

Article/ Section/ Paragraph	Current Wording	Proposed Wording	Explanation of Proposed Change
ARTICLE IV – Discovery Homeowners Association			
4/1	<p><u>Section 1. General.</u> In order to insure that the purposes of the Covenants, Conditions and Restrictions are carried out, the Undersigned have caused the incorporation under the laws of Colorado of the Discovery Homeowners Association, a nonprofit corporation with the power of administering and enforcing the Covenants, Conditions and Restrictions and collecting funds as hereinafter set forth.</p>	<p><u>Section 1. General.</u> In order to ensure that the purposes of <u>these 2012 Covenants are promoted</u>, the Board shall have the power to administer and enforce these 2012 Covenants, to collect funds, and to recommend updates to the Association’s governing documents.</p>	<p>Simplified wording and states that this authority pertains to these 2012 Covenants.</p>
Consensus or Difference			
4/2	<p><u>Section 2. Membership.</u> Every person or entity who is an Owner of any Lot which is subject to assessment by the Association shall be a member of the Association. When more than one member is a record Owner of a Lot, all such persons shall be members. No Owner shall have more than one membership and membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.</p>	<p><u>Section 2. Membership.</u> <u>Every person or entity who is an Owner of any Lot shall be a member of the Association.</u> When more than one member is a record Owner of a Lot, all such persons shall be members, <u>but the Lot shall have only one vote to be exercised as its Owners decide.</u> Membership shall be appurtenant to and may not be separated from ownership of any Lot.</p>	<p>Clarifies wording.</p>
Consensus or Difference			

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4/3	<p><u>Section 3.</u> Board of Directors. The affairs of the Association shall be managed by a Board of six (6) Directors who will have overlapping terms. The names and addresses of the persons who are to act in the capacity of Directors until a selection or qualification of their successors are:</p> <table border="1" data-bbox="243 646 781 850"> <tr><td>Ann Crock</td><td>7155 Wintery Loop Colorado Springs Colorado</td></tr> <tr><td>Bill Engle</td><td>675 Big Valley Colorado Springs Colorado</td></tr> <tr><td>Lawrence Davis</td><td>7430 Delmonico Drive Colorado Springs Colorado</td></tr> <tr><td>Chuck Miller</td><td>615 Carved Terrace Colorado Springs Colorado</td></tr> <tr><td>Howard Askelson</td><td>7145 Higher Ridge Court Colorado Springs Colorado</td></tr> <tr><td>Tom Royer</td><td>7230 Fleetwood Court Colorado Springs Colorado</td></tr> </table>	Ann Crock	7155 Wintery Loop Colorado Springs Colorado	Bill Engle	675 Big Valley Colorado Springs Colorado	Lawrence Davis	7430 Delmonico Drive Colorado Springs Colorado	Chuck Miller	615 Carved Terrace Colorado Springs Colorado	Howard Askelson	7145 Higher Ridge Court Colorado Springs Colorado	Tom Royer	7230 Fleetwood Court Colorado Springs Colorado	<p>Section 3. <u>Board of Directors.</u> The affairs of the Association shall be managed by the Board of at least six (5) Directors who will have overlapping terms and whose election and qualifications shall be set forth in the Association's Articles of Incorporation and Bylaws, which may also set forth the voting and other procedures of the Association.</p>	<p>Specifies Board operating procedures.</p> <p>Changed number of required Board members from six to five. This will allow the Board to function if six members are not available.</p> <p>Deleted names of original Board members.</p>
Ann Crock	7155 Wintery Loop Colorado Springs Colorado														
Bill Engle	675 Big Valley Colorado Springs Colorado														
Lawrence Davis	7430 Delmonico Drive Colorado Springs Colorado														
Chuck Miller	615 Carved Terrace Colorado Springs Colorado														
Howard Askelson	7145 Higher Ridge Court Colorado Springs Colorado														
Tom Royer	7230 Fleetwood Court Colorado Springs Colorado														
	Consensus or Difference														
4/4	<p><u>Section 4.</u> Incorporation and By-laws. The initial Board of Directors shall have the responsibility of preparing and filing the Articles of Incorporation and providing for the By-laws of the Association.</p>														
	Consensus or Difference														
4/5	<p><u>Section 5.</u> Scope. There are nine (9) separate filings in the Discovery area. It is the intent of the Undersigned that the "Association" will serve the Owners within all of the Discovery filings one through nine.</p>	<p>Section 4. <u>Scope.</u> There are nine (9) separate filings in the Discovery Subdivision Homeowners Association. The Association will serve the Owners within all of the Discovery filings whose Owners shall be members of the Association as provided above.</p>	<p>Clarified wording. There are 10 separate filings in the Discovery area.</p>												

