of premiums without at least thirty (30) days' prior written notice delivered to the other Owners of Units.

3. Certificates of Insurance. Upon reasonable written request, the Owner of each Lot shall deliver to the Owner of the any other Lot a certificate evidencing all insurance required to be carried under this Article. Further, each Owner has the right to require evidence of the payment of the required premiums thereon.

4. Other Insurance to Be Maintained by Owners. The Owner of each Lot shall obtain and keep in full force and effect public liability insurance coverage upon its Lot in an amount not less than One Million Dollars ($1,000,000.00) per occurrence.

5. Reappraisal. Each Owner shall, at least once every three (3) years, obtain an appraisal of its Lot for insurance purposes, which shall be maintained as a permanent record reasonably available for inspection by other Owners after written request, showing that the insurance in effect for such Lot in any period represents one hundred percent (100%) of the full replacement values of the Unit and other insurable improvements on each Lot. Said appraisal shall be conducted by each Owner's insurance agent.

6. Activities Increasing Insurance Rates. The Owners agree that no activities, other than uses permitted by this Agreement, will be conducted on their respective Lots that will cause an increase the rate of insurance premiums, without the prior written consent of the other Owners.

7. Jointly Acquired Insurance. Nothing contained in this Article shall prevent two or more Owners from jointly acquiring one or more policies to cover two or more adjoining Lots owned by such Owners as to any one or more of the hazards required to be covered in this Article, or prevent Owners from cooperating with the other Owners in an attempt to acquire such policies, acquire coverage from the same carriers, or otherwise coordinating their efforts to minimize costs of coverage, deductibles, administrative difficulties, or other matters.

ARTICLE THREE
Casualty

In the event of damage or destruction to a Unit or any other improvements on a Lot due to fire or other insured disaster or casualty, the Owner of such Lot, to the extent insurance proceeds are or will be available, shall promptly authorize the necessary repair and reconstruction work, and the insurance proceeds will be applied by that Owner to defray the cost thereof. "**Repair and reconstruction**" of a Unit, as used herein, means restoring the Unit and other improvements to substantially the same condition in which they existed prior to the damage, with the Unit having the same boundaries as before. Notwithstanding the foregoing, in the event that insurance proceeds maintained by the Owner of a Lot are not sufficient to repair or reconstruct such Owner's Unit, or in the event that the holder of any first mortgage encumbering such Owner's Lot determines not to make insurance proceeds available to such Owner for repair and reconstruction of his Unit, then the Owner of such damaged or destroyed Unit shall use other funds to repair and reconstruct his Unit or cause the same to be demolished, to enclose and weatherproof the Party Wall, to cause all debris and rubble caused by such demolition to be removed and to landscape the Owner's Lot. The cost of such demolition and landscaping work shall be paid for by any and all insurance proceeds available, and to the extent insurance proceeds are unavailable, by the Owner.

ARTICLE FOUR
Maintenance

Each Lot, including any landscaping thereon, shall at all times be well kept in a clean condition and good state of repair. Exterior maintenance of the Units and the Lot upon which each Unit is situated, including, but not limited to, painting, repairing, replacing, and maintaining

roofs, gutters, fences, down spouts, exterior building surfaces, decks, porches, patios, walks, stairways and driveways shall be the obligation of the Owner of the respective Lot, and each Owner shall maintain the exterior of his respective Unit in a manner representative of a property of the value of the Lot and Property. Each Owner shall be responsible for snow removal from sidewalks on or adjoining such Owner's Lot.

ARTICLE FIVE
Utilities and Easements

1. Utilities.

a. General. Each Lot has separate sewer, gas, electric and telephone, meters, hook-ups or service connections, and the payment of billings for each such utility service shall be the individual obligation of the Owner of the Unit to which the services were rendered. If any utility lines referred to in this Article are destroyed, damaged or become unusable, the Owner of the Lot which such line serves shall cause the same to be repaired and restored forthwith and shall bear the cost of the repair and restoration of such lines and repair all damage caused in connection with such work, such as restoration of landscaping; subject, however, to any rule of law regarding liability for gross negligence or willful acts or omissions of others.

b. Water Utilities. Notwithstanding anything in Subsection a. above to the contrary, each Multiplex will have one common meter to measure potable water usage within the Multiplex, with individual water cut-off valves to each Unit within the Multiplex. The District has contracted with the local water utility to provide water services to the Lots, and will receive all monthly invoices for the cost of water used by the Lots. Charges for potable water will be included in the District's monthly assessments. If an Owner fails to timely pay such monthly assessments, including water assessments, when the same become due and payable, the District has all rights at law to collect the past due sums, including, without limitation, placing a lien on the delinquent Owner's Lot.

