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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE SINGLE FAMILY RESIDENCES AT
BUCKHORN VALLEY**

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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE SINGLE FAMILY RESIDENCES
AT BUCKHORN VALLEY**

This DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made as of this 13th day of December 2000, by ROARK PARTNERS, LLLP, a Colorado limited liability limited partnership ("Declarant").

ARTICLE I

GENERAL

1.1. Community Area. Declarant is the owner of that certain parcel of land located in the County of Eagle, Town of Gypsum, Colorado, more particularly described on Exhibit A attached hereto, which is defined in this Declaration as the "Property." Declarant intends to develop the Property and the Annexable Property, subject to the Permitted Exceptions, as a high quality, Planned Community of single family residential homes in accordance with the terms and provisions of the Colorado Common Interest Ownership Act.

1.2. Purposes of Declaration. This Declaration is executed (a) in furtherance of a common and general plan for the development of the Community Area; (b) to protect and enhance the quality, value, aesthetic desirability and attractiveness of the Community Area; (c) to provide for a homeowners association as a vehicle to hold, maintain, care for and manage Association Properties; (d) to define the duties, powers and rights of the Association; (e) to define certain duties, powers and rights of Owners of Lots within the Community Area; and (f) to comply with and effectuate the terms and provisions of the Act.

1.3. Plan of Development. The Property constitutes a portion of the planned community under the Planned Unit Development for Buckhorn Valley, Town of Gypsum, Colorado. Declarant has established a general plan of development which provides for a master association which is intended to govern, upon completion, all of Buckhorn Valley. The general plan of development also includes forming Sub-associations which may operate portions of Buckhorn Valley. The master association, Buckhorn Valley Master Owners Association, will protect the collective interests of all of the owners and the aesthetics and environment within the PUD, under a master declaration of covenants, conditions, and restrictions for Buckhorn Valley, Town of Gypsum, Colorado, Recorded or to be Recorded. In furtherance of that plan, the Master Declaration, once recorded, will establish affirmative and negative covenants, easements, and restrictions on the Property that are in addition to those contained herein. This Declaration is intended to encompass, upon completion, only those portions of the PUD which are platted as single family residential lots and will be governed by the Association. The Association shall operate as a Sub-association and may, from time to time, delegate all or any of its duties and powers to the Master Association. The Association and this Declaration are intended to enable the owners of the property to be included in this Declaration to respond to the changes in circumstances, conditions, needs and desires unique to the Planned Community to be



included in this Declaration. The maximum number of Lots that may be created on the Property and the Annexable Property is eight-hundred and ninety-nine Lots (899) or, the maximum number of Lots that may be permitted under the PUD, as amended.

1.4. Declaration. Declarant, for itself, its successors and assigns, hereby declares that the Property, and all property which becomes subject to this Declaration in the manner hereinafter provided from the date the same becomes subject to this Declaration, shall be owned, held, transferred, conveyed, sold, leased, rented, hypothecated, encumbered, used, occupied, maintained, altered and improved subject to the covenants, conditions, restrictions, limitations, reservations, exceptions, equitable servitudes and other provisions set forth in this Declaration. By accepting a deed for a Lot, each Owner agrees that the use, enjoyment and marketability of the Owner's Lot can be affected by the provisions of this Declaration and the Rules and Regulations that may be adopted, from time to time, by the Board. The provisions of this Declaration are intended to and shall run with the land and, until their expiration in accordance with the terms hereof, shall bind, be a charge upon and inure to the mutual benefit of: (a) the Property and all property which becomes part of the Community Area; (b) Declarant and its successors and assigns; (c) the Association and its successors and assigns; and (d) all Persons having or acquiring any right, title or interest in the Property or in any property which becomes part of the Community Area, or any Improvement thereon, and their heirs, personal representatives, successors or assigns. This Declaration shall be Recorded in every county in which any portion of the Community Area is located and shall be indexed in the grantee's index in the name of Roark Partners, LLLP, and the Association and in the grantor's index in the name of each person or entity executing this Declaration.

ARTICLE 2

DEFINITIONS

Unless otherwise expressly provided herein, the following words and phrases when used in this Declaration shall have the meanings hereinafter specified.

2.1 Act. "Act" shall mean the Colorado Common Interest Ownership Act as provided in C.R.S. § 38-33.3-101, *et seq.*, as the same may be amended from time to time.

2.2 Administrative Functions. "Administrative Functions" shall mean all functions of the Association as are necessary and proper under this Declaration and the Act and shall include, without limitation, providing management and administration of the Association; providing architectural review services under Article 4 hereof; incurring reasonable attorneys' fees and accountants' fees; obtaining errors and omissions insurance for officers, directors and agents of the Association; obtaining fidelity bonds for any Person handling funds of the Association; paying taxes levied against the Association Properties; incurring filing fees, recording costs and bookkeeping fees; obtaining and maintaining offices and office furniture and equipment; and performing other such reasonable and ordinary administration tasks associated with operating the Association.

2.3 Annexable Property. "**Annexable Property**" shall mean that real property more particularly described on Exhibit B attached hereto and which may be annexed to, and made a part of the Community Area as more particularly provided herein.

2.4 Articles of Incorporation. "**Articles of Incorporation**" shall mean the Articles of Incorporation of the Association which have been or will be filed in the office of the Secretary of State of the State of Colorado, as the same may be amended from time to time.

2.5 Assessment. "**Assessment**" shall mean a Common Assessment, Working Capital Assessment, Special Assessment, or a Reimbursement Assessment.

2.6 Association. "**Association**" shall mean The Homeowners Association For The Single Family Residences At Buckhorn Valley, Inc., a Colorado non-profit corporation, its successors and assigns.

2.7 Association Properties. "**Association Properties**" shall mean all real and personal property: (a) now or hereafter owned by the Association, including all Common Areas and Improvements located on the Common Areas, including but not limited to entry monuments located on the Common Areas; (b) in which the Association holds an easement for the use, care, or maintenance thereof; or (c) for which the Association has a right or duty to maintain and which is held for the common use and enjoyment of the Members as provided herein including, without limitation, the landscaping located in the Front Yard of each Lot and those portions of the Irrigation System owned by the Association.

2.8 Board of Directors. "**Board of Directors**" or "**Board**" shall mean the Board of Directors of the Association.

2.9 Buckhorn Valley. "**Buckhorn Valley**" shall mean all of the real property located in the Town of Gypsum, Colorado subject to the PUD and more particularly described in Exhibits A & B.

2.10 Budget. "**Budget**" shall mean a written, itemized estimate of the income to be derived and the expenses to be incurred by the Association in performing its functions under this Declaration and prepared pursuant to Article 9 of this Declaration.

2.11 Builder. "**Builder**" shall mean a Person other than the Declarant who acquires a Lot for the purposes of constructing improvements thereon for resale.

2.12 Bylaws. "**Bylaws**" shall mean the Bylaws of the Association which have been or will be adopted by the Board of Directors of the Association, as the same may be amended from time to time.

2.13 Common Area. "**Common Area**" shall mean and include: (a) any portions of the Community Area designated on the Plat or any Supplemental Plat as "open space" or "common area" and which are dedicated to the Association on any Plat or that are owned or maintained by the Association for the common use and enjoyment of the Members; (b) all gardens, detention ponds and other open or landscaped space located upon real property owned by the Association; (c) all streets located within the Common Area which are designated as private streets, if any, upon a Plat and/or any Supplemental Plat; and (d) all easements held by the Association for the use and benefit of the Owners.

2.14 Common Assessment. "**Common Assessment**" shall mean the assessments levied against each Owner hereunder and made for the purpose of paying the annual costs of operating the Association, including expenses incurred by the Association in connection with the performance of any Administrative Functions.

2.15 Community Area. "**Community Area**" shall mean the real property which is described on Exhibit A attached hereto and all other real property which is made subject to the terms and provisions of this Declaration.

2.16 County. "**County**" shall mean Eagle County, Colorado.

2.17 District. "**District**" shall mean the Buckhorn Valley Metropolitan Districts No. 1 and No. 2.

2.18 Declaration. "**Declaration**" shall mean this instrument as it may be amended or supplemented from time to time.

2.19 Declarant. "**Declarant**" shall mean Roark Partners, LLLP, a Colorado limited liability limited partnership, its successors and assigns. A Person shall be deemed to be a "successor and assign" of Roark Partners, LLLP, as Declarant, only if specifically designated in a duly Recorded instrument as a successor or assign of Declarant under this Declaration and shall be deemed a successor and assign of Declarant only as to the particular rights or interests of Declarant under this Declaration which are specifically designated in the written instrument. However, a successor to Declarant by consolidation or merger shall automatically be deemed a successor or assign of Declarant as Declarant under this Declaration.

