

October 10, 2005

The Preserve at Deerfield Architectural Review Committee

This document is a description of the purposes and functions of the Architectural Review Committee ("ARC") of the Preserve at Deerfield Owners Association ("Association"). Its contents are provided for in the Declaration of Covenants, Conditions and Restrictions of the Preserve at Deerfield ("Declaration"), and it has been approved by the Executive Board of the Association ("Board"). The Board reserves the authority from time to time to make modifications and additions to this document as necessary and appropriate.

1. Purposes and Objectives.

The purpose of the ARC is to ensure that the construction and maintenance of all improvements on Lots in the Preserve at Deerfield (the "Community") are accomplished to comply with certain standards of quality, consistency and functionality :

- To safeguard to all residents the value of their investments in their property, and
- To ensure that each resident enjoys the full benefit of his or her investment without interferences, hazards, nuisances or other detractions on the part of others.

The ARC is not designed to prevent the construction of improvements with innovative designs or techniques, nor to thwart the legitimate intentions of owners wishing to build residences in the Community; rather, the ARC's function is to provide minimum standards for construction and maintenance of improvements and the Lots they are on, for the mutual benefit of all members of the Community.

Specifically, the ARC will consult with prospective owners and builders concerning their plans for the construction of a residence on a Lot in the Community. Thereafter, when plans have been prepared, the ARC will certify them if they conform to the standards promulgated in this document, as applied by the ARC and the Board. At the conclusion of construction, the ARC will ensure that the completed structure substantially conforms to the approved plans, that the construction site is cleaned up and all landscaping completed, that the common elements and road ways have been cleaned or repaired as necessary, and that the legal documentation for the improvements is in order.

The ARC will also ensure that all renovations and improvements are made in accordance with the Design Guidelines in this document.

Defined terms in the Declaration also apply to this document. The rules and procedures contained in this document apply to all Lots except Lots 1 and 6.

The ARC and the Board will, from time to time, update this document in an effort to stay abreast of the latest in construction techniques, materials and designs, as well as to provide to prospective owners and builders as much information as possible about the standards for desirable construction.

2. Lot Layout and Clearing; Trees

The building envelope for a proposed improvement must take into account the following considerations:

2.1. Setbacks

All man-made improvements on a given Lot should be at least 50 feet from the lot line where the Lot abuts an access road in the Community. This does not apply to wells, drainage and sanitary constructions. Such improvements should be at least 25 feet from the lot line where the Lot does not abut an access road in the Community.

2.2. Tree Removal

Trees destined to be removed for purposes of access or construction shall be identified on a tree survey prepared for the purpose. Likewise, dead trees and trees destined for removal due to disease or by order of fire authorities with jurisdiction over the Lot shall be identified on the tree survey. Such removal shall not take place until approval has been given by the ARC and the Board.

2.3. Other Matters

All easements, including drainage and utility easements must be identified and complied with in the plan of the proposed improvement

County requirements for size and placement of wells and septic fields, tanks and other installations must be complied with.

3. Initial Steps; Consultations

A prospective owner may consult with one or more members of the ARC prior to presenting plans for approval.

3.1. Topographical and Tree Survey

It is very helpful if the prospective owner has a topographical map of the lot, which also shows the location of all trees within 100 feet of the proposed structure. This document will be a requirement in the formal application and approval phase. Having it for consultations will assist in determining an acceptable location for the improvement as early as possible in the process.

3.2. Drawings and Plans

It is also helpful to have initial sketches of a home design for presentation to the ARC during a consultation phase.

3.3. Fee

There is no fee for an ARC consultation.

3.4. Binding nature of consultations

While the ARC member or members will attempt to be as specific as possible concerning design criteria and building envelope, the consultative phase is not binding on any one – whether the initial response is to indicate acceptability, doubt or unacceptability.

4. Design Guidelines

4.1. Exterior

4.1.1. General Appearance

The general objective is to encourage high-end, elegant living space, in accordance with an aesthetic principle of placing the improvement harmoniously in its natural setting. Certain designs, colors and materials will not be approved if they cause a structure to be shocking or otherwise inconsistent with the natural beauty within and surrounding the Community.

4.1.2. Colors

In building materials, natural or earth tones are preferred, particularly hues that coordinate with or match the colors of the surrounding natural context of the home. Bright colors are to be avoided. Finishes that have a high degree of reflectivity are not acceptable because of their effect on wildlife and the views from other residences in the Community.