c. Amendments. The obligations of the Owners and the District, as the same are set forth in Subsections a. and b. above of this Section 1 of Article Five, shall control, except and to the extent that (i) the obligations of the Owner, as set forth in Subsection a. above, are hereinafter expressly assumed and taken on by a special or metropolitan district or a homeowners' association on terms and conditions set forth in writing and recorded in the office of the Clerk and Recorder for the County, or (ii) the obligations of the District, as set forth in Subsection b. above, are hereinafter assigned by the District to, and assumed by, another special or metropolitan district or a homeowner's association, or otherwise amended by the District as permitted by law or as otherwise agreed to by the District and Owners of the Lots within the Property.

2. Encroachment. If any portion of a Unit encroaches upon any other Lot, including any encroachment created by the construction, overhang, or overlapping of any exterior elements, a valid easement therefore shall exist for the encroachment and for the maintenance

thereof. For example, roof shingles, roof tiles, siding or other components of the exterior building surfaces may overlap the common boundary between Units and be located partially on each of two adjoining Units. An easement is granted to each Unit Owner for any such encroachment created by the construction, overhang, or overlapping of any exterior elements of such Owner's Unit onto an adjoining Unit and for the maintenance, repair and replacement of any such exterior elements during reasonable hours after reasonable notice to the Owners or occupants of any affected Unit. This easement right may be exercised by a Unit Owner to the extent reasonably necessary to maintain, repair and replace those exterior elements of a Multiplex that overlap, encroach or are located partially on such Owner's Unit and partially on an adjoining Unit. An Owner who exercises this easement for the purpose of maintenance, repair and replacement shall not cause any damage to the adjoining Unit and shall be responsible for any damage inflicted and liable for the cost of prompt repair. In the event a Unit or Units are partially or totally destroyed and then rebuilt, minor encroachment of either Unit upon the adjoining Lot due to such reconstruction shall be permitted and a valid easement therefore and for the maintenance thereof shall exist. The easement for encroachments does not relieve an Owner of liability in case of willful misconduct nor relieve an Owner for failure to materially adhere to plats and plans.

3. Maintenance Easement. There is created, and each Lot is subject to an easement in favor of the Owners, including their agents, employees, and contractors for providing any maintenance and repairs described in Articles One, Three and Four hereof.

4. Walkway Easement.

a. Grant of Easement. Subject to the terms, covenants, agreements and conditions of this Article Five, Section 4, Declarant does hereby declare, establish, create, reserve and grant a non-exclusive easement (the "**Walkway Easement**") across any sidewalks on the Property, if any, that provide for circulation between and among the Lots (other than sidewalks that serve solely as front or rear entry sidewalks for a Unit), for the purpose of pedestrian access, ingress and egress between, to and from each Lot. Such easement shall be appurtenant to and shall pass with the title to every Lot and shall run with said land. The Walkway Easement shall be perpetual in duration.

b. No Public Rights. The Walkway Easement is not intended to benefit the general public and shall not be construed as creating rights in and for the benefit of the general public, nor shall they be construed to be a dedication to the general public or for the public use.

c. Right to Encumber. Each Owner of any Lot shall, at all times have the right to mortgage or encumber its Lot, as well as all of its right, title and interest hereunder in favor of and as additional security to the holder of such mortgage or deed of trust, provided that the Walkway Easement and other provisions of this Agreement shall not be impaired by any foreclosure or deed in lieu of foreclosure of such security interest.

d. Indemnification. To the extent permitted by law, each Owner shall indemnify, hold harmless and defend the other Owners, their successors and assigns from

and against any claim or liability together with all cost or expense, including reasonable attorneys' fees, on account of injury, loss or damage of any kind whatsoever, which may be asserted by reason of or arising out of such party's use of the Walkway Easement and the exercise of any rights granted therewith whether or not such liability, claims, or demands alleged are groundless, false or fraudulent, provided, however, that such indemnity does not extend to any claim or liability caused by or due to the fault, negligence, or intentional misconduct of the indemnified party its officers, employees, members, managers, agents or assigns.