2.20 Deed of Trust. "**Deed of Trust**" shall mean a Mortgage.

2.21 Design Review Committee. "**Design Review Committee**" shall mean the Committee provided for in Article 4 of this Declaration.

2.22 Front Yard. "**Front Yard**" shall mean that area within each Lot bounded by the front lot boundary line (along the street to which the Lot has access), a plane extending from the front

façade of the dwelling on the Lot to each side Lot boundary line, and the side lot boundary lines from those intersections with the front Lot boundary line to a point that is even with such front façade plane, excluding any portions of the same improved with sidewalks, driveways, front stoops or porches or other similar improvements. For any Lot that is located on a corner Lot of two streets, the Front Yard shall also include the side yard of the Lot facing the street and that portion of the rear yard of each Lot bounded by the entire length of the side Lot boundary line, a plane extending from the side façade of the dwelling to the front and rear lot boundary lines, and the front and rear property lines to a point that intersects such plane.

2.23 Irrigation System. "Irrigation System" shall mean the water irrigation main lines, service lines, sprinkler system, pipes and similar equipment used to provide water to irrigate the exterior Front Yard of each Lot, any Common Area or other property.

2.24 Improvement. "Improvement" shall mean all structures and improvements located upon or made to a Lot and any appurtenances thereto of every type or kind, including, but not limited to, buildings, outbuildings, swimming pools, patio covers, awnings, additions, walkways, outdoor sculptures or artwork, garages, carports, roads, driveways, parking areas, fences, sod, screening walls, retaining walls, stairs, decks, exterior fixtures, landscaping, hedges, windbreaks, plantings, planted trees and shrubs, irrigation and watering systems, poles, signs, exterior tanks, solar equipment, exterior air conditioning fixtures.

2.25 Improvement to Property. "Improvement to Property" shall mean any change, alteration or addition to any Lot or property located within the Community Area. "Improvement to Property" is more particularly defined in Article 4 of this Declaration.

2.26 Leases. "Lease" shall mean and refer to any agreement for the leasing or rental of a Lot, or any dwelling unit located thereon and shall specifically include, without limitation, a month-to-month rental.

2.27 Lot. "Lot" shall mean a physical portion of the Community Area, which is designated, for separate ownership or occupancy and the boundaries of which are depicted upon any Plat or any Supplemental Plat. For the purposes of conforming the terms and provisions of this Declaration to the terms and provisions of the Act, the term "Lot" shall be analogous to the term "unit" as that term is defined in the Act. The term Lot shall not include: (a) any property owned by a public body including the Town of Gypsum and the District; (b) Association Properties; or (c) properties owned by the Master Association.

2.28 Master Association. "Master Association" shall mean the Buckhorn Valley Master Owners Association, a Colorado nonprofit corporation.

2.29 Master Declaration. "**Master Declaration**" shall mean the Master Declaration of Covenants, Conditions and Restrictions for Buckhorn Valley, Town of Gypsum, Colorado, recorded or to be Recorded in the County.

2.30 Maintenance Funds. "**Maintenance Funds**" shall mean the accounts into which the Board shall deposit monies paid to the Association and from which disbursements shall be made in the performance of the functions of the Association pursuant to Article 9 hereof.

2.31 Member. "**Member**" shall mean the Person or, if more than one, all Persons collectively, who constitute the Owner of a Lot.

2.32 Membership Interest. "**Membership Interest**" shall mean each Member's membership interest in and to the Association.

2.33 Mortgage. "**Mortgage**" shall mean any mortgage or deed of trust or other such instrument given voluntarily by the Owner of a Lot, which encumbers such Lot to secure the performance of an obligation or the payment of a debt and which is required to be released upon performance of the obligation or payment of the debt. The term "**Deed of Trust**" when used herein shall be synonymous with the term "**Mortgage**."

2.34 Mortgagee. "**Mortgagee**" shall mean a Mortgagee under a Mortgage or a beneficiary under a Deed of Trust, as the case may be, and the assignees of such Mortgagee.

2.35 Mortgagor. "**Mortgagor**" shall mean the Person who mortgages his or its property to another (i.e., the maker or grantor of a Mortgage). The term "**Mortgagor**" shall include a trustor or grantor under a Deed of Trust.

2.36 Notice and Hearing. "**Notice and Hearing**" shall mean a written notice and hearing before the Board of Directors or a tribunal appointed by the Board, as may be provided in the Bylaws, in the manner provided by the Bylaws.

2.37 Notice of Completion. "**Notice of Completion**" shall mean written notice to the Design Review Committee of the completion of any Improvement to Property pursuant to Article 4 of this Declaration.

2.38 Owner. "**Owner**" shall mean the Person, including Declarant, or, if more than one, all Persons collectively, who hold fee simple title to a Lot, including sellers under executory contracts of sale and excluding buyers thereunder.

2.39 Permitted Exceptions. "**Permitted Exceptions**" shall mean all encumbrances, liens, restrictions, easements and other items of record which affect the Community Area and which are more particularly described on Exhibit C attached hereto.

2.40 Person. "**Person**" shall mean a natural person, a corporation, a partnership, a limited liability company or any other entity permitted to hold title to real property pursuant to Colorado law.

2.41 Planned Community. "**Planned Community**" shall have the same meaning as set forth in the Act.

2.42 Plat. "**Plat**" shall mean and include any land survey plat which depicts all or a portion of the Community Area and which further depicts and locates thereon the location of Lots, Common Areas and such other items as may be required by the Act. The Plat, and the terms and provisions thereof, are hereby incorporated herein by reference. The term "Plat" shall also include all amendments thereto and such other Supplemental Plats recorded by the Declarant for the purposes of annexing real property to the Community Area.

2.43 Property. "**Property**" shall mean the real property more particularly described on Exhibit A attached hereto. As the Annexable Property is annexed into these Declarations, the term "Property" shall also include all real property so annexed.

2.44. PUD. "**PUD**" shall mean the Planned Unit Development for Buckhorn Valley, Town of Gypsum, Colorado, as may be amended from time to time.

2.45 Record or Recorded. "**Record**" or "**Recorded**" shall mean the filing for record of any document in the office of the Clerk and Recorder of the County.

2.46 Reimbursement Assessment. "**Reimbursement Assessment**" shall mean a charge against a particular Owner and such Owner's Lot for the purpose of reimbursing the Association for expenditures and other costs and expenses incurred by the Association which arise from or are related to any violation of the Declaration or the Rules and Regulations by an Owner, together with late charges and interest thereon as more fully provided for herein.

2.47 Rules and Regulations. "**Rules and Regulations**" shall mean rules and regulations adopted by the Board of Directors, and as may be amended from time to time. The initial Rules and Regulations are attached hereto as Exhibit D.

2.48 Special Assessment. "**Special Assessment**" shall mean a charge against each Owner and such Owner's Lot representing a portion of the costs of the Association for the purpose of funding major capital repairs, maintenance, replacements and improvements pursuant to the Section of this Declaration entitled "Special Assessments for Capital Expenditures."

2.49 Supplemental Declaration. "**Supplemental Declaration**" shall mean a written instrument containing covenants, conditions, restrictions, reservations, easements or equitable

servitudes, or any combination thereof and which is Recorded in conjunction with the annexation of additional real property to the Community Area.

2.50 Supplemental Plat. "Supplemental Plat" shall mean and include any land survey plat which is Recorded by Declarant for the purpose of annexing the real property described thereon to the Community Area. Any Supplemental Plat need not contain the word "Supplemental" on its face.

2.51 Working Capital Assessment. "Working Capital Assessment" shall mean that a charge against each Owner and such Owner's Lot representing a portion of the funds the Association needs to establish liquidity for the Operating Fund.

ARTICLE 3

GENERAL RESTRICTIONS APPLICABLE TO COMMUNITY AREA

All real property within the Community Area shall be held, used, and enjoyed subject to the following limitations and restrictions and subject to the rights and reservations of Declarant set forth in this Declaration. The strict application of the following limitations and restrictions in any specific case may be modified or waived in whole or in part by the Board of Directors if such strict application would be unreasonably or unduly harsh under the circumstances. Any such modification or waiver must be in writing or be contained in written Rules and Regulations promulgated by the Board of Directors. The Board of Directors may from time to time adopt Rules and Regulations which supplement, modify, limit, create exceptions to or expand these limitations and restrictions or which create additional limitations and restrictions. The initial Rules and Regulations are set forth in Exhibit D.

