

FALLS CREEK RANCH ASSOCIATION, INC.

Architectural Control Committee

6350 Falls Creek Main

Durango, CO 81301

Architectural Control Committee

Rules and Regulations

1. PURPOSE of the ARCHITECTURAL CONTROL COMMITTEE.

Article VI of the Falls Creek Ranch Association, Inc., (FCRA) By-Laws in compliance with Paragraph 17 of the Falls Creek Ranch Protective Covenants establishes an Architectural Control Committee (ACC) to, "...carry out the requirements relative to architectural control set forth in the Protective Covenants established by the Corp., (sic) and to carry out any other duties as may be delegated to the Architectural Control Committee by the Board."

2. PROTECTIVE COVENANTS.

A. General Description.

The Falls Creek Ranch Protective Covenants establish a general plan for the improvement of property and lots located within Falls Creek Ranch (FCR). The Protective Covenants have been recorded with the LaPlata County, Colorado, Recorder of Deeds as covenants running with the land and bind all present and future owners of lots within FCR as well as FCRA.

B. Purpose of the Covenants.

The Covenants are intended to insure development of FCR (referred to in the Covenants as "the Property") is carried out in a manner which retains its "natural state." Development of roads, placement of homes and other buildings, and the use of materials and methods of construction must be done in such a way as to protect the environment of both the lots and the Common Property and to retain the present character of the property.

C. Scope.

The Protective Covenants apply to the construction of any structure or improvements (see, Definitions, below) to be erected or moved upon any lot, or any exterior additions, changes, remodeling or reconstruction of such structure. Written approval of the ACC and the FCRA Board of Directors is required before any such construction, improvement, addition, change, remodeling or reconstruction is started.

D. Conflicts.

In the event of a conflict between the provisions of these Rules and Regulations and the Falls Creek Ranch Protective Covenants, the provisions of the Falls Creek Ranch Protective Covenants shall control.

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E. Omissions.

Real estate within FCR is subject to all the provisions of the Falls Creek Ranch Protective Covenants regardless of whether those provisions and Covenants are recited or referenced in these Rules and Regulations

3. DEFINITIONS.

The following words and phrases when used within these Rules and Regulations shall have the meanings indicated.

A. The word “lot” shall mean any parcel of real property designated for residential use on any subdivision map or plat of Falls Creek Ranch previously or hereafter filed and which is subject to these protective covenants.

B. The word “owner” shall mean the holder of legal title to a residential lot within FCR.

C. The term “improvements” shall include buildings, out-buildings, roads, driveways, parking areas, fences, screening walls, retaining walls, decks, poles, signs and/or all other structures of every kind and type.

D. The phrase “single family occupancy” shall mean a group of individuals living together as a family unit, no more than two of whom shall be unrelated by blood, marriage or adoption.

E. The phrase “ACC Application Packet” refers to all those documents either provided to the owner by the ACC for the owner’s information or to be completed by the owner and submitted to the ACC as part of the Application Process described herein, including but not limited to: the current ACC Rules and Regulation together with all relevant Appendices; a copy of the Protective Covenants if needed by the owner; and any other items deemed appropriate by the ACC.

F. The phrase “Proposed Application” shall mean an owner’s written submission to the ACC of the ACC Application Packet appendices and supporting documents complying with these Rules and Regulations requesting ACC and Board approval of the owner’s proposed improvement.

G. The phrase “Completed Application” shall mean all outstanding issues, clarifications or documentation requested by the ACC after review of the Proposed Application have been addressed by the owner and have been included in a revised Proposed Application. Pursuant to the Protective Covenants, paragraph 16, the ACC will review and respond in writing as to approval or disapproval within thirty (30) days of receiving the Completed Application.

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H. "FCRA" means the Falls Creek Ranch Association, Inc.