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ARTICLE V – COVENANT FOR MAINTNEANCE ASSESSMENTS

5/1	<p><u>Section 1.</u> Personal Obligation for Assessments. Each Owner is deemed to covenant and agrees to pay to the Association an annual assessment as may be established and collected from time to time by the Association as hereinafter provided. The annual assessment, together with the interest thereon, the cost of collection and reasonable attorney's fees shall be the personal obligation of the person who is the Owner of the property at the time when the assessment fell due.</p>	<p>Section 1. <u>Personal Obligation for Assessments.</u> Each Owner shall pay to the Association an annual assessment as may be established and collected from time to time by the Association as hereinafter provided. The annual assessment, together with the interest thereon, the cost of collection and reasonable attorney's fees shall be the personal obligation of the person who is the Owner of the property at the time when the assessment fell due.</p>	
	Concensus or Difference		

K5/2	<p><u>Section 2.</u> Purpose of Assessments. The assessments levied by the Association upon the Lot shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Properties.</p>	<p>Section 2. <u>Purpose of Assessments.</u> The assessments levied by the Association upon the Lot shall be used for the purpose of promoting the welfare of the residents of the Discovery Subdivision, <u>as specified in these 2012 Covenants.</u></p>	<p>Allows use of funds for all activities specified in the Covenants.</p>
	Concensus or Difference		

Article/ Section/ Paragraph	Current Wording	Proposed Wording	Explanation of Proposed Change
5/3	<p>Section 3. Basis and Maximum of Annual Assessments. Each Lot shall, as hereinafter provided, be subject to an annual assessment of not more than \$30, which shall be fixed by the Board of Directors and may be raised or lowered within said maximum as the Board of Directors may deem necessary.</p>	<p>Section 3. <u>Basis and Maximum of Annual Assessments.</u> Each Lot shall, as hereinafter provided, be subject to an annual assessment of not more than Thirty Dollars (\$30.00), which shall be fixed by the Board and may be raised or lowered within said maximum as the Board may deem necessary, provided however, the following limitation shall be effective three hundred eighty (380) days after the recording of these 2012 Covenants:</p> <p>Notwithstanding any provision of these 2012 Covenants, the Association's Articles of Incorporation or Bylaws, the annual average common expense assessment imposed under these 2012 Covenants shall never exceed the maximum amount set forth in C.R.S. § 38-33.3-116 and therefore, pursuant to said Section, the Association and the Discovery Subdivision shall not be subject to the Colorado Common Interest Ownership Act (C.R.S. § 38-33.3-101, etc.) .</p> <p>In future years an annual maximum assessment can be voted on by the members attending a duly constituted annual meeting of the Association.</p>	<p>This statement is necessary to exempt Discovery from the CCIOA. This act could potentially cost homeowners large fees and is not in the best interests of a subdivision such as Discovery.</p> <p>This statement allows for the raising of dues in the future by a majority of the members at an annual meeting of the Association.</p>

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5/4	Section 4. Date of Commencement of Annual Assessments. The Board of Directors shall fix the amount of the annual assessment at least 30 days in advance of said commencement date. Written notice of the assess-ment shall thereupon be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors.	Section 4. <u>Date of Commencement of Annual Assessments.</u> The Board should fix the amount of the annual assessment at least thirty (30) days in advance of said commencement date. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. The due dates shall be established by the Board.	
	Concensus or Difference		
5/5	Section 5. Assessment Lien. Assessments levied upon lots shall be a perpetual lien upon said Lots until such assessments and any interest, penalties and charges which may accrue thereon shall have been paid. Said lien shall be subordinate to the lien of any trust deed or mortgage. Sale or transfer of any Lot shall not affect the assessment lien.	Section 5. <u>Assessment Lien.</u> Assessments levied upon Lots shall also be a perpetual lien upon the Lots until such assessments and any interest, penalties and charges which may accrue thereon shall have been paid. <u>Said lien shall be subordinate to the lien of any first deed of trust or mortgage recorded prior to said assessment lien, except to the extent of six months assessments.</u> Sale or transfer of any Lot shall not affect the assessment lien.	
	Concensus or Difference		

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5/6	<p><u>Section 6.</u> Effect of Nonpayment of the Assessment: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within 30 days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 10 percent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment.</p>	<p>Section 6. <u>Effect of Nonpayment of the Assessment: Remedies of the Association.</u> Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten (10) percent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment.</p>	
Concensus or Difference			