3.1 Property Uses. All Lots shall be used for private single family residential purposes. No dwelling unit erected on any Lot shall be used or occupied for any purpose other than for a single-family residence. Notwithstanding the foregoing, business activities associated with the sale of Lots or residences constructed thereon shall be allowed. In addition, in-home businesses shall be allowed, provided such activities (i) are conducted within the dwelling and are not visible or apparent by sight, sound or smell from outside the lot; (ii) comply with zoning requirements; (iii) does not require regular visitation to the Lot by employess, clients, customers, suppliers or other business invitees; and (iv) is consistent with the residential character of the Community Area and does not, in the reasonable discretion of the Board, constitute a nuisance, or a hazardous or offensive use.

3.2 Further Subdivision of Lots. The Owner of a Lot shall not further subdivide that Lot or change any of the boundary lines of the Lot without the prior approval of the Design Review Committee and the Town of Gypsum.

3.3 Compliance with Laws. Nothing shall be done or kept on any property within the Lot in violation of any law, ordinance, rule or regulation of any governmental authority having jurisdiction over the Community Area.

3.4 Maintenance of Lots. No Lot or any Improvement on any Lot shall be permitted to fall into disrepair and all property within the Community Area shall be kept and maintained in a clean, attractive, and sightly condition. With the exception of the Front Yards to be maintained by the Association, the maintenance, repair and upkeep of each Lot shall be the responsibility of the Owner of the Lot.

3.5 No Noxious or Offensive Activity. No activity, use or practice shall be permitted on any Lot which is noxious or offensive or which unreasonably interferes with the peaceful enjoyment of possession of any Lot or any portion of the Association Properties.

3.6 Restrictions on Watering. Provided that the Lots are served by an operational raw water irrigation supply source operated by the District, the Master Association and/or the Association, no domestic water supplied by the Town of Gypsum shall be used for watering landscaping. No dwelling on any Lot may have more than one exterior hose bib and all exterior hose bibs must be located on the front side of the dwelling.

3.7 Restoration in the Event of Damage or Destruction. In the event of the damage or destruction of any Improvement on any Lot, the Owner thereof shall cause the damaged or destroyed Improvement to be restored or replaced to its original condition or such other condition as may be approved in writing by the Design Review Committee, or the Owner shall cause the damaged or destroyed Improvement to be demolished and the Lot to be suitably landscaped, subject to the approval of the Design Review Committee, so as to present a pleasing and attractive appearance.

3.8 Fences. No fences shall be constructed in any Front Yard of any Lot. No fences in any other location on a Lot shall be constructed without the prior approval of the Design Review Committee unless in conformance with Design Standards previously approved by the Design Review Committee and in accordance with the Wildlife Mitigation Plan described in the Annexation Agreement and the Subdivision Improvement Agreement for Buckhorn Valley.

3.9 Front Yards. No Owner may install any Improvements in the Front Yard of the Owner's Lot, unless exempted or approved by the Design Review Committee. No toys, lawn furniture or any other type of personal property, other than the landscaping and irrigation systems owned by the Association, shall be left or stored in the Front Yard of any Lot, except when in use with the Owner or Related User present outside on the Front Yard of such Lot.

ARTICLE 4

ARCHITECTURAL APPROVAL

4.1 Approval of Improvements Required. The approval of the Design Review Committee shall be required for any Improvement to Property on any Lot except: (a) for any Improvement to Property made by Declarant; (b) where approval is not reasonably required to carry out the purposes of this Declaration; (c) for any Improvement to Property made by the Association or the Master Association; and (d) where prior approval of Improvements to Property may be waived or certain Improvements to Property may be exempted in writing or under written guidelines or rules promulgated by the Design Review Committee.

4.2 Improvement to Property Defined. "Improvement to Property" requiring approval of the Design Review Committee shall mean and include, without limitation: (a) the construction, installation, erection or expansion of any building, structure or other Improvement, including utility facilities and fences; (b) the removal, demolition or destruction, by voluntary action, of any building, structure, landscaping, trees or other Improvement; (c) the grading, excavation, filling or similar disturbance to the surface of the land including, without limitation, change of grade, change of ground level, change of drainage pattern or change of stream bed; and (d) any change or alteration of any previously approved Improvement to Property including any change of exterior appearance, color or texture.

4.3 Membership of Committee. The Design Review Committee shall consist of three (3) members, all of whom shall be appointed by the Board of Directors. Members of the Design Review Committee appointed by the Board of Directors may be removed at any time by the Board and shall serve for such term as may be designated by the Board or until resignation or removal by the Board. The Board of Directors may at any time and from time to time change the authorized number of members of the Design Review Committee, but the number of members of the Design Review Committee shall not be less than three (3).

4.4 Address of Design Review Committee. The address of the Design Review Committee shall be at the principal office of the Association.

4.5 Submission of Plans. Prior to commencement of work to accomplish any proposed Improvement to Property, the Person proposing to make such Improvement to Property ("Applicant") shall submit to the Design Review Committee at its offices such descriptions, surveys, plot plans, drainage plans, elevation drawings, construction plans, specifications and samples of materials and colors as the Design Review Committee shall request showing the nature, kind, shape, height, width, color, materials and location of the proposed Improvement to Property. The Applicant shall be entitled to receive a receipt for the same from the Design Review Committee or its authorized agent. The Design Review Committee may require submission of additional plans, specifications or other information prior to approving or disapproving the proposed Improvement

to Property. Until receipt by the Design Review Committee of all required materials in connection with the proposed Improvement to Property, the Design Review Committee may postpone review of any materials submitted for approval. The submittal requirements contained in this section are in addition to the submittal requirements, if any, contained in the Master Declaration.

4.6 Criteria for Approval. The Design Review Committee shall approve any proposed Improvement to Property only if it deems in its reasonable discretion that: (a) the Improvement to Property in the location indicated will not be detrimental to the appearance of the surrounding areas of the Community Area as a whole; (b) the appearance of the proposed Improvement to Property will be in harmony with the surrounding areas of the Community Area; (c) the Improvement to Property will not detract from the beauty, wholesomeness and attractiveness of the Community Area or the enjoyment thereof by Owners; (d) the upkeep and maintenance of the proposed Improvement to Property will not become a burden on the Association; and (e) the proposed Improvement to Property does not affect the drainage plan for the Community Area or any portion thereof. The Design Review Committee may condition its approval of any proposed Improvement to Property upon the making of such changes therein as the Design Review Committee may deem appropriate.

4.7 Design Standards. The Design Review Committee may issue standards or rules ("**Design Standards**") relating to the procedures, materials to be submitted, fees and additional factors, which will be taken into consideration in connection with the approval of any proposed Improvement to Property. The Design Standards may specify circumstances under which the strict application of limitations or restrictions under this Declaration will be waived or deemed waived in whole or in part because strict application of such limitations or restrictions would be unreasonable or unduly harsh under the circumstances. The Design Standards may waive the requirement for approval of certain Improvements to Property or exempt certain Improvements to Property from the requirement for approval, if such approval is not reasonably required to carry out the purposes of this Declaration.

4.8 Design Review Fee. The Design Review Committee may, through the Design Standards or otherwise, provide for the payment of a fee to accompany each request for approval of any proposed Improvement to Property. The Design Review Committee may provide that the amount of such fee shall be uniform for similar types of proposed Improvements to Property or that the fee shall be determined in any other reasonable manner including the estimated cost of the proposed Improvement to Property.

4.9 Decision of Committee. Any decision of the Design Review Committee shall be made within thirty (30) days after receipt by the Design Review Committee of all materials required by the Design Review Committee, unless such time period is extended by mutual agreement. The decision shall be in writing and if the decision is not to approve a proposed Improvement to Property, the reasons therefor shall be stated. The decision of the Design Review Committee shall be promptly transmitted to the Applicant at the address furnished by the Applicant to the Design Review Committee.

4.10 Failure of Committee to Act on Plans. Any request for approval of a proposed Improvement to Property shall be deemed approved unless disapproval or a request for additional information or materials is transmitted to the Applicant by the Design Review Committee within the later of: (i) thirty (30) days after the date of receipt by the Design Review Committee of all required materials; or (ii) thirty (30) days after the date that Applicant notifies the Design Review Committee that the Master Association is deemed to have approved an application for the same Improvements to Property submitted to the review committee of the Master Association. It shall be the Applicant's obligation to notify the Design Review Committee that the review committee of the Master Association has elected not to act or has failed to act upon Applicant's submittal to the review committee of the Master Association.