I. "ACC" means the Architectural Control Committee.

J. "FCR" means Falls Creek Ranch.

K. "Board" means the duly elected and qualified Board of Directors of FCRA.

4. APPLICATION PROCESS.

A. Initial Meeting.

Prior to beginning construction of any improvements as defined herein to be erected or moved upon any lot, or any exterior additions, changes, remodeling or reconstruction of such improvements, the owner shall contact the ACC chair or designated representative and request an Initial Meeting at the site of the proposed improvements to discuss the ACC's Application Process and requirements. This meeting shall include a minimum of two ACC members present.

The ACC has the authority to contact an owner if exterior improvements appear to be occurring and no communication to ACC has been initiated by the owner.

At this Initial Meeting, the ACC chair or representative will provide to and discuss with the owner the ACC Application Packet including documents to be completed by the owner, a copy of the Protective Covenants (if not otherwise available to the owner) and current ACC Rules and Regulations and Appendices.

The following items shall also be discussed and explained, but not submitted to the ACC, at the Initial Meeting with the owner:

- i. Proposed site plans and specifications showing exterior treatment, location, exterior elevations (including overall height), areas to be excavated and graded, tree and brush clearing, and access, but need not show any interior detail.
- ii. The requirement to stake or not stake the lot prior to submitting the Proposed Application showing the location and boundaries of all driveways, parking areas, and improvements. In addition, the

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requirement to clearly mark all trees to be removed will be discussed. The ACC may conduct an additional site visit to review these stake locations.

- iii. The owner must include examples of all exterior finishes in the Proposed Application.
- iv. The ACC may request additional information, clarifications, and documentation during and after the initial meeting.

B. Submission of Proposed Application.

The owner shall submit to the ACC for its review pursuant to the provisions of the Protective Covenants, Paragraph 16, and these Rules and Regulations, a written Proposed Application.

C. Review of Proposed Application.

The ACC's review of the proposed site plans and specifications is non-binding and is limited to an evaluation of the sufficiency of the Proposed Application and its attachments. The ACC's review may result in a written report to the owner summarizing the ACC's evaluation of the Proposed Application including the ACC's recommendations, if any, and the comments and recommendations, if any, from FCRA's Road Committee, Utility Committee, the Ranch Manager, and any other FCRA Committee, Board, or advisory group the ACC deems relevant.

The ACC may determine at this review if final approval of the Proposed Application is warranted providing that all required items are completed in a thorough manner and no further detailed information is required from the owner. If the ACC determines the Proposed Application warrants being treated as a Completed Application, the ACC will notify the owner of that determination and will approve or disapprove the Completed Application within thirty (30) days from the date the notice of its determination is sent to the owner.

The ACC may ask the owner for additional information, clarifications, and documentation. The ACC deems the application to be a Complete Application when all of the requested information has been provided in writing to the ACC.

D. Review and Decision of Completed Application.

The ACC will inform the owner in writing (via U.S. mail or email) of the receipt date of the Completed Application. The thirty (30) day review period begins at the receipt date of the Completed Application.

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The ACC will review and respond in writing to the owner as to approval or disapproval within thirty (30) days of receiving the Completed Application. If disapproved, the ACC will specify in writing the reasons for disapproval including suggestions for corrective action. Rulings of the Architectural Control Committee may be appealed, if desired, to the Board.

If the Completed Application is not approved or disapproved in writing within the thirty (30) day period described above, the Completed Application shall be deemed approved and no action of any kind shall be brought or threatened with respect to structures built or improvements constructed pursuant to such Application.

E. Completed Application: Post Approval.

Once approved in writing or by lapse of time, the original Completed Application and its attachments will be returned to the owner and a copy of the approved Completed Application will be retained in a file by the FCRA for one (1) year following completion of the proposed improvement.

Improvements under construction may be observed by ACC members from time to time with prior notice to the Owner to verify compliance with the approved Completed Application. The owner need not be present.

