

## COVENANTS OF RESTRICTION FOR SCANLOCH SUBDIVISION, GRAND COUNTY, COLORADO

KNOW ALL MEN BY THESE PRESENTS, That Whereas the undersigned, Harold A. Storey and Gladys A. Storey, are the Owners of the following described real estate located in Grand County, State of Colorado, to-wit:

SW $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 3; W $\frac{1}{2}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$  Sec. 10, Tp. 2 N., R. 76 W. 6th P.M., Grand County, Colorado, except rights of way and easements, and except that portion conveyed to the United States, described in Book 95 pages 29, 30 and 31, and except tracts described in Book 95 page 47, Book 100 page 289, Book 99 page 554, Book 102 page 343, Book 102 page 345, Book 102 page 348, Book 102 page 396, and Book 102, page 562 of Grand County Records, and

WHEREAS, the undersigned have caused said real estate to be surveyed and platted under the name and style of "Scanloch" and have caused the same to be subdivided into blocks, plots, lanes, drives and roads, and the plat thereof has been duly filed for record in the office of the County Clerk and Recorder of Grand County, Colorado, being further identified as plat file number \_\_\_\_\_, and

WHEREAS, the undersigned are the Owners of all the plots and blocks and lands described in said plat of "Scanloch", and

WHEREAS, the said Harold A. Storey and Gladys A. Storey now desire to place certain restrictions on said blocks and plots shown on said plat for the use and benefit of the present Owners and for themselves and for their grantees, in order to establish and maintain "Scanloch" as a high standard residential subdivision with certain areas designated for commercial uses,

NOW THEREFORE, in consideration of the premises, the said Harold A. Storey and Gladys A. Storey for themselves, their successors and assigns, and for themselves and their grantees, do hereby publish, acknowledge, declare and agree with, to and for the benefit of all persons who may hereafter purchase and from time to time hold and own any of the plots in said "Scanloch", subject to the following restrictions, covenants and conditions, all of which shall be deemed to run with the land and to inure to the benefit of and be binding upon the Owners at any time of their said plots, their heirs and assigns, to-wit:

1. There shall be formed, when in the opinion of the Subdividers the same shall be desirable, or after twenty-five (25) lots have been sold, at the demand of a majority of the Purchasers, an organization to be incorporated and known as the Scanloch Association, to which every owner of a lot or lots in the said subdivision shall be a member, and to which each prospective purchaser of a lot or lots shall be admitted by the Board of Directors before being permitted to purchase property in the said Scanloch Subdivision. Scanloch Association shall be governed by a board of seven (7) Directors, two of whom shall be the Subdividers, and five of whom shall be elected by the members and owners of lots in said Subdivision in the manner and for terms to be set forth in by-laws of the Association; and such members and owners shall be entitled to one (1) vote in meetings of the Association for each lot in said subdivision owned by them. Four (4) members of the Board of Directors shall constitute a quorum and a majority for the transaction of business. Five alternate Board members shall be elected to serve in the absence of regular Board Members. Any or all of the members of the Board of Directors except the Subdividers may be voted out of office, as provided for in the by-laws of the Association, at any time and a new member or members elected. Membership in Scanloch Association shall be non-transferable except by the approving vote of the Board of

Directors. The Directors of Scanloch Association shall have the power to adopt by-laws for the management of the Association, and to adopt from time to time such rules and regulations as they may deem necessary to facilitate the maintenance and development of Scanloch Subdivision as a high standard residential colony, and to facilitate the maintenance and development of lots designated commercial as high standard commercial lots; such by-laws, rules and regulations to be adopted by the Board of Directors. Until such time as Scanloch Association is formed and incorporated, the Subdividers shall function as such Association and such Board of Directors of the Association.

2. The Board of Directors of Scanloch Association shall act as the Architectural and Building Committee, and no buildings, fences, sanitary works, utilities, roads, walks, landscaping (which includes removal as well as addition), or any part thereof shall be raised, erected, moved, structurally altered, removed, converted, extended or enlarged, without the owner or member having first filed with the Board of Directors a plan therefor, and having secured the written approval of the Board of Directors. In passing upon plans, the Board of Directors may take into consideration the location of the building or structure in relation to property lines, suitability of the proposed building or structure, and of the materials of which it is to be built to the site, the harmony thereof with the surroundings, and the effect of the building as planned on the outlook from the adjacent or neighboring property, and height, bulk and floor area of the building or structure. All buildings shall be of such exterior finish as to harmonize with the surroundings and shall be preferably of the mountain cabin or ranch house type. Exterior walls shall be of peeled log or simulated peeled log siding of smooth finish, siding lumber or plank of smooth finish, wood or asbestos shingles, or stone or a type of masonry. Materials used in construction must be safely and neatly installed and must be approved by the Board of Directors of the Association. Other types of construction materials will be considered for approval by the Board of Directors as requested by Purchasers.