4.1.3. Fencing and Entries

4.1.3.1. Fences

Fencing will be permitted where lots abut access roads and along driveways. Fencing between lots may be permitted in appropriate circumstances, where both owners are in agreement and a provision has been made for maintenance and repair of the fence. In general, fences will be approved if they are of split rail design, made of wood or acceptable man-made materials that appear natural. Fences shall be white, of three-rail design, and no more than 4 feet in height. Vertical members may be made from rails, or from stone pillars or columns. Fences visible from the access roads should have vertical members of stone.

4.1.3.2. Entryway pillars

Each home should have a point of entry by the main driveway, indicated by one or more stone pillars or columns, two feet wide and deep and five feet in height. These columns will serve to assist snow plows in clearing roads and driveways, and will be a uniform indicator for each main entry way. The ARC will specify the manner in which address numbers and/or names will be affixed to a stone pillar.

4.1.3.3. *Mail boxes*

At this time there is no U.S. mail delivery to individual homes in the Project. If the Association can arrange for a community mail box stand near the entrance to the Project, it will do so.

4.1.4. **Driveways**

Driveways shall be paved with asphalt or concrete, in accordance with Douglas County standards. The minimum driveway width is 12 feet.

4.1.5. **Landscaping**

The intention of the Community is to preserve as much of the natural beauty of the surroundings as possible. Therefore, landscaping should be planned to be consistent with the forest context of the Property. Owners should submit garden and landscape plans with the other documents required for approval, if relevant. The ARC will want to know how the Owner intends to clean up and reseed after construction is completed. Lawns should be no more than 20,000 square feet, due to limitations on water usage.

4.1.6. **Trash and refuse**

The Association shall arrange for trash pickup at each lot, the cost of which shall be passed on in the Assessment. On pickup days, Owners shall place trash containers at the end of the drives, and will retrieve them within 24 hours. Each home will use closed containers, which will be kept in an enclosed area in between trash pickup days. The enclosed area may, but need not be, a separate structure apart from the main residence, and it may, but need not be covered. If the trash enclosure is a separate structure, it will have a minimum floor space of 160 square feet.

4.1.7. **Other Structures**

Other structures may be built and used on lots, including a shed or a barn-like storage space. The size, location and construction of the structures must all comply with applicable County standards, zoning criteria, and be approved by the ARC as consistent with the objectives and purposes of this document. All recreational vehicles, boats, trailers, other vehicles and equipment must be stored in a covered building. If an integrated garage will not accommodate all such vehicles sought to be kept on a given Lot, the Owner must provide for alternative covered parking for them. Likewise, all maintenance of such vehicles must be performed in a covered building.

4.1.7.1. *Swing sets and playground equipment*

Swing sets and playground equipment may be approved if the materials and colors are consistent with the design criteria herein, if they are not of an unusually large size or footprint, and if they are not readily visible from the access road.

4.1.7.2. *Sheds*

The minimum size for a shed shall be 200 square feet. Design, materials and construction shall be consistent with that approved for the residence to which it is appurtenant.

4.1.7.3. Detached garages

The same principles as set forth above for sheds and other outbuildings apply to detached garages.

4.1.7.4. Gazebos and decks

Gazebos and decks may be approved if the materials and colors are consistent with the design criteria herein and with the design, materials, and construction of the residence to which they are appurtenant, if they are not of an unusually large size or footprint, and, if they are readily visible from the access road, that they enhance the general appearance and impression created by the design of the improvements, taken as a whole.

4.1.7.5. Pools and Hot tubs

Pools and hot tubs must be in an enclosed space, either as part of the design of the residence, or separately, as a fenced structure. The ARC will consider wall or fencing options that (a) do not detract from the general appearance of the lot and improvements and (b) provide safety and security from danger to third parties that might be attracted to such facilities. Placement on the lot shall be considered in terms of both visual and noise protection for neighbors and passers by on the access road.

4.1.8. Exterior Materials

Wood, brick, stone, glass and stucco construction, or a combination of the foregoing media, are preferred. In principle, metal structures will not be approved. Geodesic domes, yurts, and other non-traditional forms of structures will not be approved. Preference is given to traditional designs and methods of construction. Those who wish to propose unusual designs or construction materials are especially encouraged to consult with the ARC in advance.

4.1.9. Roofs

Roofs shall be made of non-reflective, fire-resistant shingle. Other materials of equivalent safety and appearance will be considered. No roof should be less than a 4/12 pitch. Any areas covered by a flat or sloping roof of lesser pitch should be specially addressed for snow melt and snow loads.

4.1.10. Size

If the residence is one story tall, the minimum interior square footage (not counting garage, attics, basement, storage, deck or porch space) shall be 2,800 square feet. If the structure is more than one story tall, the minimum square footage (using the same criterion) shall be 3,400 square feet. Square footage shall include closet space, but not include any portion of the structure with less than a six-foot overhead.