ARTICLE SIX
Alternative Dispute Resolution

1. Alternative Dispute Resolution.

a. Definitions. As used in this Article Ten, the following terms have the meanings as set forth below: (i) "**Declarant**" means and includes Declarant, any director, officer, partner, shareholder, member, employee, agent, or representative of Declarant, any affiliate of Declarant (other than an affiliated mortgage lender) and any contractor, subcontractor, consultant, design professional, engineer, or supplier who provided labor, services or materials to the Project (as hereinafter defined) and who is bound or has agreed to be bound to the following dispute notification and resolution procedures; (ii) "**Dispute**" means any and all actions or claims by, between or among any Declarant party and any Owner arising out of or in any way relating to the Project or any Lot or Unit therein, and/or any other agreements or duties or liabilities as between any Declarant party and an Owner relating to the development, construction or sale of any portion of the Project, or regarding the use or condition of any portion of the Project, or the design or construction of or any condition on or affecting the Project or any portion thereof, including without limitation construction defects, surveys, soils conditions, grading, specifications, installation of improvements, or disputes which allege strict liability, negligence or breach of implied, express or statutory warranties as to the condition of any portion of the Project or improvements thereon; (iii) "**Owner**" means the owner of any Lot within the Property, any individual or entities comprising Owner, any representative of an Owner acting with respect to such Owner's rights (including without limitation any class representative or other representative acting on behalf of an Owner), and any successor or assign of an Owner with respect to any Lot, or any agreements or obligations with respect to Declarant or any portion of the Project; and (iv) "**Project**" means the Property, the Lots, the Units and other improvements thereon and the development, construction, marketing and sale of the Property, the Lots, the Units and other improvements thereon.

b. Arbitration of Disputes.

i. The Declarant and Owner(s) as parties to a Dispute shall comply with the following Alternative Dispute Resolution Provisions ("**ADR Provisions**"). All Disputes will be resolved by binding arbitration before a single arbitrator by submittal to Judicial Arbiter Group, Inc. (the "**Arbitrator**") in

Denver, Colorado, or such other neutral, independent arbitration service that Declarant shall appoint. If an Owner objects to the arbitration service appointed by Declarant (but Owners shall have no right to object to the ADR Provisions), Owner must inform Declarant in writing within 10 days of Owner's receipt of Declarant's written notice informing Owner of the appointed arbitration service. Declarant will then appoint an alternative neutral arbitration service provider. If Owner objects to this alternative arbitration service provider and if Declarant and Owner are unable to agree on another alternative, then either party may, pursuant to the applicable provisions of the Uniform Arbitration Act, C.R.S. (1973) Section 13-22-20, et seq., as amended, apply to a court of competent jurisdiction to designate an arbitration service provider, which designation shall be binding upon the parties. Selection of the arbitrator shall be the responsibility of Arbitrator or the appointed arbitration service, as applicable. The rules and procedures of the arbitration service that are in effect at the time the request for arbitration is submitted will be followed unless the parties expressly agree otherwise, and the applicable discovery and other time periods thereunder may be adjusted, as determined by the arbitrator, in order to permit the prompt conclusion of the arbitration proceeding. The arbitration service designated or finally appointed as aforesaid shall administer the arbitration or any and all Disputes required to be joined under the law.

ii. These ADR Provisions shall be governed by and interpreted under Colorado law pursuant to the Uniform Arbitration Act, C.R.S. (1973) Section 13-22-20, et seq., now in effect and as it may be hereafter amended, and in accordance with the Colorado Rules of Civil Procedure, Rules 16, 26, 30, 33, 34, 36, and 56, unless the parties mutually agree to alternative arbitration procedures, and the applicable discovery and other time periods thereunder may be adjusted, as determined by the arbitrator, in order to permit the prompt conclusion of the arbitration proceeding. The parties to the arbitration shall share equally in the arbitrator's fees and expenses. The award of the arbitrator shall be final and may be entered as a judgment in a court of competent jurisdiction. Unless otherwise recoverable by law or statute, each party shall bear its own costs (including expert's costs) and expenses, including attorneys' fees and paraprofessional fees for any arbitration. Notwithstanding the foregoing, if a party unsuccessfully contests the validity or scope of arbitration in a court of law or equity, the non-contesting party shall be awarded reasonable attorneys' fees and paraprofessional fees and expenses incurred in defending such contest, including such fees and costs associated with any appellate proceedings. In addition, if a party fails to abide by the terms of a settlement or arbitration award, the other party shall be awarded reasonable attorneys' fees, paraprofessional fees and expenses incurred in enforcing such settlement or award.