The owner must notify the ACC in writing (via U.S. mail or e-mail) of any post-approval modifications to the proposed improvement. The ACC will conduct a review and visit the site if deemed necessary for further information or documentation.

The owner will notify the ACC when the improvement project is completed. The ACC chair or representative may visit the improvement site to verify completion.

5. GENERAL PROVISIONS.

A. No digging or excavation of any kind (water line, electric line, telephone line or landscaping) may commence without prior contact with the Falls Creek Ranch Manager, Utility Committee Chairperson(s), and ACC Chairperson(s). It is also required to contact “*Call Before You Dig*” to mark the location of existing utility lines. See Appendix U-1 for details.

B. Exterior Materials. All materials and finishes including colors used on the exterior and roof of any improvements including but not limited to paints and stains shall blend and harmonize with the natural environment and vegetation on and adjoining the lot. The intent is to minimize the visual impact of improvements on the natural state of FCR thereby retaining the

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land's present character. ACC approval is required for all exterior materials, finishes, and colors.

Roofing Materials. New or replacement roofs should be constructed of fire resistant or nonflammable materials for purposes of fire prevention or fire suppression. Flammable wood shake shingles are not permitted.

Repair or Replacement Only. Improvement projects for repair or replacement only where no exterior change in appearance occurs (such as, but not limited to, color, size, material, etc) shall not require ACC application for review or approval. The ACC recommends owners post the FCR Contractor Posting at the worksite to remind workers of expected conduct as stated in Section P of this document. In an effort to enhance our informal "neighborhood watch" and awareness of security issues, owners are also encouraged to inform nearby neighbors of the impending work and when workers are expected at a home.

- C. **Authorized Improvements.** One single family dwelling may be erected on each FCR lot. Outbuildings for the owner's convenience may include a garage for not more than three (3) cars, one (1) guesthouse, and one (1) servant's quarters.
- D. **Location of Improvements.** Except for driveways, utilities, and sanitary sewage disposal systems, all improvements must be located within lot boundaries. (See also, Paragraph 5 R.)
- E. **All plans for an entry drive** must be approved in writing by the Roads Committee Chairperson and the Ranch Manager prior to ACC action with particular attention given to elements detailed in Appendix A-4.
- F. **Survey.** It is the lot owner's responsibility to accurately locate lot boundaries and the center pin. The ACC may require the lot owner to provide, at lot owner's expense, a current survey prepared by a licensed Colorado land surveyor with a certification running to FCRA showing the lot boundaries, center pin and the location of all existing and proposed improvements and verifying all existing and proposed improvements are located within the lot's boundaries. The owner must sign Appendix 3 acknowledging this requirement.
- G. **Building Codes, Permits, and Inspections.** The owner is responsible for complying with all applicable building codes and requirements including obtaining the necessary permits and paying any costs associated therewith. FCRA and the ACC accept no responsibility for building code compliance. Board or ACC approval does not constitute or substitute for either compliance with building codes or obtaining required permits and inspections.

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- H. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other out-building shall be erected or used on any lot at any time as a residence, either temporarily or permanently, except during the time of actual construction of a permanent residence for a period not to exceed six (6) months. The six (6) month period may be extended by the Board for no more than two (2) six (6) month periods. Owners may camp on unimproved lots pursuant to the provisions of Paragraph 13 of the Protective Covenants. Consult the Board for more details.
- I. Tree/vegetation removal. Except as allowed by State or local law or by policies of FCRA relating to fire mitigation, no standing trees or brush on a lot may be cut or removed without prior approval of the ACC (per Covenant 18). Clear-cutting of a lot is prohibited. Use the ACC Tree/Brush Removal Approval Form on the FCR website.

Tree/vegetation removal related to lot improvement (new building construction or remodel) must be identified in the site plan portion of the ACC Application Packet. This is subject to ACC review and approval. Any proposed tree removal from adjacent Common Property must be reviewed and approved in writing from the Common Property Committee prior to any cutting.

