

BLUE MOUNTAIN LAND AND HOMEOWNERSASSOCIATION www.bmlha.us bmlha.co@gmail.com

FRAMEWORK FOR PROTECTIVE COVENANT ENFORCEMENT

The BMLHA has adopted the following enforcement priorities as a practical approach to protect our neighborhood and preserve harmony among our neighbors.

Background

The Blue Mountain Land and Homeowners Association (BMLHA) was formed in 1967, five years after the Blue Mountain Protective Covenants (attached hereto as Exhibit A and hereafter referred to as "the Covenants") were recorded as deed restrictions to protect the safety, character and quality of our residential and agricultural neighborhood.

The Articles of Incorporation, and the Bylaws of BMLHA in effect since its formation, provide that its purposes include:

- 1. Promotion of fair, equitable and just zoning, architectural control, covenants, tax statutes, ordinances and regulations, and further securing fair, equitable and just enforcement thereof:
- 2. Prevention of the encroachment of business development within the present residential area of Blue Mountain Estates; and
- 3. Promotion and improvement of fire protection, police protection, game law enforcement, emergency relief, civil defense and safety program.

The Covenants are restrictive covenants that were recorded by the developer of Blue Mountain Estates in order to bind all subsequent property owners. Even though a purchaser may not even have read them, the purchaser is bound by the covenants because they are in the "chain of title" and attach to the property. As a result, they "run with the land" in perpetuity in order to preserve, protect and enhance property values in Blue Mountain Estates and each owner has constructive knowledge of them when s/he purchases property within Blue Mountain Estates.

Since their inception, the clear purposes of the Covenants and the BMLHA have been to preserve and protect the safety, special residential and agricultural character and quality of the Blue Mountain Estates neighborhood for the benefit of its residents. Because the Covenants exist to protect property owners, each individual owner of property within Blue Mountain Estates has the right to their benefit and, where necessary, may take action, including bringing suit, to enforce them against violators.

The BMLHA has been charged by its members with enforcing the Covenants. Enforcement can take many forms, including education on the covenants, written notifications of non-conformance, petitions to city, county and/or state

authorities, levying fines, recording of covenant violations and, in the extreme, litigation against violators. In determining whether or not to enforce a particular covenant in a given situation, discretion as to timing and manner of enforcement is permitted, and failure to enforce a particular covenant in a given situation does not invalidate that covenant or any other covenant. A decision not to pursue legal action that is based on reasonable business judgment does not breach any duty owed by the BMLHA, nor does it establish a legal precedent to prevent enforcement of any violations by either the BMLHA or any individual property owner.

In exercising its duty to enforce the Covenants, the BMLHA may exercise its reasonable business judgment and make a case-by-case determination of whether (and what type of) enforcement is appropriate. And in every instance, regardless of the position taken by the BMLHA, any homeowner in Blue Mountain Estates may seek enforcement of the Covenants at any time.

Since their creation, the Covenants of Blue Mountain Estates have been enforced in various ways through the actions of individual homeowners as well as through the posture adopted by the BMLHA. Though there has been no change to their basic purpose to preserve the character, quality and safety of Blue Mountain Estates, in the judgment of the Board of the BMLHA, the passage of time and changed circumstances since the early days have rendered some of the Covenants less essential to enhancing the peaceful enjoyment of Blue Mountain Estates for the benefit of property owners, while recent circumstances and proposed uses have heightened the need for more vigorous enforcement of other Covenants to preserve the essential character, safety and value of Blue Mountain Estates properties.

In order to avoid confusion among its membership and all property owners within Blue Mountain Estates, and assist all property owners in understanding their rights, the BMLHA is adopting the following statement of its enforcement framework.

October 27, 2020

The BMLHA Board

BLUE MOUNTAIN LAND AND HOMEOWNERS ASSOCIATION PROTECTIVE COVENANT ENFORCEMENT POLICIES

Subject to review and evaluation of each proposed use, and without affecting the right of any individual property owner to seek enforcement, the BMLHA adopts the following statement of its enforcement policy with respect to the Covenants:

1. Covenant 1: Specified tracts shall be used for private residential purposes and not more than one single-family dwelling and accessory outbuildings, not exceeding that allowed height for a dwelling, all for private use only, shall be erected on each lot or tract and no dwelling or accessory buildings shall be constructed within 20 feet of side lot or tract line, nor within 30 feet of the front lot or tract line.

Covenant 1 will be enforced, subject to the provisions of Paragraph 15 below, and further provided that BMLHA does not intend to enforce against violations of Covenant 1 that were granted zoning variances by Jefferson County, Colorado, on or before January 1, 2020.

2. Covenant 2: Each single-family dwelling, exclusive of garage and open porch, shall have a minimal ground floor area of 1200 square feet. All structures shall be of good quality, constructed by a builder or general contractor, built in accordance with the Jefferson County Building Code and Specification, and shall be completed within one year of the beginning of the construction.