4.11 Prosecution of Work After Approval. After approval of any proposed Improvement to Property, the proposed Improvement to Property shall be accomplished as promptly and diligently as possible and in complete conformity with: (a) the description of the proposed Improvement to Property; (b) any materials submitted to the Design Review Committee in connection with the proposed Improvement to Property; and (c) any conditions imposed by the Design Review Committee. Failure to complete the proposed Improvement to Property within eighteen (18) months after the date of approval or such shorter period as specified in writing by the Design Review Committee, or to complete the Improvement to Property in accordance with the description and materials furnished to, and the conditions imposed by, the Design Review Committee, shall constitute noncompliance with the requirements for approval of Improvements to Property.

4.12 Notice of Completion. Upon completion of the Improvement to Property, the Applicant may give written Notice of Completion to the Design Review Committee. Until the date of receipt of such Notice of Completion, the Design Review Committee shall not be deemed to have notice of completion of such Improvement to Property.

4.13 Inspection of Work. The Design Review Committee or its duly authorized representative shall have the right to inspect any Improvement to Property prior to or after completion; provided that the right of inspection shall terminate thirty (30) days after the Design Review Committee shall have received a Notice of Completion from Applicant.

4.14 Notice of Noncompliance. If, as a result of inspections or otherwise, the Design Review Committee finds that any Improvement to Property has been done without obtaining the approval of the Design Review Committee or was not done in complete conformity with the description and materials furnished to, and any conditions imposed by, the Design Review Committee, the Design Review Committee shall notify the Applicant in writing of the noncompliance, which notice shall be given, in any event, within thirty (30) days after the Design Review Committee receives a Notice of Completion from the Applicant. The notice shall specify the particulars of the noncompliance and shall require the Applicant to take such action as may be necessary to remedy the noncompliance.

4.15 Failure of Committee to Act After Completion. If, for any reason other than the Applicant's act or neglect, the Design Review Committee fails to notify the Applicant of any non-compliance within thirty (30) days after receipt by the Design Review Committee of written Notice of Completion from the Applicant, the Improvement to Property shall be deemed in compliance if the Improvement to Property was, in fact, completed as of the date of Notice of Completion.

4.16 Appeal to Board of Directors of Finding of Noncompliance. If the Design Review Committee gives any notice of noncompliance, the Applicant may appeal to the Board of Directors by giving written notice of such appeal to the Board and the Design Review Committee within thirty (30) days after receipt of the notice of noncompliance by the Applicant. If, after a notice of noncompliance, the Applicant fails to commence diligently to remedy such noncompliance, the Design Review Committee shall request a finding of noncompliance by the Board of Directors by giving written notice of such request to the Association and the Applicant within sixty (60) days after delivery to the Applicant of a notice of noncompliance from the Design Review Committee. In either event, the Board of Directors shall hear the matter in accordance with the provisions of the Bylaws for Notice and Hearing, and the Board shall decide whether or not there has been such noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same.

4.17 Correction of Noncompliance. If the Board of Directors determines that a noncompliance exists, the Applicant shall remedy or remove the same within a period of not more than fourteen (14) days from the date of receipt by the Applicant of the ruling of the Board of Directors or such longer period as the Board may prescribe. If the Applicant does not comply with the Board ruling, the Board may, at its option, record a Notice of Noncompliance against the real property on which the noncompliance exists, may enter upon such property and remove the non-complying Improvement to Property, or may otherwise remedy the noncompliance, and the Applicant shall reimburse the Association, upon demand, for all costs and expenses incurred by the Association in connection therewith. If such expenses are not promptly repaid by the Applicant or Owner to the Association, the Board may levy a Reimbursement Assessment against the Owner of the Lot for such costs and expenses. The right of the Association to remedy or remove any noncompliance shall be in addition to all other rights and remedies which the Association may have at law, in equity or under this Declaration. The Applicant and Owner of the Lot shall have no claim for damages or otherwise on account of the entry upon the property and removal of the non-complying Improvement to Property.

4.18 No Implied Waiver or Estoppel. No action or failure to act by the Design Review Committee or by the Board of Directors shall constitute a waiver or estoppel with respect to future action by the Design Review Committee or the Board of Directors with respect to any Improvement to Property. The approval of the Design Review Committee of any Improvement to Property shall not be deemed a waiver of any right to withhold approval for any similar Improvement to Property or any similar proposals, plans, specifications or other materials submitted with respect to any other Improvement to Property.

4.19 Committee Power to Grant Variances. The Design Review Committee may authorize variances from compliance with any of the provisions of this Declaration or the Design Standards when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental consideration may require such variances. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Design Review Committee. If any such variance is granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall the granting of a variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the property concerned, including, but not limited to, zoning ordinances and setback lines or requirements imposed by any governmental authority having jurisdiction.

4.20 Meetings of Committee. The Design Review Committee shall meet from time to time as necessary to perform its duties hereunder. The Design Review Committee may from time to time, by resolution in writing adopted by a majority of the members, designate a Committee Representative (who may but need not be one of its members) to take any action or perform any duties for or on behalf of the Design Review Committee, except the granting of approval to any Improvement to Property and granting of variances. The action of such Committee Representative within the authority of such Committee Representative or the written consent or the vote of a majority of the members of the Design Review Committee shall constitute the action of the Design Review Committee.

4.21 Records of Actions. The Design Review Committee shall report in writing to the Board of Directors all final actions of the Design Review Committee, and the Board shall keep a permanent record of such reported action.

4.22 Estoppel Certificates. The Board of Directors shall, upon the reasonable request of any interested Person and after confirming any necessary facts with the Design Review Committee, furnish a certificate with respect to the approval or disapproval of any Improvement to Property or with respect to whether any Improvement to Property was made in compliance herewith. Any Person, without actual notice to the contrary, shall be entitled to rely on said certificate with respect to all matters set forth therein.

4.23 Non-liability of Committee Action. There shall be no liability imposed on the Design Review Committee, any member of the Design Review Committee, any Committee Representative, the Association, any member of the Board of Directors or Declarant for any loss, damage, cost, expense or injury arising out of or in any way connected with the performance of the duties of the Design Review Committee unless due to the willful misconduct of the party to be held liable. In reviewing any matter, the Design Review Committee shall not be responsible for reviewing, nor shall its approval of an Improvement to Property be deemed approval of the Improvement to

Property from the standpoint of safety, whether structural or otherwise, or such Improvement to Property's conformance with building codes or other governmental laws or regulations.

4.24 Construction Period Exception. During the course of actual construction of any permitted structure or Improvement to Property, and provided construction is proceeding with due diligence, the Design Review Committee shall temporarily suspend the provisions contained in this Declaration as to the property upon which the construction is taking place to the extent necessary to permit such construction, provided that during the course of any such construction, nothing is done which will result in a violation of any of the provisions of this Declaration upon completion of construction and nothing is done which will constitute a nuisance or unreasonable interference with the use and enjoyment of other property within the Community Area.

4.25 Master Association. The terms of the Master Declaration also contain provisions regarding architectural approval. Any affirmative act or decision of the Master Association concerning any Improvement to Property also subject to this Declaration shall control any act or decision of the Design Review Committee of the Association. For example, if the review committee of the Master Association decides to grant a variance to an Applicant, such variance shall automatically be deemed a variance under this Declaration. Likewise, if the review committee of the Master Association acts upon an application required under the Master Declaration for which approval is also required under this Declaration, then the decision of the review committee of the Master Association shall constitute the minimum standards required to obtain the approval under this Declaration as well. However, the Design Review Committee may impose additional requirements not imposed by the review committee of the Master Association in granting its approval to the Applicant, unless a specific variance has been granted by the review committee of the Master Association. On the other hand, if the review committee of the Master Association elects not to act or fails to act upon such application, then the Design Review Committee of the Association shall not be bound by the approval by default and may approve or deny the request in accordance with the provisions of this Declaration.

ARTICLE 5

ASSOCIATION PROPERTIES

5.1 Members' Rights of Use and Enjoyment Generally. Unless otherwise provided in this Declaration, all Members may use Association Properties subject to the restrictions continued in the Rules and Regulations.

5.2 Right of Association to Regulate Use. The Association, acting through the Board, shall have the power to regulate through the adoption of Rules and Regulations the use of Association Properties by Members and the public to further enhance the overall rights of use and enjoyment of all Members.