Fire mitigation on private lots shall be conducted according to FCR's approved Community Wildfire Protection Plan (CWPP) guidelines and recommendations. See the FCR website for more details: (www.fallscreekranch.org). Contact the Ranch Firewise Ambassador or the Board for further detail and approval. ACC approval is not required for planned fire mitigation work or removal of trees/brush as required by insurance companies for the purpose of obtaining homeowners insurance. However, ACC recommends the homeowner contact nearest neighbors as a courtesy prior to commencing mitigation.

Tree/vegetation removal related to home defensible zone fire mitigation shall be conducted pursuant to Colorado Senate Bill 100 which states that a Home Owners Association shall not prohibit: "...The removal by a unit owner of trees, shrubs, or other vegetation to create defensible space around a dwelling for fire mitigation purposes, so long as such removal complies with a written defensible space plan created for the property by the Colorado State Forest Service, an individual or company certified by a local governmental entity to create such a plan, or the fire chief, fire marshal, or fire protection district within whose jurisdiction the unit is located, and is no more extensive than necessary to comply with such plan. The plan shall be registered with the Association before the commencement of work. The Association may require changes to the plan

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if the Association obtains the consent of the person, official, or agency that originally created the plan. The work shall comply with applicable Association standards regarding slash removal, stump height, revegetation and contractor regulations.”

- J. Water Connection Fee. At the time of connection, and before any improvements are placed on a lot, the owner must pay (if not already paid for that lot) a \$1,000.00 connection fee to Turner Investments, Inc. and an additional fee based on current prices to FCRA for the purchase and installation of a backflow prevention device, curb stop valve, water meter and any other necessary materials. The ACC shall notify the Board Treasurer and the Ranch Manager when new construction is approved for a home site to be newly connected to the FCR water system. The Treasurer shall invoice the homeowner the appropriate fee for these water system costs. The Ranch Manager and/or the Utility Committee shall coordinate such purchase and installation with the homeowner’s builder. All fees must be paid prior to water being turned on for the lot.
- K. Water Usage. Potable water supplies are limited at Falls Creek Ranch and irrigated areas including lawns, flower and vegetable gardens are restricted to a cumulative total of 1,000 square feet. Automatic sprinklers or soaker hoses are not allowed. Hand watering or drip irrigation systems are allowed. Non-potable irrigation water is available from the FCR lake for residents’ use. A pump is provided at the lake. See Appendix U-1 for further details.
- L. Exterior Lighting. Exterior lighting shall conform with the purpose, intent and standards of the City of Durango Land Use and Development Code as it relates to dark skies (Chapter 27, Article 10, Section 10-11, Ordinance No. 0-2004-37).
- M. Signage. Signs displaying the address of the lot are required. It is recommended, for home location by emergency vehicles, that each improved lot shall install, at a place clearly visible from the adjoining road, a sign with reflective numbers showing the street address of the property. Such signs are currently available from the LaPlata County Building Department.

No yard or advertising signs shall be placed on owner lots or Common Property, including but not limited to: for sale signs, real estate signs, garage sale and contractors advertising signs. In the case of a one-time special event (e.g., real estate open house), signage may be displayed for no more than a 24 hour period to be removed by the requesting resident. Prior approval is required from the Board.

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Per Colorado State law, political signs shall be allowed within the boundaries of a member's lot for up to 45 days prior to and seven days after an election. These signs shall be limited in number to one per political office or ballot issue and in size not to exceed 36 by 48 inches.

- N. Utilities. All utility, service and transmission lines must be placed underground. The Ranch manager, Utility Committee chair, the ACC chair, and local utility providers must approve in writing, the proposed utility line locations in advance of any excavation or trenching either on or off a lot. All existing utility lines must be identified prior to any excavation. See Appendix U-1 for more details.
- O. Screening/fencing/dog runs. Pursuant to Protective Covenants paragraph 23, all trailers of any kind, recreational vehicles, motor homes, and storage tanks shall, whenever possible, be placed in a manner to minimize visibility from common roadways and adjacent lots. Acceptable screening may include landscaping with live plants or rocks, and/or fencing or painting to blend with the nearby vegetation or soil. The owner is specifically responsible for checking with his/her propane provider to determine the best practice for propane tanks.