iii. These ADR Provisions are a self-executing arbitration agreement. Any Dispute concerning the interpretation or the enforceability of this Article Ten, including, without limitation, its revocability or voidability for any cause, any challenges to the enforcement or the validity hereof, or this Article Six, or the

scope of arbitrable issues under this Article Six, and any defense relating to the enforcement of this paragraph, including, without limitation, waiver, estoppel, or laches, shall be decided by an arbitrator in accordance with this Section and not by a court of law.

iv. The parties to this Agreement expressly consent and agree that arbitration of any Dispute may, at the option of Declarant, include consolidation, joinder, or any other means to provide for joint participation of all parties involved in the Dispute and who are necessary in order to provide for the complete resolution of such Dispute.

c. Waiver of Litigation Rights. All persons bound and subject to the provisions of this Agreement acknowledge and agree that by being bound to binding arbitration as provided in this Article Six: (i) such Person, including each Owner, is giving up any rights it might possess to have a Dispute litigated in a court or jury trial; (ii) such person's discovery and appeal rights will be limited; (iii) an Owner's election to purchase a Lot subject to this Agreement and these ADR Provisions is voluntary and the Owner understands its provisions; (iv) Declarant and each Owner and will take all actions reasonably necessary to secure participation by such other necessary and proper parties in the dispute resolution procedures set forth herein; and (v) Declarant would not have sold the Lots without each Owner being bound to these ADR Provisions.

d. Choice of Law and Scope of Arbitrator's Authority. All Disputes shall be governed, interpreted and enforced according to the Uniform Arbitration Act, C.R.S. (1973) Section 13-22-20, et seq., as amended, which is designed to encourage use of alternative methods of dispute resolution that avoid costly and potentially lengthy court proceedings. Interpretation and application of these procedures shall conform to Colorado court rulings interpreting and applying the Uniform Arbitration Act. The arbitrator shall apply the laws of the State of Colorado, and the arbitrator's award may be enforced in any court of competent jurisdiction. The arbitrator shall have the authority to try and shall try all issues, whether of fact or law, including without limitation, the validity, scope and enforceability of these ADR Provisions, and may issue any remedy or relief that the courts of the State of Colorado could issue if presented the same circumstances.

e. Acknowledgment. BY ACCEPTANCE OF A DEED TO A LOT, EACH OWNER ACKNOWLEDGES THAT IT HAS READ AND UNDERSTANDS THE FOREGOING AND AGREES TO SUBMIT ANY DISPUTES OR CLAIMS OR CONTROVERSIES ARISING OUT OF THE MATTERS INCLUDED WITHIN THESE ADR PROVISIONS TO NEUTRAL BINDING ARBITRATION AS SPECIFIED IN THESE ADR PROVISIONS.

f. Disputes Under FHA/VA Warranty. Notwithstanding the provisions set forth above, this Article Ten shall not apply to the extent an Owner is issued a builder's limited warranty approved by the U.S. Department of Housing and Urban Development for issuance to certain Federal Housing Administration or Veterans Administration

Financed Buyers ("**FHA/VA Warranty**"). With respect to all Disputes arising out of the FHA/VA Warranty ("**FHA/VA Warranty Disputes**"), Declarant and Owners shall comply with the dispute resolution procedures and provisions specified in the FHA/VA Warranty. The arbitration of FHA/VA Warranty Disputes shall not be mandatory. All other Disputes shall continue to be governed by the provisions set forth in this Article Ten, including, without limitation, the provisions requiring binding arbitration. However, in the event that the Owner who is issued a FHA/VA Warranty files an action in a court of law regarding an FHA/VA Warranty Dispute while at the same time pursuing an arbitration for other Disputes, Declarant may elect to have all Disputes resolved in the court action.

g. WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW AS TO ALL DISPUTES, OWNERS AND DECLARANT WAIVE ANY RIGHTS TO JURY TRIAL FOR SUCH DISPUTES EVEN IF THE ABOVE DESCRIBED ALTERNATIVE DISPUTE RESOLUTION PROCEDURES AND PROVISIONS ARE OTHERWISE FOUND UNENFORCEABLE. BY DELIVERY AND ACCEPTANCE OF A DEED TO A LOT, EACH OWNER AND DECLARANT MAKE THIS WAIVER KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, AND ACKNOWLEDGE THAT NO ONE HAS MADE ANY REPRESENTATION OF FACT TO INDUCE THEM TO MAKE THIS WAIVER OR IN ANY MANNER OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. SUCH PARTIES FURTHER ACKNOWLEDGE THAT PRIOR TO DELIVERY AND ACCEPTANCE OF A DEED THAT THEY HAVE HAD THE OPPORTUNITY TO BE ADVISED BY INDEPENDENT LEGAL COUNSEL IN CONNECTION WITH THIS COVENANT AND IN MAKING THIS WAIVER. EACH OWNER, ASSOCIATION AND THE DECLARANT ACKNOWLEDGE HAVING READ AND UNDERSTOOD THE MEANING AND RAMIFICATIONS OF THIS JURY WAIVER, AND INTEND THIS JURY WAIVER BE READ AS BROADLY AS POSSIBLE AND EXTEND TO ALL DISPUTES, AS DEFINED HEREIN.