ARTICLE VI – EXTERIOR MAINTENANCE

6/1	<p>Section 1. The Owner of each Lot shall maintain the structures on and grounds and landscaping thereof in a neat and attractive manner. Upon the Owner's failure to do so, the Board of Directors may, at its option, after giving the Owner 30 days written notice, have the grass, weeds, trees, shrubs and other vegetation</p>	<p>Section 1. <u>Lot Maintenance.</u> The Owner of each Lot shall maintain the structures on and grounds and landscaping thereof in a neat and attractive manner. Upon the Owner's failure to do so, the Board may, at its option, after giving the Owner thirty (30) days written notice, have the grass,</p>	<p>Keeps format consistent.</p>
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	cut or trimmed when, and as often as, the same is necessary in its judgment, and have dead trees, shrubs and plants removed from any Lot to maintain the beauty of the Properties.	trees, shrubs and other vegetation maintained, cut or trimmed when, and as often as, the same is necessary in its judgment, and have dead trees, weeds, shrubs and plants removed from any Lot <u>to maintain the beauty of the Discovery Subdivision.</u>	
	Concensus or Difference		
6/2	Section 2. Upon the Owner's failure to maintain the exterior of any structure in good repair and appearance the Board of Directors may, at its option, after giving the Owner six (6) months written notice, make repairs to and improve the appearance of such structure in a reasonable and workmanlike manner.	Section 2. <u>Structure Maintenance.</u> Upon the Owner's failure to maintain the exterior of any structure in good repair and appearance the Board may, at its option, after giving the Owner six (6) months written notice, make repairs to and improve the appearance of such structure in a reasonable and workmanlike manner.	Keeps format consistent.
	Concensus or Difference		
6/3	Section 3. Assessment of Cost. The cost of such maintenance referred to in Sections 1 and 2 above shall be assessed against the Lot upon which such maintenance is done and shall be added to and become part of the monthly maintenance assessment or charge to which such Lot is subject under Article V hereof.	Section 3. <u>Assessment of Cost.</u> The cost of such maintenance referred to in Sections 1 and 2 above shall be assessed against the Lot upon which such maintenance is done and shall be added to and become part of the maintenance assessment or charge to which such Lot is subject under Article V hereof.	Keeps format consistent.

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6/4	Section 4. Access at Reasonable Hours. For the purpose solely of performing the maintenance referred to in Sections 1 and 2 of this Article, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any Lot or exterior of any structure -situated thereon at reasonable hours on any day except Sunday.	Section 4. <u>Access at Reasonable Hours</u> . For the purpose solely of performing the maintenance referred to in Sections 1 and 2 of this Article, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any Lot or exterior of any structure situated thereon at reasonable hours on any day except Sunday.	Keeps format consistent.

ARTICLE VII – GENERAL PROVISIONS

7/1	Section 1. Enforcement. The Architectural Control Committee, any Owner, or the Association shall have the right to enforce by any proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Architectural Control Committee or by any Owner or by the Association to enforce any covenant or restriction herein contained shall in no event be deemed to waiver of the rights to do so hereafter. The	Section 1. <u>Enforcement</u> . The ARC, any Owner, or the Association shall have the right to enforce by any proceeding through the courts and/or by any mediation or arbitration procedures established by the Board, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of these 2012 Covenants. Failure by the ARC or by any Owner or by the Association to enforce any covenant or restriction herein contained shall in no event be deemed a	Changed Architectural Control Committee to ARC. Added mediation or arbitration procedures”.
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	successful party in any proceeding to enforce these covenants, conditions and restrictions shall be entitled to recover the costs of said proceeding including reasonable attorney's fees.	waiver of the rights to do so hereafter. <u>The party in any proceeding who is successful in enforcing these covenants, conditions and restrictions shall be entitled to recover the costs of said proceeding including without limitation reasonable attorney's fees, costs and expenses.</u>	
	Concensus or Difference		
7/2	Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect. The Amended Declaration of Conditions, Covenants and Restrictions shall apply to only those Discovery Subdivisions 1 through 9 who approve of this Amendment by a majority of the Lot Owners within the respective Subdivisions.	Section 2. <u>Severability</u> . Invalidation of any one of these Covenants or Restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.	
	Concensus or Difference		
7/3	Section 3. Amendment. The covenants and restrictions of this Amendment shall run with and bind the land and shall inure to the benefit of and be enforceable by the Architectural Control Committee, the Owners of any Lots subject to this	Section 3. <u>Amendment</u> . The covenants, conditions, provisions and restrictions of these 2012 Covenants shall run with and bind the land and shall inure to the benefit of and be enforceable by the ARC, the Owners of any Lots, their	Changed wording to show this Section pertains to the new 2012 Covenants.

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	<p>Declaration, their respective legal representatives, heirs, successors or assigns or the Association for a term of twenty (20) years from the date this Amended Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. These amended covenants and restrictions may be amended by an instrument signed by a majority of the Lot (or living unit) Owners collectively within the Discovery Subdivisions 1 through 9. Any amendment must be properly recorded.</p>	<p>respective legal representatives, heirs, successors or assigns or the Association for a term of twenty (20) years from the date these 2012 Covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants, conditions, provisions and restrictions of these 2012 Covenants may be amended by written consent signed by the owners of a majority of the Lots within the Discovery Subdivision who are in good standing with the Association. Any amendment must be properly recorded, but the signed consents of said Owners need not be recorded if such consents are held in the records of the Association for at least one year and a certification thereof by the Association's President is recorded in the El Paso County records.</p>	<p>Clarifies the procedure for amending the Covenants.</p> <p>The last sentence is a legal procedure.</p>
	<p>Concensus or Difference</p>		