

**NOTICE TO PROSPECTIVE PURCHASERS OF SPECIAL CONDITIONS
RELATED TO DEVELOPMENT AND USE OF PROPERTY IN
HIDDEN VALLEY ESTATES III RURAL LAND PLAN**

Backbone Investments, LLC, is the owner of the real property described on Exhibit "A" attached hereto.

Owner submitted to Larimer County and Larimer County approved a Rural Land Plan for development of the Property identified as Hidden Valley Estates III Rural Land Plan recorded at Reception No. 2005-0050726 of the Larimer County Clerk and Recorder's records.

There are special conditions related to the development and use of the Property. All purchasers of the Property are hereby notified of the following conditions:

1. The Hidden Valley Estates III Rural Land Plan was approved by Larimer County under the County's Rural Land Use Process. This is an abbreviated review process and does not involve the higher scrutiny afforded projects developed under other County land division processes.
2. The infrastructure for this project including roads, bridges, and drainage facilities was designed and built pursuant to lower standards than those imposed on projects developed under other County land division processes.
3. Larimer County is not responsible for the repair or maintenance of infrastructure improvements including but not limited to roads, bridges, and/or drainage facilities. All repair and maintenance for these improvements is the responsibility of the Lot owners individually or through the Hidden Valley Estates Homeowners Association.
4. Lots in this Rural Land Plan are subject to the conditions and requirements of a Development Agreement. The developer and Larimer County executed this agreement in consideration of the approval of this development. This agreement is recorded immediately after the plat for this development. All purchasers should obtain and read the Development Agreement.
5. Lots in this Rural Land Plan are subject to the conditions and requirements of Covenants, Conditions, and Restrictions. This may include a Homeowner's Association. These covenants are recorded immediately after the plat for this development. All purchasers should obtain and read the Covenants.
6. Common Area Lots A and B in this Rural Land Plan are subject to the conditions and requirements of a perpetual Conservation Easement held by Colorado Open Lands which is intended to preserve open space. This conservation easement was recorded on September 20, 2004, at Reception No. 2004-0092190, of the Larimer County Records. All purchasers should obtain and read these documents.

RCP# 2005-0050729
PAGES - 5 FEE \$25.00 DOC \$0.00
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SCOTT DOYLE, CLERK
LARIMER COUNTY CO

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**Return to:
RLUC/PLNG**

2
Notice to Prospective Purchasers of Special Conditions
Related to Development and Use of Property in
Hidden Valley Estates III R.L.U.P.
Page 2 of 4

7. Common Area Lots C through E in this Rural Land Plan are subject to the conditions and requirements of a perpetual covenant which is part of the Development Agreement. This Development Agreement is recorded immediately after the plat for this development. This perpetual covenant precludes and/or restricts development and construction on Residual Lots C through E. All purchasers should obtain and read these documents.
8. No cross fencing or structures should be allowed in the rear (east side) of the lots. Lot areas outside of the building envelope and/or irrigated areas should maintain existing landscaping and new additional or replacement landscaping should be plants native to the Front Range of Colorado and able to grow on the site with no supplemental fertilizer or water, once established.
9. The construction of any single-family residence in this development will require the installation of residential fire sprinklers unless written permission for variance from this requirement from the fire district is obtained.
10. Passive radon mitigation measures shall be included in construction of residential structures on these lots. The results of a radon detection test conducted in new dwellings once the structure is enclosed but prior to issuance of a certificate of occupancy shall be submitted to the Building Department. As an alternative, a builder may present a prepaid receipt from a radon tester, which specifies that a test will be done within 30 days. A permanent certificate of occupancy can be issued when the prepaid receipt is submitted.
11. Engineered footings and foundations may be required for new habitable construction. Please check with the Larimer County Building Department for requirements prior to submitting a building permit application.
12. Lot owners should be advised that there is a potential for nuisance conflicts from wildlife (such as skunks, mountain lions, bears, raccoons, foxes, coyotes, prairie dogs and snakes). The Colorado Division of Wildlife can provide information to property owners about how to handle these situations, but lot owners are responsible for addressing wildlife conflicts if they arise.
13. During certain times of the year mosquitoes may present a significant nuisance. Larimer County does not have a mosquito abatement program. Any mosquito abatement activity will be the responsibility of the homeowner; such activity must be according to applicable Federal, State and local rules and regulations.
14. Prairie dog colonies exist in the general area; prairie dogs can be a nuisance if they migrate to developed residential property. At times these animals are implicated in the transmission of plague to people or their pets. It is important for residents to observe animal control requirements for dogs and cats.

15. Agricultural operations and farming practices on adjacent properties can produce odors, noise and dust. These are a normal part of agriculture and should be expected to occur. In addition, plowing, planting, cultivating, spraying, harvesting, and various livestock operations may be carried out at all times including nighttime.
16. If livestock will be kept on these lots, it will be important to carefully manage grazing in order to maintain grass cover in the pasture. Overgrazing will produce bare ground, weeds, erosion and polluted runoff. Management of these lots should be coordinated with drainage and erosion control issues, siting of sanitation systems, fencing and feeding.
17. Larimer County has adopted a Right to Farm Resolution.
18. The following fees shall be collected at building permit issuance for new single-family dwellings: Thompson R2-J school fees, Larimer County fees for County and Regional Transportation Capital Expansion, Larimer County Park Fees (in lieu of dedication), and Rural Land Use Process fees. The fee amount that is current at time of building permit application shall apply.
19. An additional fee not to exceed \$5000 shall be assessed against each approved residential lot, to be used solely for a professional traffic study and possible improvements at the US 34—Hidden Valley Drive intersection per CDOT requirements. Developer shall establish an escrow account with an FDIC insured state or federally licensed financial institution or a title company authorized to do business in Colorado. At the closing of the sale or other conveyance of each residential and common area lot, Developer shall deposit the sum of \$5,000 from the sale proceeds or other funds into the escrow account.
20. Larimer County will not maintain roads or streets in this development. Maintenance of the streets shall be the responsibility of the property owners. Failure to maintain streets may result in a lien being placed on these lots.
21. At time of real estate closing, owner shall provide purchasers of residential lots and residual lands with the Code of the West, a County document which addresses differences between urban and rural living in Larimer County.
22. The owners of the Common Area Lots shall be responsible for providing an annual monitoring report for the residual land to Larimer County Rural Land Use Center.
23. Lots in this Rural Land Plan are subject to the conditions and requirements of a Development Agreement. The Developer and Larimer County executed this agreement in consideration of the approval of this Development. This Agreement was recorded immediately after this plat. All purchasers should obtain and read the Development Agreement.

X

Notice to Prospective Purchasers of Special Conditions
Related to Development and Use of Property in
Hidden Valley Estates III R.L.U.P.
Page 4 of 4

OWNER/DEVELOPER:

Backbone Investments, LLC

By:

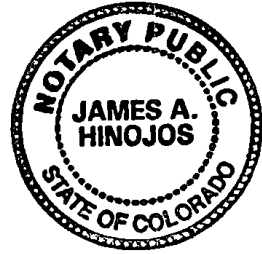
[Handwritten Signature]
Name & Title

COUNTY OF LARIMER)
STATE OF COLORADO) SS.

Subscribed and sworn to before me this 2nd day of June, 2005, by
Scott T. Charpentier

[Handwritten Signature]
Notary Public

Witness my hand and official seal.
My commission expires: 2-4-08



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Exhibit A

Lots 1 through 9 and Common Area Lots A through E, Hidden Valley Estates III R.L.U.P.
03-S2168.