h. Duration. The terms and provisions of this Article Six shall automatically expire and be of no further force or effect with respect to any portion of the Property fifteen (15) years after conveyance of the last Lot by Declarant or its successors.

ARTICLE SEVEN
General Conditions, Stipulations and Protective Covenants

The following general conditions, stipulation and protective covenants are hereby imposed upon the Properties.

1. Compliance with Ordinances. The Owners of each Lot shall comply with all zoning, use and occupation ordinances of the City.

2. Covenants Run with the Land. The covenants and restrictions of this Agreement shall run with and bind the Property and shall inure to the benefit of and be enforceable by the

Owners of the Lots, their respective legal representatives, heirs, successors, and assigns in perpetuity from the date this Agreement is recorded.

3. Amendment. The terms, provisions, covenants and restrictions of this Agreement, except for Article Six, may be amended, modified or terminated by an instrument signed by the Owners holding fee title to not less than sixty seven percent (67%) of the Lots and by their first mortgagees of record, if any, and provided, however, that at all times that Declarant owns any Lots, no such amendment, modification or termination shall be effective unless also signed by Declarant. All amendments shall be of uniform application with respect to all Units and Unit Owners and shall be applied on a non-discriminatory basis. The terms, provisions, covenants and restrictions of Article Six of this Agreement, may only be amended, modified or terminated before it automatically expires by an instrument signed by (i) the Owners holding fee title to not less than sixty seven percent (67%) of the Lots and by their first mortgagees of record, and (ii) Declarant. Any amendment shall be recorded in the Office of the Clerk and Recorder of the County.

4. No Merger. Notwithstanding that Declarant currently holds title to the Lots and the Property and to the easements which Declarant has herein declared, created, reserved and granted for the benefit the Lots and the successors in interest to said Lots for access purposes, any such commonality of interest shall not result in or cause any merger, extinguishment or termination, in whole or in part, of any provisions of this Agreement or the easements herein declared, created, reserved and granted, it being intended by Declarant, for the benefit of the Property, that the terms of this Agreement not be merged by virtue of common ownership interests to any extent, but instead that such terms be and remain in full force and effect upon and following the making and recording of this Agreement.

5. Severability. If any of the provisions of this Agreement or any paragraph sentence, clause, phrase or word, or the application thereof in any circumstances shall be invalid or invalidated, but such invalidity shall not affect the validity of the remainder of this Agreement, the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

6. Use of Singular and Plural. That whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

7. Notices. All notices or demands intended to be served upon an Owner shall be sent by registered or certified mail, postage prepaid, addressed in the name of the Owner at such address as maintained by the Assessor of the County for the purpose of property tax notices. In the alternative, notices may be delivered, if in writing, personally to an Owner.

8. Payment of Taxes or Other Charges. Any first mortgagee of any Lot within the Property may pay any taxes or other charges against such Lot which are in default and which may or have become a charge against such Lot thereof and may pay overdue premiums for hazard insurance policies or secure new hazard insurance coverage in the lapse of such policy for such Lot and any first mortgagee upon the making of such a payment shall be immediately owed

reimbursement therefore from the defaulting Owner and shall otherwise be entitled to the rights of enforcement herein granted.

9. Mortgagee Protection. This Agreement and the rights, obligations, covenants, conditions, restrictions, easements and liens provided for hereunder are superior and senior to any lien placed upon any Lot after the recordation of this Agreement, including the lien of any mortgage or deed of trust. No breach of this Agreement will defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but the covenants, conditions, restrictions and easements hereunder are binding upon and effective against any Person (including any mortgagee or beneficiary under a deed of trust) who acquires title to any Lot, or interest therein, by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise.

10. Bankruptcy. In the event of any bankruptcy affecting any Owner or occupant of any Lot, this Agreement will, to the maximum extent permitted by law, be considered an agreement that runs with the land and that is not subject to rejection, in whole or in part, by the bankrupt person or entity.

