

THE KNOLLS MASTER ASSOCIATION, INC.

Date: October 27, 2025

Re: Action by Written Ballot to Amend and Restate the First Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements of the Knolls Master Association

Dear Member:

The Knolls Master Association, Inc. (“Association”), acting by and through its Board of Directors (“Board”), is soliciting your vote by written ballot on the above-referenced matter. The written ballot is attached hereto, together with the proposed Second Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements of the Knolls Master Association (“Amended Covenants”).

There are 104 lots in The Knolls, each having one vote. An affirmative “yes” vote of at least 67% of voting interests, or 70 of 104 members, is required to amend and restate the Covenants. If the Ballot Question passes, the Board, after certifying the vote, will execute a clean copy of the Amendment(s), and the Amended Covenants will be recorded with the Mesa County Clerk and Recorder. Upon such recordation, the Amended Covenants will be effective. The Amended Covenants will **not** be signed, recorded, or otherwise made effective if the Ballot Question fails to pass.

The Board has considered the matter and recommends approval of the proposed Amended Covenants, finding that they are in the best interest of The Knolls community. These changes are intended to be for the good of all Owners as a group.

Please complete and sign the attached/enclosed ballot form and return it to the Association **on or before December 22, 2025**, using any of the methods listed below.

- Mail it using the enclosed stamped envelope to 3490 Briar Ridge Way, Grand Junction, CO 81506.
- Drop it off at 3490 Briar Ridge Way, Grand Junction, CO 81506.
- Bring it to the Annual Meeting – November 3, 6:30 p.m., First Presbyterian Church (Cortland & 27½ Rd).
- Or scan and email it to jeannereporter@bresnan.net.

Once a ballot has been received, it cannot be changed. Ballots received after **December 22, 2025**, will not be counted.

Explanation of Proposed Amended Covenants

The Amended Covenants include all the duly adopted covenant amendments since 1997 when the Covenants were last amended and restated. It also includes new proposed amendments recommended by the Board. This explanation of the proposed amendments is not an exact recitation or redline of the text, because a redline would be very difficult to read, so you are encouraged to read the Amended Covenants as well as this explanation letter. The attached Amended Covenants contain color highlighting to assist Owners in the review of the document's changes. The color highlighting will be removed prior to recordation of the approved Amended Covenants.

1. All prior duly approved amendments have been included in the Amended Covenants.
2. The provision requiring site grading plans for certain lots has been removed as obsolete. Construction upon those lots has been completed. (Amendment dated May 4, 2005, Reception No. 2251974)
3. Because the period of Declarant control has ended and all Declarant's development and expansion rights have either been exercised or have terminated, all provisions regarding and relating to the Declarant and Declarant's reserved rights have been deleted, including without limitation removal of **Article 11 – Development Rights and Special Declarant Rights** and **Article 13 – Expansion**, except as necessary to preserve easements and rights reserved or conveyed by the Declarant to the Association and its agents and designees (such as in **Section 8.2 – Special Easement**).
4. The legal description of the Property within the Knolls has been updated to reference current legal descriptions reflecting all recorded subdivision plats within The Knolls, and excluding Ravenna Hills (ref. **Exhibit A**).
5. **Article, Section and Subsection numbers** have been adjusted in accordance with the eliminated articles and sections.
6. **Recitals** – Typographical errors in the Reception Numbers for the Fourth and Fifth Supplemental Declarations have been corrected.
7. **Section 1.2** – A definition of **Accessory Dwelling Unit (ADU)** has been added as ADUs are addressed later in the Amended Covenants.
8. **Section 1.16 (Costs of Enforcement)** – The term “project documents” has been replaced with “Declaration, Articles of Incorporation, Policies and Procedures, Bylaws, and Plats of the Association” to clarify.
9. **Section 1.35** – A definition of **Xeriscape** has been added as it conforms to State law. Note that Xeriscape refers to water-wise landscaping, which does not mean that no water is needed.

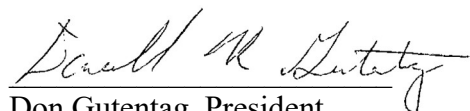
10. **Section 2.1 (Compliance).** The last sentence has been amended to be discretionary rather than mandatory, allowing for other possible resolution (“Failure to comply with any of the same may be grounds...”).
11. **Subsection 3.1.g (Owner’s Rights in the Common Areas).** The Member approval percentage needed for the HOA Board of Directors to close or limit use of the Common Areas for noted situations has been reduced from eighty percent (80%) to sixty-seven percent (67%), lowering the threshold to be the same as required to amend the covenants.
12. **Section 4.1.** Information about the recorded Share Cost Agreement between the Knolls Master Association, Inc. and Ravenna Hills Homeowners Association, Inc. that defines the division between The Knolls Master HOA and Ravenna Hills HOA has been added.
13. **Section 4.6 (Voting Rights).** The provision specifying one vote per Lot has been moved from the **Definitions** (Article One) to this section because it is a substantive provision and not a definition.
14. **Subsection 4.8.b (Amending a Budget).** The last sentence has been clarified by changing “Budget” in two places to “proposed budget amendment” as that Subsection deals with budget amendments, not the entire budget.
15. **Section 4.9 (Association Agreements).** One-year term limit for Association contracts has been removed because the one-year limit is required by law only for contracts entered into by Declarant, a provision which is now obsolete. Guidelines for the Board when entering into third party contracts are presently contained in the Policies and Procedures.
16. **Section 6.4 (Special Assessments).** Approval needed for a Special Assessment is reduced from sixty-seven percent (67%) to fifty-one percent (51%).
17. **Section 6.8 (Assessment Due Date).** The due date for the Association’s annual Common Expense Assessments has been changed from “due and payable in monthly installments” to “due and payable in full.” The HOA Budget includes expenditures throughout the year. All funds being collected in full when due will mitigate possible shortfalls when expenditures are due to be paid.
18. **Section 6.9 (Remedies for Nonpayment of Assessments).** Specific procedures for collection of unpaid assessments have been removed from this section and placed in the Policies and Procedures as required by CCIOA.
19. **Section 6.10 (Assessment Liens).** This section has been updated to conform to CCIOA and to better establish the Association’s lien rights thereunder.
20. **Section 6.11 (Surplus Funds).** The account into which surplus funds are placed has been updated from Unallocated Reserves to Unrestricted Funds, providing more flexible usage options for any surplus funds.
21. **Section 6.12 (Working Capital Fund).** The account into which non-refundable contributions to the Working Capital Fund from new Owners are placed has been updated from being held in trust as a reserve for Working Capital to remaining in the Working Capital Fund. Reference to “regular monthly payments” has been updated to “regular