5.3 No Partition of Association Properties. No Owner shall have the right to partition or seek partition of the Association Properties or any part thereof.

5.4 Liability of Owners for Damage by Owner. Each Owner shall be liable to the Association for any damage to Association Properties or for any expense or liability incurred by the Association, to the extent not covered by insurance, which may be sustained by reason of (a) the actions or conduct of such Owner or any Person using the Association Properties through such Owner; or (b) for any violation of this Declaration, or any Rule and Regulation adopted by the Association, by such Owner or any such Person using the Association Properties through such Owner. The Association shall have the power, as elsewhere provided in this Declaration, to levy and collect a Reimbursement Assessment against a Member, after Notice and Hearing, to cover all costs and expenses incurred by the Association arising from or related to violation of this Declaration, or the Rules and Regulations of the Association or for any increase in insurance premiums directly attributable to any of the foregoing actions.

5.5 Damage, Destruction, or Required Improvements. In the event of damage to Association Properties by fire or other casualty, or in the event any governmental authority shall require any repair, reconstruction or replacement of any Association Properties, the Association shall have the duty to repair, reconstruct or replace the same. Any insurance proceeds payable by reason of the damage or destruction of Association Properties by fire or other casualty shall be paid to the Association and shall be used, to the extent necessary, to pay the costs of repair, reconstruction, or replacement. If funds from insurance proceeds or from reserves for replacement are insufficient to pay all costs of repair, reconstruction or replacement of Improvements damaged or destroyed, or if the Association is required to make repairs, replacements or Improvements by governmental authorities, the Association may, in order to make up any deficiency in the insurance proceeds or to pay for the required repair, replacement, or improvement, levy a Special Assessment against the Members in accordance with Article 9 of this Declaration. If any Member or group of Members is liable for any such damage, the Association may levy a Reimbursement Assessment against the Member or group of Members responsible therefor, to provide the additional funds necessary. Repair, reconstruction or replacement of Association Properties shall be done under such contracting and bidding procedures as the Association shall determine are appropriate. If insurance proceeds available to the Association exceed the cost of repair, reconstruction and replacement of any Improvement, the Association may use the same for any future maintenance, repair or replacement of any Improvement, and for the operation of other Association Properties.

5.6 Association Powers in the Event of Condemnation. If any Association Properties or interests therein are taken under exercise of the power of eminent domain or by private purchase in lieu thereof, the award in condemnation or the price payable therefor shall be paid to the Association, except to the extent payable to any other Person with an interest in such property, including any Mortgagee of such property. The Association shall have the exclusive right to participate in such condemnation proceedings and to represent the interests of all Owners or other Persons therein. Any award or funds received by the Association shall be held by the Association in such Maintenance

Fund as determined by the Board as a reserve for future maintenance, repair, reconstruction or replacement of Association Properties or such funds may be used for Improvements or additions to or for the operation of Association Properties. No Owner shall be entitled to participate as a party or otherwise in any condemnation proceedings related to Association Properties.

5.7 Title to Association Properties on Dissolution of Association. In the event of the dissolution of the Association, the Association Properties shall be sold or disposed of in accordance with the provisions of the Act.

ARTICLE 6

DECLARANT'S RIGHTS AND RESERVATIONS

6.1 Period of Declarant's Rights and Reservations. Declarant shall have, retain and reserve certain rights as hereinafter set forth in this Article 6 with respect to the Association and the Association Properties from the date hereof, until: (a) the time that the last Lot within the Property and the Annexable Property permitted under the PUD has been sold and conveyed by Declarant to persons other than Declarant and a certificate of occupancy has been issued for the residence constructed thereon; or (b) the date which is fifty (50) years from the recordation of this Declaration, whichever event occurs first. The rights and reservations hereinafter set forth shall be deemed excepted and reserved in each conveyance of property by Declarant to the Association whether or not specifically stated therein and in each deed or other instrument by which any property within the Community Area is conveyed by Declarant. The rights, reservations and easements hereinafter set forth shall be prior and superior to any other provisions of this Declaration and may not, without Declarant's prior written consent, be modified, amended, rescinded or affected by any amendment of this Declaration. Declarant's consent to any one such amendment shall not be construed as consent to any other subsequent amendment. Any development right may be exercised with respect to different parcels of the Annexable Property or the balance of the Property at different times. No assurances are made regarding the fixing of the boundaries of those portions of the Property or regulating the order in which those portions may be subjected to the exercise of each development right. Declarant makes no assurances that Declarant will exercise the rights reserved by Declarant herein with respect to all or any portion of the Property or the Annexable Property and Declarant reserves the right to exercise such rights in such time frames and in a manner as Declarant deems fit in its sole and absolute discretion.

6.2 Right to Construct Additional Improvements. Declarant shall have and hereby reserves the right, but not the obligation to construct additional Improvements in the Community Area at any time and from time to time in accordance with this Declaration for the improvement and enhancement thereof and for the benefit of the Association and Owners. Declarant may convey or transfer Improvements constructed on Association Properties to the Association. Declarant shall have and hereby reserves an easement to enter each Lot to complete any Improvements, such as

Front Yard landscaping or raw water irrigation systems for which Declarant is obligated to complete.

6.3 Sales Offices, Models. Declarant reserves the right to maintain sales offices, management offices and models of any size on any of the Lots owned by Declarant, without limitation as to number. Any sales offices may be relocated to any other Lot owned by Declarant. Every sales office, management office and model on a Lot shall be a "unit" within the meaning of the Act and shall not constitute part of the Association Properties. If Declarant ceases to have any rights with regard to any real estate used as a sales office, management office or model, Declarant reserves the right to remove any improvements so utilized for a period of six (6) months following the date it receives notice that it ceased having such rights. Declarant shall have and hereby reserves the right to use Association Properties and services offered by the association in connection with the promotion and marketing of the Community Area. Without limiting the generality of the foregoing, Declarant may (a) erect and maintain on any part of the Association Properties such signs, temporary buildings and other structures as Declarant may reasonably deem necessary or proper in connection with the promotion, development and marketing of real property within the Community Area; (b) use vehicles and equipment on Association Properties for promotional purposes; (c) permit prospective purchasers of Lots to use Association Properties at reasonable times and in reasonable numbers; and (d) refer to the Association Properties and to the Association and services offered by the Association in connection with the development, promotion and marketing or property within the boundaries of the Community Area.

6.4 Declarant's Rights to Complete Development of Community Area. No provision of this Declaration shall be construed to prevent or limit Declarant's rights and Declarant reserves the right to (a) complete the development of property within the boundaries of the Community Area; (b) construct or alter Improvements on any property owned by Declarant within the Community Area, including temporary buildings; (c) maintain model homes, temporary buildings or offices for sales purposes, or similar facilities on any property owned by Declarant or owned by the Association within the Community Areas; (d) to store construction materials and vehicles on any property owned by Declarant or on the Association Properties; (e) perform warranty work, repairs and construction work within Lots and Common Areas; (f) post signs incidental to the development, construction, promotion, marketing or sales of property within the Community Area; and (g) enter Lots to construct the Irrigation System and to install landscaping in the Front Yard of any Lot. Nothing contained in this Declaration shall limit the right of Declarant or require Declarant to obtain approvals to: (a) excavate, cut, fill or grade any property owned by Declarant or to construct, alter, demolish or replace any Improvements on any property owned by Declarant; (b) use any structure on any property owned by Declarant as a construction, model home or real estate sales office in connection with the sale of any property within the boundaries of the Community Area; or (c) to require Declarant to seek or obtain the approval of the Design Review Committee or of the Association for any such activity or Improvement to Property on any property owned by Declarant. Nothing in this Declaration shall limit or impair the reserved rights of Declarant as elsewhere

provided in this Declaration. All such work may be performed without the consent of any Lot Owner or the Association.

6.5 Declarant's Approval of Conveyances or Changes in Use of Association Properties. Until Declarant has lost the right to appoint members of the Board of Directors as elsewhere provided herein, the Association shall not, without first obtaining the prior written consent of Declarant, which consent shall not be unreasonably withheld, convey, change, or alter the use of Association Properties, Mortgage the Association Properties or use Association Properties other than solely for the benefit of Members or as specifically allowed hereunder.