4.2. Interior Design Considerations

4.2.1. Accessory apartments

An accessory apartment may be provided in the floor plan of the residence building.

4.2.2. Height restrictions

Buildings shall comply with Douglas County height restrictions.

4.2.3. Fire and building codes

All plans and construction must conform to all applicable fire regulations and building codes in effect in the County. The ARC will not be responsible for checking an applicant's compliance with such requirements.

4.2.4. Job Site Maintenance

4.2.4.1. Road Base

Contractors will take all reasonable measures to prevent the build up of mud on the paved access roads in the Community. Prior to commencement of construction contractor must apply adequate road base to the job site to minimize the spreading of mud in the Community as a result of the construction and make the deposit against road damage, as provided hereafter.

4.2.4.2. Signage

One 2x3 sign may be erected by the General Contractor during the period of construction and removed prior to the issuance of a certificate of occupancy. It shall identify the contractor or contractors on the job site, and optionally provide contact information. It shall not contain other commercial content, or non-commercial content of any kind. Realtor signage may be erected, in accordance with regulations to be adopted by the ARC, but in no event shall be greater than 12 inches by 18 inches.

4.2.4.3. Building materials

Building materials shall be secured and stored neatly at the job site, awaiting incorporation into the structure.

4.2.4.4. Construction refuse

A construction refuse container shall be provided at the job site and emptied promptly as it is filled.

4.2.4.5. Construction fencing

The job site shall be fenced to prevent trash from blowing off the job site. Orange construction fencing is permitted. The owner and the contractor shall be jointly responsible for the cleanliness and orderliness of the job site.

4.2.4.6. Period of Time for Construction

Construction shall commence as soon as possible upon ARC approval unless another commencement date is approved as part of the process. All construction shall be completed as soon as possible thereafter, and in no event in more that eighteen months from the date of commencement.

4.2.4.7. Impact on Common Elements and Neighboring Lots

Owners shall deposit with the Association \$2,500 to ensure that any damage to Common Elements by virtue of the construction shall be repaired upon conclusion of the construction project. This includes the cleaning and repair of any access roads and the reseeding of any common elements disturbed or damaged as a result of the process.

Contractors will use their best efforts to minimize the noise, dust, smoke or fumes generated by the construction process; in particular, no construction noise shall be permitted before 7:00 am or after 8:00 pm unless no other inhabited dwellings are close enough to the job site to be affected by such noise. No construction work shall take place on Sundays.

4.3. Construction

All construction shall be accomplished by licensed general contractors and tradesmen, to the extent such trades are subject to license. Techniques shall be those commonly employed in the field, and the standards of workmanship shall be those normally accepted in the respective trade or field. Factory-built construction and/or the use of experimental or unusual construction techniques will not be rejected outright as such, but will be carefully scrutinized by the ARC to ensure that they conform to the purposes and objectives of the Design Guidelines.

5. Procedures

5.1. New Construction Application

5.1.1. Application

5.1.1.1. Documents Required

The application shall be presented with a cover sheet in a format specified by the ARC, together with the following documents: A topographical map of the lot and proposed building site; a tree survey for all trees within 100 feet of the principal structure (which could be included on the topographical map); a set of elevations for all structures, and a set of structural drawings for all levels of all structures. Applicants shall specify the materials being used and supply sample boards with the application.

5.1.1.2. Fee and Deposit

The application fee is \$500, which is not refundable. The building deposit is \$2,500, which is refundable, upon written request of the owner or general contractor, within thirty days after all repairs to Common Elements and roadways have been completed (in the opinion of the ARC) or

the issuance of a final certificate of occupancy, whichever is later. If such request is not received by the ARC within the thirty day time period, the deposit shall be not refundable.

5.1.1.3. Number of Copies

The application should be submitted in three copies.

5.1.1.4. ARC Site Visit

The ARC will make a site visit to the Lot within ten days of receiving the application.

5.1.2. Meeting

The ARC will meet within 15 days of receipt of the Application. The applicant will be informed of the time and place of the meeting. The applicant may, but need not appear at the meeting unless specifically requested to do so by the ARC. The applicant may appear with those who prepared the application documents.

5.1.3. Recommendation to Executive Board

After a site visit and meeting, the ARC shall vote on whether to recommend approval of the application to the Board, or to remit the application to the applicant for further elaboration, amendment, modification or clarification, or to recommend denial of the same. If the ARC votes to recommend approval or denial of the application, the same shall be communicated to the Board. Otherwise, the ARC shall provide a reasonable deadline to the applicant to provide additional information to the ARC as requested, and set another date for a continuation of the meeting.