3. No more than one (1) residence and one garage (capacity to be determined by the Board of Directors) either attached or detached, may be constructed on each residential lot. If a Purchaser becomes the owner of more than one residential lot, adjacent to each other, he may build one guest cabin and one garage (capacity to be determined by the Board of Directors) on the additional residential lot or lots. A residence or a guest cabin as used herein means a one-family dwelling. If a sanitary sewage disposal system is provided for a residence or structure, discharge of waste from the sanitary system must be into a leaching field or covered pit of proper design and function. No such system or outside toilet shall be so constructed that it pollutes the lake, any well, any spring or any stream in any manner, and the use of any sanitary facility shall be discontinued when it is, in the opinion of the Board of Directors, a source of pollution, or the system shall be corrected to eliminate it as a source of pollution. Any Purchaser using any dwelling in the subdivision as his principal permanent residence must install a bath in the dwelling and a sanitary sewage disposal system. Waste water from a sink or wash basin may not be drained onto the surface of the ground, but must be drained into an underground pit, cess pool, leaching field, or other satisfactory device. Nothing in this section is intended to prevent the building of a well house, boat dock, outside fireplace, terrace, barbecue pit, or an outside toilet (provided that the toilet must be placed in as inconspicuous a place as possible on the lot and at least fifty feet from any well or stream, must be screened against flies, must be sprayed in the pit and underseat areas at least once a month during the spring, summer and fall months with long lasting DDT or similar long lasting fly killing agent, must have lime added to the pit regularly, and precautions must be taken to prevent odors). The Board of Directors may permit construction of additional buildings if definite need can be shown for them and if adjacent property owners do not object to them. No building or structure shall be closer than fifteen (15) feet to any lot line without the written consent of the Board of Directors of the Association.

4. No basement, portion of the main building, tent, shack, garage, barn or trailer, or any other outbuilding shall be occupied or used as a residence

on a permanent or temporary basis except by special written permission of the Board of Directors, and then only for a definite stated period during construction of a permanent building or buildings.

5. Each lot and the improvements thereon shall at all times be kept in a clean, sightly and wholesome condition and repair, and the rear of the lot shall be kept as presentable as the front. No trash, ashes, garbage, or other refuse may be thrown or dumped on any lot, vacant or improved in Scanloch Subdivision. At no time shall one or more goats, cows, hogs, sheep, chickens, turkeys, mink, foxes or any other obnoxious or objectionable animals or fowls be permitted to be kept on said lot or lots; nor shall autos, trucks, machinery, construction or trade equipment, materials, used articles, or parts be stored in the open on any lot.

6. No industrial, commercial or business activity, except as provided below, shall be permitted in Scanloch Subdivision except on Lots 1 through 6 of Block 15; Lots 1 through 7 of Block 16, Lots 1 through 5 of Block 17, Lots 1 through 6 of Block 18, and Lot 1 of Block 19, except by written permission of the Subdividers or their successor or successors. Lots 13 and 14 of Block 9 may be used for the docking of boats of owners of lots in the Subdivision which do not have lakeshore frontage. Lots 10, 11, 12, 13, 14, 15, 16 of block 9 are designated as business and commercial lots and all concessions or commercial activity on these lots is reserved to the Subdividers or their authorized agent, agents, or assigns. The Subdividers reserve to themselves, their heirs and assigns the right to rent, lease, launch and dock boats on and from lots 12, 13 and 14 of Block 8. Block 4, or any part thereof, as determined by the Subdividers or their successors, may be used for a commercial lodge, or hotel site with accompanying buildings. The Commercial and Business areas may be extended or new areas may be established by the Subdividers or their successors or by a majority vote of Purchasers and Owners of lots in Scanloch Subdivision. Commercial lots may be used as residential lots at the discretion of the Subdividers or their successors. No advertising sign or signs of any nature shall be permitted on the exterior of any building, on any tree, shrub, bridge or other structure, or any lot in the subdivision without the written permission of the Subdividers or the Board of Directors of the Subdivision.