Limited fencing of specific shrubs and plants for support or protection from wildlife is allowed without ACC approval. Invisible fences for dogs are encouraged and must be installed within the owner's lot. Invisible fences do not require ACC approval.

Any structure for a dog run enclosure does require prior ACC review and approval (such as, but not limited to: concrete slab, posts, dog run fencing, roof, etc). Humane Society guidelines for dog enclosures are available from the ACC.

All other types of fencing do require prior ACC review and approval.

- P. Contractors. The owner is responsible for the conduct of all contractors and their employees working on the owner's lot. Contractors and their employees who disregard FCRA rules including but not limited to posted speed limits, traffic regulations and non-use of FCR dumpsters for construction materials may be denied access to FCR. Before construction begins, the owner's general contractor must sign a form (Appendix 6) acknowledging and agreeing to this requirement.
- Q. Damage to Common Property. In the event of damage or destruction of Common Property caused by an owner or any of his guests, tenants, licensees, agents, contractors or members of his family, the Association shall notify the owner in writing of the damage and request its prompt repair or replacement, or compensation for irreparable damage. If the

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owner fails to comply within thirty (30) days after the written notification, the owner, by such failure, thereby authorizes the Association to repair or replace said damage. The Association may collect the cost of such repair or replacement from the owner in the same manner as provided in the covenants for collection and enforcement of assessments.

- R. Easements. When necessary, FCRA will grant non-exclusive easements across FCR common property to provide for utility and road access or to accommodate the requirements of individual sewage disposal systems. Such non-exclusive easement, if required, shall be prepared by an attorney representing Falls Creek Ranch, Inc, and all expenses incurred for such attorney's service shall be the responsibility of the owner requesting the non-exclusive easement.
- S. Energy Generation/Efficiency Devices. In accordance with Colorado House Bill 08-1270, FCRA shall reasonably allow the use and installation of renewable energy generation devices or energy efficiency measures. A renewable energy generation device is defined as a solar energy device or a wind-electric generator. An energy efficient measure is defined as a device or structure that reduces the amount of energy consumption used by a residence.

As stated in our FCRA Covenants and ACC Rules and Regulations, the implementation of any improvement must minimize visual and physical impact on our natural environment. The installation of energy generation devices is subject to a review process in order to comply with FCRA aesthetic guidelines. The process requires the property owner to demonstrate that the energy generation device is not generating more energy than necessary for the home and/or garage and that, to the extent it is visible or audible from a neighboring property, the owner has analyzed and considered location options and/or screening and cost issues to minimize the visibility/audible effects. The ACC will expect the owner to provide this information through a professional vendor/installer of energy savings/generating devices.

- Any device shall not interfere with the use and enjoyment of property, and quality of life by residents including, but not limited to, noise, reflection or visibility from roads and residents.
- Any means to reduce energy waste or consumption is encouraged prior to the installation of exterior energy generating devices (including but not limited to energy audits such as those offered by LPEA, increased insulation, window coverings, etc.).
- No device for an individual owner shall be placed on common property.
- The owner is responsible for complying with all applicable building/safety codes and required permits and inspections.

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- Solar energy devices attached to the dwelling are not to exceed peak roof height.
- Solar energy devices are intended only for the dwelling's needed energy.
- Devices that are detached from the main residence should be well screened (both view and noise) from other residents and Ranch roads.
- Wind energy devices will be allowed only after all other renewable energy generation devices and energy efficient measures have been evaluated and proven to be unusable for a comparable energy saving effort.