annual payments.” The paragraph about turning over the Working Capital Fund to the Association has been removed as that Fund Turnover was completed in 2007 when the Developer Rights, including the two-year extension, expired.

22. **Subsection 7.1.a (Short-Term Rentals).** Reference to commercial nature of short-term rentals has been removed as irrelevant.
23. **Section 7.3 (Pets within the Property).** Restrictions relating to renters only have been removed; the same regulations for pets apply to all occupants of a residence, whether renters or owners. Unnecessary duplicated provisions have been removed. A suggestion for reporting habitually barking dogs to the City has been added.
24. **Section 7.4 (Nuisances).** Provisions relating to the Association’s abatement of barking dogs have been deleted.
25. **Subsection 7.5.a (Vehicular Parking, Storage and Maintenance).** Restrictions that differ from Lot to Lot have been removed; same restrictions now apply to all Lots; specifically, trailers and recreational vehicles must now be wholly within the enclosed garage on all Lots. Restriction on trucks larger than one ton are deleted.
26. **Section 7.9 (Restrictions on Flags and Common Area Signs).** Section is clarified to apply to signs on Common Areas (lot signage is dealt with elsewhere).
27. **Section 7.14 (No Dumping).** Section requires trash containers to be stored in the garage or behind a privacy fence.
28. **Section 7.15 (Signage).** Restrictions have been modified to comply with CCIOA.
29. **Section 7.17 (Residence Exteriors).** Section requires Architectural Control Committee (ACC) approval and warm earth tones for exterior painting. These requirements have been in the ACC guidelines; but this change adds them to the covenants.
30. **Section 7.19 (Lights).** Section restricts certain types of exterior lighting to holidays, and adds time and directional limits for security lighting, to protect the community against excessive visual light pollution.
31. **Subsection 7.22.a (Drainage).** Subsection adds text to ensure that changes to Lots that may impact drainage are reviewed by the ACC, to help prevent negative drainage impacts on structures, Common Areas and other Lots.
32. **Subsection 7.22.b (Easements for Ingress and Egress).** Subsection clarifies the Association’s easement rights as shown on the recorded plats, including its rights to access, maintain, and remove interfering items from such easements, and the restriction on Owners’ interference with such easements.
33. **Section 7.22.c (Xeriscape).** Subsection is updated to reference applicable State law and the Policies and Procedures for additional landscaping guidelines.
34. **Section 7.25 (Accessory Dwelling Units).** Section is updated to comply with State and local law allowing one Accessory Dwelling Unit (ADU) per Lot, with specific criteria.

35. **Section 7.26 (Other Non-Dwelling Buildings).** Section restricts the number of accessory structures to one (1) non-dwelling accessory building and one (1) accessory dwelling unit per Lot, each subject to approval by the ACC.
36. **Section 7.28 (Permanent Backup Generators).** Section requires ACC approval of external generators prior to installation.
37. **Section 8.4 (Party Walls).** Section is removed because The Knolls does not contain any attached residences; all residences are detached single-family homes.
38. **Section 8.4 (formerly 8.5) (Owner's Failure to Maintain or Repair).** Section allows the Association to make an Individual Assessment for costs associated with an individual Lot or caused or incurred by a single Lot.
39. **Section 10.1 (Maintenance By the Association).** Section clarifies that the Association's obligation to maintain Common Areas is in accordance with the Declaration.
40. **Section 12.2 (Amendments by Owners).** Section allows amendments to be approved by vote and signed and recorded by a Director, as opposed to requiring individual Lot Owners to execute the amendments, which is an unnecessary and unduly cumbersome requirement that is not mandated by CCIOA.
41. **Section 12.3 (Limitations Period for Challenge to Amendments).** Section clarifies that the one-year limitation period for challenging amendments to covenants commences upon recordation of the amendment, not on the date of the vote, to comply with CCIOA and ensure adequate legal notice of the amendment.
42. **Section 13.1 (No Construction Without Approval).** Section is revised to require only one set of plans to be submitted to the ACC and requires paper rather than digital submissions for paint colors.
43. **Section 14.5 (Registration by Owner of Mailing Address).** The contact for notices to the HOA Board has been updated from the former named Registered Agent to the current Registered Agent as recorded with the Colorado Secretary of State.

Sincerely,


Don Gutentag, President
The Knolls Master Association, Inc.