11. Mandatory Arbitration. Any dispute between of the Owners of the Lots concerning any provision of this Agreement, including without limitation the enforcement, interpretation or application thereof, except for (i) a claim of lien filed by an Owner as permitted hereunder, (ii) claims filed in and subject to the jurisdiction of small claims court, (iii) Disputes that are subject to Article Six of this Agreement, and (iv) claims made by or against Declarant that Declarant elects to litigate in a court of law, shall be submitted to binding arbitration by the Judicial Arbiter Group, Inc. (JAG) or other arbitration entity acceptable to all of the parties to such dispute, and such arbitration shall be conducted in accordance with the Uniform Arbitration Act, C.R.S. (1973) Section 13-22-20, et seq., as amended, or other legally permissible rules acceptable to the parties. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction over such matter and shall be subject to enforcement as though the award were rendered by the court. Except as may otherwise be determined by the arbitrator(s) or as may be required by the terms of this Agreement, each party to such arbitration shall pay its own expenses and attorney's fees, but shall share equally the costs of the arbitration. Exclusive venue for any actions that may arise from this Agreement shall be in Jefferson County, Colorado.

12. Declarant's Use. Notwithstanding anything to the contrary contained in this Agreement, it is permissible and proper for Declarant and its employees, agents and contractors, to perform such reasonable activities, and to maintain upon portions of the Lots such facilities as Declarant deems reasonably necessary or incidental to the development, construction and sale of Units and other improvements on the Lots, specifically including, without limiting the generality of the foregoing, maintaining signs, construction offices and trailers in such numbers, of such sizes, and at such locations as Declarant determines in its reasonable discretion from time to time. Nothing in this Declaration limits the rights of the Declarant to conduct construction, repair, sales and marketing activities as the Declarant deems necessary or desirable in its sole discretion and to use the easements provided in this Declaration or otherwise of record for those and other purposes. Further, nothing in this Declaration shall require Declarant to seek or obtain the approval of any other Owner for any such activity. Notwithstanding the foregoing, the

Declarant will not perform any activity or maintain any facility on any portion of the Lots in such a way as to unreasonably interfere with the use, enjoyment or access of such Owner, of and to the Owner's Lot and to a public right-of-way.

13. Withdrawal. The Declarant reserves the right to withdraw the Property, or any portion thereof, including one or more Lots, from this Agreement, so long as the Declarant owns the portion of the Property to be withdrawn and that each portion of the Property to be withdrawn constitutes or is intended to constitute land for an entire Multiplex. Each withdrawal, if any, may be effected by the Declarant recording a withdrawal document in the office of the Clerk and Recorder of the County. A withdrawal as contained in this paragraph constitutes a divestiture, withdrawal, and de-annexation of the withdrawn real estate (including Improvements) from this Agreement so that, from and after the date of recording a withdrawal document, the real estate (including Improvements) so withdrawn shall not be part of the "Property". This Section shall be in effect until conveyance of all the Units to the first Owners thereof, other than the Declarant or any builder who has purchased a Lot or Lots from Declarant for the sole purchase of constructing residential dwellings thereon for sale to the general public.

14. Time of the Essence. Time is of the essence in the performance of the provisions, covenants and restrictions of this Agreement.

15. Governing Law. This Agreement shall be construed and governed under the laws of the State of Colorado.

16. Headings and Construction. All article, section and subsection headings in this Agreement are inserted for convenience of reference only, do not constitute a part of this Agreement, and in no way define, describe or limit the scope or intent of the terms of this Agreement or any of the provisions hereof. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular, and the masculine, feminine or neuter genders shall each include the other genders.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned, being Declarant herein has hereunder set its hand and seal the 9th day of September, 2016.

Declarant:

Westown Townhomes, LLC,
a Colorado limited liability company

By: _____
Name: Ken Rabel
Its: Vice President

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me this 9th day of SEPT., 2016, by Ken Rabel as Vice President of Westown Townhomes, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

My commission expires: 12/16/18

MARCIA KAY O'CONNOR
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19994013306
MY COMMISSION EXPIRES DECEMBER 16, 2018

_____
Notary Public

EXHIBIT A
LEGAL DESCRIPTION OF LOTS

Lots 10 through 62 inclusive, Block 1,
Lots 1 through 55 inclusive, Block 2,
Lots 1 through 81 inclusive, Block 3,
Hometown South Subdivision - Amendment No. 1,
City of Arvada, County of Jefferson, State of Colorado.