7. The Subdividers or the Board of Directors of the Association may and do hereby reserve the right to locate, construct, erect and maintain or cause to be located, constructed, erected or maintained for the benefit of the Owners of any or all the lots in Scanloch Subdivision, wells, water pipe lines, other pipe lines, conduits, poles, wires, utilities, and easements and rights of way across any and all lots above, beneath or on the surface of the ground, in a manner to least disturb the use of said lots by the owner, with the right of access to any and all lots at any time for the purpose of inspection, construction or maintenance. Existing drainage gullies shall not be altered or diverted except by the written consent of the Board of Directors.

8. Roads, drives, lanes and streets are reserved for the private use of owners and Purchasers of lots in the Subdivision, and the cost of widening, replacement, maintenance, extension, upkeep and repair of roads, culverts, signs and other improvements on the road rights of way shall be prorated to the purchasers and owners of lots on the basis of the lineal footage of lots owned adjacent to the roads, drives, lanes, and streets. The Association may vote at any time to dedicate the roads to public use and turn them over to the county.

9. No block shall be re-subdivided or replatted, nor shall the lots in any of the blocks of the Subdivision be re-subdivided, replatted or rearranged, nor shall any lot provide a right of way to an adjoining property body with the written approval of the owners of a majority of the lots in the Subdivision. No lot or group of lots when purchased for a residential or business purpose shall, for purposes of resale or transfer, be divided or reduced in area beyond the size of the original purchase, except with the written permission of the Board of Directors of the Association.

10. The Subdividers reserve to themselves, their heirs, grantees, successors or assigns, the water rights to springs, streams and underground water on all lots; allowing, however, water for the use of the owner of the lot upon or beneath which the water occurs.

If the undersigned or any future Owners of the described lots, their heirs or assigns shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person or persons owning any of such lots to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants and either to prevent him or them from so doing or to recover damages or other dues for such violation. Invalidation of any of these covenants by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

All restrictions and covenants herein set forth shall continue and be binding upon the subdividers, their heirs and assigns and all persons claiming by, thru or under them, until January 1, 1960, at which time said covenants shall be automatically extended for successive periods of ten (10) years unless by vote of a majority of the then owners of the fee simple title to the plots shown on the recorded plat it is agreed to release, change or amend said restrictions and covenants in whole or in part by executing and acknowledging an appropriate agreement or agreements in writing for such purpose and filing the same for record in the manner then required for the recording of land instruments. Should Scanloch ever become an incorporated town or city or a part of an incorporated town or city, the laws, rules, regulations, and ordinances of the city or town shall govern.

The restrictions and covenants herein set forth shall run with the land and bind the Subdividers, their successors and assigns, and all parties claiming by, thru or under them shall be taken to hold, agree and covenant with them and their heirs and assigns in title and with each of them to conform to and observe all restrictions and covenants as to the use of said plots and the construction of improvements thereon, but no restrictions or covenants herein set forth shall be personally binding upon the Subdividers or any corporation, person or persons except in respect to breaches committed during his or their seisin of title to said land and the owner or owners of any of the above land shall have the right to sue for and obtain an injunction, prohibitive or mandatory, to prevent the breach of or to enforce the observance of the restrictions and covenants herein set forth in addition to the ordinary legal action for damages, and failure of the Subdividers or the owner or owners of any other plot or plots shown on the recorded plat to enforce any of the restrictions or covenants herein set forth at the time of its violation, in no event shall be deemed to be a waiver of the right to do so at any time thereafter.

The Subdividers, their heirs, assigns or grantees, by appropriate instrument, may assign or convey to any persons, organization, association or corporation any or all of the rights, easements, reservations and privileges herein reserved by them and upon such assignments or conveyances being made, the heirs or assigns or grantees, or successors may at their option exercise, transfer or assign such rights, reservations, easements and privileges or any one or more of them at any time or times in the same way and manner as though directly reserved by him or them in this instrument.

In Witness Whereof, the Subdividers have hereunto set their hands and seals this 21st day of March, 1953.

Harold A. Storey Seal

Gladys A. Storey Seal