6.6 Reserved Easements. Declarant reserves a non-exclusive easement for the purpose of completing the development of the Community Area. Declarant reserves for itself a non-exclusive easement for the installation, repair, maintenance and replacement of water, sewer, electrical, gas, telephone, cable television, internet service, raw water irrigation and any other utility service lines, trunk lines and necessary appurtenances on, across, over and under any private roads within the Community Area, the Association Properties, and those portions of the Community Area (including the Lots) shown as being subject to any utility or drainage easements on any Plat or Supplemental Plat. Declarant may license utility providers to use this easement. Declarant also reserves the right to grant or create temporary or permanent easements for access, utilities, irrigation, drainage, in, on, under, over and across Lots owed by Declarant and Association Properties for any purpose incident to the development of the Lots within the Community Area.

6.7 Declarant's Rights to Convey Additional Property to Association. Declarant shall have and hereby reserves the right, but not the obligation to convey additional real property, portions of the raw water irrigation system, and Improvements thereon to the Association at any time and from time to time in accordance within this Declaration.

6.8 Annexation of Additional Properties. Declarant hereby reserves the right, for the period set forth in this Article 6, to annex additional real property to the Community Area in accordance with the following terms and provisions:

(a) Right to Annex Additional Property. Declarant shall have and hereby reserves the right to annex from time to time all or any portion of the Annexable Property to the Community Area. In accordance with the foregoing, each Owner of a Lot within the Community Area grants to Declarant the right to annex the Annexable Property to the Community Area and to modify such Owner's right to the Association Properties as more particularly set forth in this Article 6. Notwithstanding the foregoing, Declarant reserves the right to convey all or any portion of the Annexable Property to such third party or parties as Declarant deems appropriate whether for purposes consistent with the Declaration or otherwise. Declarant makes no assurances that all or any portion of the Annexable Property will be annexed to the Community Area and Declarant reserves the right to annex all or any portion of the Annexable Property to the Community Area in such order and in such a manner as Declarant deems fit in its sole and absolute discretion.

(b) Annexation Procedure. The annexation of additional real property to the Community Area by Declarant shall be effectuated by the filing of record with the Clerk and Recorder of the County, and the county in which the Annexable Property is located if different than the County, of: (a) a Supplemental Declaration containing a legal description of the real property to be annexed to the Community Area and such other terms and provisions as Declarant may prescribe in accordance with the terms and provisions hereof and (b) a Supplemental Plat or map which depicts the real property to be annexed to the Community Area and which otherwise contains all information required by the Act. The Supplemental Declaration shall incorporate the covenants, conditions and restrictions set forth herein and contain such additional covenants, conditions, restrictions, limitations, reservations, exceptions, equitable servitudes and provisions as Declarant may impose on such annexed property taking into account the unique and particular aspects of the proposed development of the real property encumbered by such Supplemental Declaration. Declarant shall have the right to reserve in a Supplemental Declaration any and all development rights which Declarant deems necessary or appropriate to complete the development of the property being annexed to the Community Area or which is otherwise necessary to meet the unique and particular aspects of such property. A Supplemental Declaration may provide for a sub-association of Owners within the property described in the Supplemental Declaration and for the right of such sub-association to assess such Owners.

(c) Effect of Expansion. Upon recordation of a Supplemental Declaration and a Supplemental Plat, the property described therein shall be subject to all covenants, conditions, restrictions, limitations, reservations, exceptions, equitable servitudes and other provisions set forth in this Declaration. In the event any real property is annexed to the Community Area as provided herein, the definitions used in this Declaration shall automatically be expanded to encompass and refer to the Community Area as expanded. Accordingly, the term "Community Area" shall mean the real property described herein plus all additional real property annexed thereto pursuant to a Supplemental Declaration. The terms "Common Area" and "Lots" shall include those areas described as such herein and on the Plat as well as those areas so designated within any Supplemental Declaration or upon any Supplemental Plat. References to this Declaration shall mean this Declaration as so supplemented by any Supplemental Declaration. Upon recordation of a Supplemental Declaration and Supplemental Plat, every Owner of a Lot in such annexed area shall, by virtue of ownership of such Lot, be a Member of the Association and shall be entitled to the same rights and privileges and subject to the same duties and obligations as any other Association Member, which rights and obligations shall include, but shall not be limited to, the right to vote in Association matters, the right to use Association Properties and the obligation to pay Assessments. Common Assessments for Lots within the area annexed to the Community Area shall commence as of the date of the recording of the Supplemental Declaration and shall be prorated as of such date. Except as may otherwise be provided herein, upon the annexation of any property to the Community Area, each Owner's voting rights with respect to Association matters shall be reallocated to provide that each Owner's proportionate rights with respect to such matters will be equal to a fraction the numerator of which shall be the number of Lots owned by such Member in the Community Area and the denominator of which shall be the total number of Lots within the Community Area.

(d) Annexation of Additional Unspecified Real Estate. Declarant hereby reserves the right, for the period set forth in this Article 6, to annex additional, unspecified real estate to the Community Area to the fullest extent permitted by the Act. In the event that Declarant elects to annex such additional property, Declarant shall annex such property to the Community in accordance with the provisions of this Article 6.

6.9 Withdrawal of Annexed Property. Property for which a Supplemental Declaration has been recorded may be withdrawn from the Community Area by Declarant at any time prior to the time that any Lot contained therein has been conveyed to a third party. Such withdrawal may be accomplished by the execution, acknowledgment and recordation of a "Notice of Withdrawal." The Notice of Withdrawal shall: (a) be executed and acknowledged by Declarant, as the Owner of the property being withdrawn; (b) contain an adequate legal description of the property being withdrawn from the Community Area; (c) contain a reference to the Supplemental Declaration by which such property was annexed to the Community Area including the date thereof and recording information of such Supplemental Declaration; (d) contain a statement and declaration that such property is withdrawn from the Community Area and shall not be thereafter subject to this Declaration or the Supplemental Declaration for such property. The withdrawal of such property from the Community Area shall be effective upon the recordation of the Notice of Withdrawal and, upon the recordation of the Notice of Withdrawal, the property described therein shall no longer be part of the Community Area or subject to this Declaration or Supplemental Declaration for such Property.

6.10 Expansion of Permitted Property Uses. Notwithstanding anything to the contrary contained herein, Declarant reserves the right to expand the permitted uses for Lots as provided in Article 3 hereof provided that such uses: (a) are consistent with Declarant's overall development plan for the Community Area; and (b) are in accordance with County rules, regulations, requirements and approvals.

6.11 Master Association. Declarant reserves the right to make the Planned Community subject to a master association.

6.12 Merger or Consolidation. Declarant reserves the right to merge or consolidate the Planned Community with another common interest community or communities of the same form of ownership.

6.13 Development Rights.

(a) Declarant hereby reserves for itself, its successors and assigns:

(i) the right to create additional Lots on the Property and Annexable Property, provided that the maximum number of Lots shall not exceed eight hundred and ninety-nine (899) or the maximum that may be permitted under applicable zoning regulations.

- (ii) the right to subdivide any Lot owned by Declarant;
- (iii) the right to combine any Lots owned by Declarant;
- (iv) the right to convey any Lot owned by Declarant to the Association;
- (v) those other rights reserved to Declarant under this Declaration and all other development rights and special declarant rights that may be reserved by a declarant under the Act; and
- (vi) an easement through the Association Properties and each Lot as may be reasonably necessary for the purpose of discharging any special declarant rights.

6.14 Amendments to Declarations. Declarant shall have the right to amend this Declaration and the Plat from time to time, without the consent of any Owner, First Mortgagee or Association, as may be permitted under the Act or as otherwise provided herein.

6.15 Creation of Lots. Declarant reserves the right to create additional Lots, common elements or limited common elements on all or any portion of the Annexable Property, provided that the maximum number of Lots shall not exceed eight hundred and ninety-nine (899) or the maximum that may be permitted under any applicable zoning regulation. Declarant reserves the right to convert any Lot then owned by Declarant into common elements.

6.17 Interference with Special Declarant Rights. Neither the Association nor any Owner may take any action or adopt any Rule or Regulation that interferes with or diminishes any special declarant right, without Declarant's prior written consent. Any action taken in violation of this Section 6.17 shall be null and void and have no force or effect.

6.18 Rights Transferable. Declarant may transfer any special declarant right reserved to it under this Article 6 or under any other provision of this Declaration in accordance with the terms and conditions of the Act.