5.1.4. Meeting and Determination of Executive Board

The Board shall meet and decide whether to accept the recommendation of the ARC or to remand the matter to the ARC for additional consideration. The decision of the Board shall be made within 30 days of the filing of the application. In the case of a remand, the Board shall make a final determination on any amended recommendation of the ARC within 60 days of the original filing date of the application.

5.1.5. ARC Approval upon Completion

Upon substantial completion of the construction, the owner or contractor shall inform the ARC, and the ARC shall make a site visit to the property in question within ten days. The ARC shall ensure that the construction has been completed in all material respects with the approved plans. In addition:

5.1.5.1. Repair/Clean up of Common Elements

The ARC shall ensure that the Common Elements and roadways have been satisfactorily cleaned and repaired, and if satisfied of the same, return the deposit to the owner.

5.1.5.2. File ILC and copy of CO with ARC

The owner or contractor shall provide a copy of any site improvement location certificate or survey with the ARC. The owner or contractor shall provide to the ARC a copy of all certificates of occupancy (whether temporary or permanent) issued for the residence on the property.

5.1.6. Change Orders

Any change order affecting the exterior appearance of the improvements on a Lot, or any other matter subject to prior ARC approval, shall be submitted for approval to the ARC. All other change orders shall be submitted to the ARC in order to determine whether the construction has been completed substantially in accordance with the approved plans.

5.2. Renovation / Modification Application

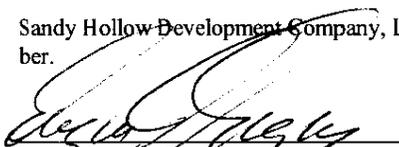
An owner desiring to modify or renovate an improvement in the Community shall follow the procedures for new construction outlined above, adapting them to the degree necessary or feasible. This procedure is required if a permit is legally required by the County for such construction. The application fee is \$100. The application cover sheet will be provided according to a form designed for that purpose by the ARC.

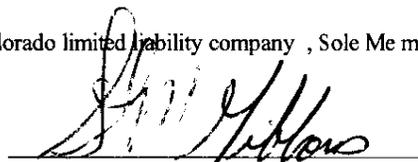
5.3. Complaint Procedures

Any person may bring a complaint before the ARC for any infraction by any owner or contractor of the foregoing rules, guidelines, procedures and norms. The complaint shall set forth fully the nature of the infraction. The ARC shall promptly inform the owner of the Lot in question. The Owner shall have 30 days from the date of receipt of notice to respond or to demonstrate compliance. If, after 30 days, an Owner has not complied with the applicable rule, guideline, procedure or norm, or has not otherwise responded to the notice of complaint, the Board may impose a fine (penalty assessment) in an amount not greater than \$100 per day, for each day the Owner is not in compliance. If the Owner believes the complaint is not well founded, such Owner may request a meeting with the ARC and a determination within the 30 -day notice period.

This document has been approved and adopted by the full membership of The Preserve at Deerfield Association, Inc. in furtherance of the Declaration of Restrictions, Easements and Covenants of The Preserve at Deerfield., this August 31, 2005.

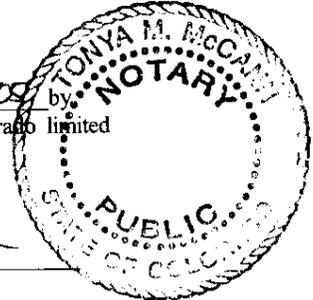
Sandy Hollow Development Company, LLC, a Colorado limited liability company, Sole Member.


By: Eugene A. Gregory, Member


By: Steven M. Gibbons, Member

STATE OF COLORADO) ss.
COUNTY OF DOUGLAS)

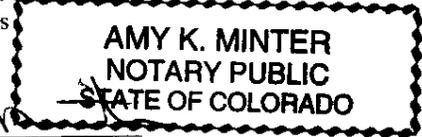
The foregoing instrument was acknowledged before me this November 30, 2005 by Eugene A. Gregory, Member of Sandy Hollow Development Company, LLC, a Colorado limited liability company. WITNESS my hand and official seal. My commission expires Oct. 12, 2007.



Tonya M. McCann
Notary Public

STATE OF COLORADO) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this Dec 2, 2005 by Steven M Gibbons., Member of Sandy Hollow Development Company, LLC, a Colorado limited liability company. WITNESS my hand and official seal. My commission expires 09-21-2006.



Amy K. Minter
Notary Public

My Commission Expires 9/21/2006