Covenant 2 will be enforced, provided that where extenuating circumstances require more than one year for completion of construction, a homeowner who provides a construction plan and timeline may be granted additional time before the BMLHA will take further action.

3. Covenant 3: No privies, out-houses, or outside toilets, nor sheds except as necessary in the course of the construction of a dwelling, shall be erected and allowed to remain.

Covenant 3 will be enforced, provided that BMLHA does not intend to enforce the prohibition against sheds built of wood, composite or metal and tastefully designed and constructed to be used as storage space, shelter for animals or as a workshop.

4. Covenant 4: Clotheslines shall be of the "umbrella" type and placed so as not to offend the comfort and appearance of neighbors and neighboring property.

Covenant 4 will be enforced as necessary to avoid unsightliness.

5. Covenant 5: Only enclosed incinerators with proper fire protection covers shall be used for the disposal of burnable waste and trash.

Covenant 5 will be enforced; provided, however, that burning trash is strictly prohibited by both Jefferson County and the State of Colorado.

6. Covenant 6: All sewage shall be disposed of only by systems approved by the local board of health and all plumbing must conform to state regulations and requirements.

Covenant 6 will be enforced.

7. Covenant 7: No trailer, tent, basement, garage, barn or any structure of a temporary character shall be occupied as a residence either temporarily or permanently.

Covenant 7 will be enforced, subject to the provisions of Paragraph 15 below.

8. Covenant 8: No lot or tract shall be used for any multiple-family unit, boarding or rooming-house, nor for commercial or industrial use, nor for display of billboards, posters and advertising displays, except such lots or tracts which, from time to time are specifically designated by Blue Mountain Corporation for such use or uses.

Covenant 8 will be enforced, subject to the judgment of the BMLHA as set forth in Paragraph 15 below.

9. Covenant 9: All buildings shall be of brick, stone, or frame construction, or combination of same. No exterior stucco or unfinished cinderblock building shall be erected or permitted on any lot or tract, nor shall any residential building be roofed with sheet metal or rolled roofing unless covered with gravel or similar substance. No building shall be constructed with an exterior covering of black or tar-paper, or pine slabs or unfinished milled log-siding, or sheet metal, or of similar unsightly material or appearance.

Covenant 9 will be enforced as necessary to avoid unsightliness in material and appearance, and with recognition of the fact that building materials such as modern "stucco" consisting of cement and modern metal roofing are recognized as preferable fire-retardant materials per Jefferson County Building Code Amendment Z.

10. Covenant 10: No animals—other than two dogs, two cats and two horses (provided such horses are adequately restrained by suitable fencing upon the owner's property) as pets only and not for commercial purposes—nor any fowl or poultry shall be kept on any lot or tract.

Covenant 10 will be enforced as necessary to prevent excessive noise, nuisance or other disturbance to the neighborhood; provided, however, that animals in numbers greater than 2, as pets only and not for commercial purposes, including fowl or poultry in limited numbers and tastefully constructed enclosure(s), are not inconsistent with the residential and agricultural character of the neighborhood.

11. Covenant 11: General appearance: No owner shall allow to be exposed in an unsightly manner or setting, any fuel tank, flood light, light posts, pile of firewood, or any other unsightly structure or condition. Trees, or stones, or ground cover shall not be removed except to the extent necessary for the construction of improvements upon the property.

Covenant 11 will be enforced, with recognition of the fact that fire mitigation is considered an improvement upon the property and may require removal of trees or ground cover.

12. Covenant 12: All plans and specifications for construction of buildings or other improvements shall be submitted, prior to the commencement of any such construction, to Blue Mountain Corporation for review and approval as to conformity of such plan and specifications with these protective covenants.

Covenant 12 will be enforced. Covenant 12's reference to Blue Mountain Corporation is understood to refer to the BMLHA, which may designate an appropriate committee of property owners to perform this function.

13. Dedicators reserve unto themselves, their heirs and assigns an easement five feet in width, along all interior and side and rear lot or tract line for the installation, maintenance and operation of utilities, including those for water, gas, telephone and electric lines and appurtenances; and the right to grant, convey, assign, or transfer such reservations to any person or corporation, private or municipal.

Covenant 13 is affirmed.

14. Invalidation of any one or more of these covenants by judgment or court order shall in no way affect any of the other stipulations, conditions or restrictive covenants, all of which shall remain in full force and effect.

Covenant 14 is affirmed.

15. The Covenants will be enforced to prevent (a) any and all rentals of less than one (1) year in duration, and (b) any and all multi-family uses of a single lot or tract, including accessory outbuildings; provided, however, that BMLHA will not enforce against those multi-family uses that were in place as of January 1, 2019, for so long as the current tenants occupy the premises.