6.19 Special Power of Attorney. THE ASSOCIATION, BY ACCEPTANCE OF A DEED FOR ANY COMMON AREA, IRREVOCABLY CONSTITUTES AND APPOINTS, WITH FULL POWER OF SUBSTITUTION, DECLARANT AS ITS TRUE AND LAWFUL ATTORNEY-IN-FACT WITH FULL POWER AND AUTHORITY, IN ITS NAME, PLACE, AND STEAD TO EXECUTE, CERTIFY, ACKNOWLEDGE, DELIVER, SWEAR TO, FILE, AND RECORD AT THE APPROPRIATE PUBLIC OFFICES SUCH DOCUMENTS AS MAY BE NECESSARY TO EXERCISE THE DECLARANT RIGHTS RESERVED HEREUNDER, INCLUDING, BUT NOT LIMITED TO, ANY DOCUMENTATION WHICH CREATES NEW EASEMENTS OVER, UNDER AND ACROSS THE COMMON AREA. THE APPOINTMENT OF THE DECLARANT



BY THE ASSOCIATION AS ITS ATTORNEY-IN-FACT HEREUNDER IS IRREVOCABLE AND SHALL BE DEEMED TO BE A POWER COUPLED WITH AN INTEREST AND SUCH POWER OF ATTORNEY SHALL SURVIVE THE BANKRUPTCY OR DISSOLUTION OF THE ASSOCIATION. THE POWER OF ATTORNEY GRANTED HEREUNDER SHALL BE DEEMED GRANTED TO DECLARANT BY ACCEPTANCE OF A DEED BY THE ASSOCIATION FOR ANY COMMON AREA AND SHALL TERMINATE ON THE DATE WHICH IS TEN YEARS FROM THE DATE OF THIS DECLARATION OR AT SUCH OTHER TIME AS THE POWER OF ATTORNEY GRANTED HEREUNDER IS RELINQUISHED BY THE DECLARANT.

ARTICLE 7

ASSOCIATION OPERATION

7.1 Association. The Association has been or will be formed as a Colorado corporation under the Colorado Revised Nonprofit Corporation Act. The Association has been or shall be organized prior to the date the first Lot located in the Community Area is conveyed to a Person other than Declarant. The Association shall have all duties, powers and rights set forth in the Act, the Colorado Revised Nonprofit Corporation Act, this Declaration and in its Articles of Incorporation and Bylaws.

7.2 Association Board of Directors. The affairs of the Association shall be managed by a Board of Directors. The number, term and qualifications of the Board of Directors shall be fixed in the Articles of Incorporation and Bylaws. The Board of Directors may, by resolution, elect to delegate portions of its authority to officers of the Association, but such delegation of authority shall not relieve the Board of Directors of the ultimate responsibility for management of the affairs of the Association. Action by or on behalf of the Association may be taken by the Board of Directors or any duly authorized executive committee, officer, agent, or employee without a vote of Members, except as otherwise specifically provided in this Declaration.

7.3 Membership in Association. Each Owner of a Lot within the Community Area shall be a Member of the Association. There shall be one Membership in the Association for each Lot within the Community Area. The Person or Persons who constitute the Owner of a Lot shall automatically be the holder of the Membership appurtenant to that Lot, and the Membership appurtenant thereto shall automatically pass with fee simple title to the Lot. Declarant shall hold a Membership in the Association for each Lot owned by Declarant. Membership in the Association shall not be assignable separate and apart from the fee simple title to a Lot except that an Owner may assign some or all of his rights as an Owner and as a Member of the Association to a tenant or Mortgagee and may arrange for a tenant to perform some or all of such Owner's obligations as provided in this Declaration, but no Owner shall be permitted to relieve himself of the responsibility for fulfillment of the obligations of an Owner under this Declaration.

7.4 Voting Rights of Members. Each Member shall have the right to cast one vote for each Lot owned by such Member in accordance with the Bylaws, provided in no event shall there be more than one (1) vote per Lot. If title to a Lot is owned by more than one (1) Person, such Persons shall collectively vote their interest as a single vote. Notwithstanding the foregoing, Declarant shall be entitled to select and appoint, in its sole discretion, Directors, in accordance with the Bylaws, until the expiration of the Declarant's Control Period, as hereinafter defined; provided, however, that (a) not later than sixty (60) days after the conveyance by Declarant to Owners other than Declarant of twenty-five percent (25%) of the total number of Lots that may be created within Buckhorn Valley, at least one Member, and not less than twenty-five percent (25%) of the members of the Board of Directors must be elected by Owners other than Declarant; and (b) that no later than sixty (60) days after the conveyance by Declarant of fifty percent (50%) of the total number of Lots that may be created within Buckhorn Valley to Owners other than Declarant, not less than thirty-three and one-third percent (33-1/3%) of the Members of the Board of Directors must be elected by Owners other than Declarant. The "Declarant's Control Period" shall mean the period commencing on the date of recordation of this Declaration and ending upon the occurrence of any one of the following events: (a) when seventy-five percent (75%) of the total number of Lots that may be created within Buckhorn Valley have been conveyed to Persons other than Declarant; (b) two (2) years after the last conveyance of a Lot by Declarant in the ordinary course of business; (c) two (2) years after any right to add new Lots was exercised by Declarant; or (d) when, in its discretion, Declarant so determines. Within sixty (60) days of the expiration of the Declarant's Control Period, the Owners shall elect a Board of at least three (3) members at least a majority of which shall be Owners other than Declarant or designated Lot Owners other than Declarant.

7.5 Determination of Member Voting Percentages. Notwithstanding anything to the contrary contained herein, only Members whose voting rights are in good standing under the Association's Bylaws (e.g., voting rights which have not been suspended as provided therein) shall be entitled to vote on Association matters. In accordance therewith, any and all provisions contained herein requiring the approval of a requisite percentage of Members of the Association shall be deemed satisfied when the requisite percentage of Members entitled to vote has been met.

7.6 Delivery of Documents. Within sixty (60) days after the Owners elect a majority of the members of the Board, the Declarant shall deliver to the Association all of the property, documents and information required under the Act.

ARTICLE 8

DUTIES AND POWERS OF ASSOCIATION

8.1 General Duties and Powers of Association. The Association has been formed to further the common interests of the Members. The Association, acting through the Board of Directors or Persons to whom the Board has delegated such powers, shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to

further the common interests of the Members, to maintain, improve and enhance the common interests of the Members, to maintain, improve and enhance Association Properties and to improve and enhance the attractiveness, aesthetics and desirability of the Community Area.

8.2 Duty to Accept Property and Facilities Transferred by Declarant. The Association shall accept title to any real property, including any Improvements, and personal property transferred to the Association by Declarant, together with the responsibility to perform any and all Administrative Functions associated therewith, provided that such property and Administrative Functions are not inconsistent with the terms of this Declaration. Property interests to be transferred to the Association by Declarant may include fee simple title, easements, leasehold interests, irrigation service lines, sprinkler systems and Front Yard landscaping. Any property or interest in property transferred to the Association by Declarant shall, except to the extent otherwise specifically approved by resolution of the Board of Directors, be transferred to the Association free and clear of all liens and encumbrances (other than the lien of property taxes and assessments not then due and payable), but shall be subject to the terms of this Declaration, and such easements, covenants, conditions, restrictions and equitable servitudes or other encumbrances of record. The property or interest in property transferred to the Association by Declarant shall not impose any unreasonable or special burden on the Association other than the normal burdens of ownership of property.

8.3 Duty to Manage and Care for Association Properties. The Association shall manage, operate, care for, maintain and repair all Association Properties, and keep the same in an attractive and desirable condition for the use and enjoyment of the Members. In accordance with the foregoing, the Association shall have the duty to maintain: (a) all private streets, if any, located within the Community Area and owned by the Association in good condition and repair; (b) all detention ponds which are located within the Community Area and which are located upon real property owned by the Association; (c) all gardens and other open or landscaped space located upon real property owned by the Association; and (d) that portion of the raw water irrigation system owned by the Association.

8.4 Duty to Maintain Front Yards. Declarant intends to transfer to the Association all of the sod, shrubs, trees and other landscaping installed by Declarant in the Front Yard of each Lot. The Association shall care for, irrigate, trim, maintain and, as necessary, replace the grass, shrubs, trees and other landscaping owned by the Association located in the Front Yard of each Lot and keep the same in an attractive and desirable condition. In accordance with the foregoing, the Association is hereby granted a perpetual non-exclusive easement on, over, under and across the Front Yard of each Lot to (a) mow lawns and trim shrubs and trees; (b) install, repair, maintain, operate and replace irrigation and sprinkler systems; (c) water and irrigate lawns, shrubs and trees; (d) spray lawns, shrubs and trees with fertilizer, insecticide and weed killer; (e) replace any dead, dying or disease infested landscaping; or (f) any similar or related activity. When landscaping is replaced, it need not necessarily be of the same size, grade, species or age as any removed. The Association shall not be liable for any damage or loss incurred by any Owner or Related User for personal property left or stored in the Front Yard which may be caused by any of the foregoing activities.

8.5 Irrigation System. The general plan of development for the PUD includes a raw water irrigation system to provide irrigation for the Front Yards of the Lots subject to this Declaration, Association Properties, and open space and other areas within Buckhorn Valley. The District and/or the Master Association may operate a system of reservoirs and main distribution lines for the delivery of the raw water. The District and/or the Association may charge tap fees and usage fees for the water used by the Owners. The Association shall accept from the Declarant, District, or Master Association those portions of the raw water irrigation system that are to be operated by the Association. Once owned by the Association, the Association shall repair, maintain, and operate that portion of the raw water irrigation system owned by the Association and shall keep the same in an operating condition. The Association may install, maintain, repair and operate service lines within the Community Area (including the Lots) for the purpose of delivering water to the Lots or any other portion of the Community Area. At the election of the Board of Directors, the cost of purchasing water for the raw water system and the cost of operating and maintaining the raw water system may either constitute part of the Association's expenses, to be included in the Assessments, or the Association may charge each of the Owners a service fee. Service fees may be established by the Board of Directors based on any reasonable method, including, but without limitation, installing meters and charging based upon actual usage or estimating usage based on landscaped area. The Association may adopt the Rules and Regulations regarding restrictions and limitations on the Owners' rights to use raw water supplied through the irrigation system owned by the Association. The Declarant hereby grants and conveys to the Association a perpetual non-exclusive easement for the installation, repair, maintenance, and replacement of any service lines, trunk lines, and other necessary appurtenances in connection with the raw water irrigation system on, across, over and under those portions of the Lots shown as being subject to any utility or drainage easements on any Plat or Supplemental Plat. The Association shall not be liable for any failure in its ability to acquire adequate or sufficient water supplies for the irrigation system if reliable supplies are not available from the Master Association and the District.

8.6 Perimeter Fencing. The Declarant and/or the Association shall have the right, but not the obligation, to install fencing within the Community Area along Association Properties and/or any arterial, collector or other street right-of-ways located within the Community Area (the "**Perimeter Fencing**"). Such Perimeter Fencing shall be deemed Association Property and the Association shall have the duty and obligation to maintain the Perimeter Fencing in good condition and repair, including, but not limited to, the duty to repair and replace the Perimeter Fencing as reasonably necessary. Owners of Lots within the Property acknowledge and agree that such Perimeter Fencing may be located partially upon or adjacent to Lots within the Community Area. Accordingly, the Association is hereby granted an access easement to enter upon Lots within the Community for the purpose of maintaining, constructing, repairing and replacing Perimeter Fencing. The Association is also hereby granted an encroachment easement over and across any portion of a Lot within the Community Area upon which such Perimeter Fencing encroaches. The Association shall be entitled to levy a Reimbursement Assessment against any Owner who causes any damage or destruction to the Perimeter Fencing for the costs incurred by the Association for repairing such damage or destruction. Notwithstanding anything to the contrary contained herein, the Association



shall have no obligation to maintain or repair any side-lot or rear-lot fencing which is not deemed Perimeter Fencing by the Association (e.g. boundary fencing between Lots). Fencing within the Community Area shall not be deemed Perimeter Fencing hereunder unless such fencing is expressly designated as such by the Association in writing.

8.7 Duty to Pay Taxes. The Association shall pay all taxes and assessments levied upon the Association Properties and all taxes and assessments payable by the Association. The Association shall have the right to contest any such taxes or assessments provided that the Association shall contest the same by appropriate legal proceedings which shall have the effect of preventing the collection of the tax or assessment and the sale or foreclosure of any lien for such tax or assessment and provided that the Association shall keep and hold sufficient funds to pay and discharge the taxes and assessments, together with any interest and penalties which may accrue with respect thereto, if the contest of such taxes is unsuccessful.

8.8 Duty to Maintain Casualty Insurance. The Association shall obtain and keep in full force and effect at all times, to the extent reasonably obtainable: (a) property insurance on all insurable Improvements and personal property owned by the Association for broad form covered causes of loss, including casualty and fire; and (b) extended coverage insurance with respect to all insurable Improvements and personal property owned by the Association including, if available at reasonable cost, coverage for vandalism and malicious mischief and, if available and if deemed appropriate, coverage for flood, earthquake, and war risk. Such insurance shall, to the extent reasonably obtainable, be for the full insurable replacement cost of the insured property, less applicable deductibles at the time the insurance is purchased and at each renewal date, exclusive of land, excavation, foundations and other items normally excluded from property policies.

8.9 Duty to Maintain Liability Insurance. The Association shall obtain and keep in full force and effect at all times, to the extent reasonably obtainable, general liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Association Properties and covering commercial general liability for bodily injury and property damage and, if the Association owns or operates motor vehicles, automobile liability for bodily injury and property damage arising as a result of the ownership and operation of motor vehicles. Such liability insurance for other than motor vehicle liability shall, to the extent reasonably obtainable: (a) have limits of not less than five hundred thousand dollars (\$500,000.00) per person and one million dollars (\$1,000,000.00) per occurrence; (b) insure the Board, the Association and the managing agent of the Association, if any, and their respective employees, agents and all Persons acting as agents; (c) include the Declarant as an additional insured in such Declarant's capacity as a Member or Board member; (d) include the Members as an additional insured, but only for claims and liabilities arising in connection with the ownership, existence, use or management of Association Properties; and (e) cover claims of one or more insured parties against other insured properties.

8.10 General Provisions Respecting Insurance. Insurance obtained by the Association may contain such deductible provisions as good business practice may dictate. If the insurance described

is not reasonably available, or if any policy of such insurance is cancelled or renewed without a replacement policy therefor having been obtained by it, the Association shall promptly cause notice of that fact to be delivered to all Members. The Association may carry any other type of insurance it considers appropriate, in amounts it deems appropriate, to insure the interests of the Association. Insurance policies carried pursuant to this Article 8 shall provide that: (a) each Member is an insured person under the policy with respect to liability arising out of such Member's interest in the Association Properties or membership in the Association; (b) the insurer waives its right of subrogation under the policy against the Association, each Member, and any Person claiming by, through, or under such Member or any other director, agent, or employee of the foregoing; (c) no act or omission by any Member, unless acting within the scope of such Member's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and (d) if, at the time of a loss under the policy, there is other insurance in the name of a Member covering the same risk covered by the policy, the Association's policy shall be the primary insurance. The Association may adopt and establish written nondiscriminatory policies and procedures relating to the submittal of claims, responsibility for deductibles and any other matters of claims adjustment. To the extent the Association settles claims for damages to real property, it shall have the authority to assess negligent Owners causing such loss or benefiting from such repair or restoration for all deductibles paid by the Association. Insurance obtained by the Association shall, to the extent reasonably possible and provided Declarant reimburses the Association for any additional premium payable on account thereof, name Declarant as an additional insured and shall contain a waiver of rights of subrogation as against Declarant. Insurance policies and insurance coverage shall be reviewed at least annually by the Board of Directors to ascertain whether coverage under the policies is sufficient in light of the current values of the Association Properties and in light of the possible or potential liabilities of the Association. The aforementioned insurance may be provided under blanket policies covering the Association Properties and property of Declarant. In no event shall insurance coverage obtained or maintained by the Association be bought in conjunction with insurance purchased by Owners, occupants or their Mortgagees.

8.11 Fidelity Bonds Required. The Association shall obtain and keep in force at all times such fidelity bond or bonds as may be required by the Act for persons handling funds of the Association. To the extent obtained, each such bond shall name the Association as obligee and shall be in an amount not less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the Association's managing agent, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than a sum equal to three (3) months' aggregate assessments on all Lots plus reserve funds. Any Person employed as an independent contractor by the Association for the purpose of managing the Association Properties must obtain and maintain fidelity insurance in an amount not less than three (3) months' aggregate assessments on all Lots plus reserve funds.

8.12 Other Insurance and Bonds. The Association shall obtain such other insurance as may be required by law, including worker's compensation insurance, and shall have the power to

obtain such other insurance and such fidelity, indemnity, or other bonds as the Association shall deem necessary or desirable.

8.13 Duty to Prepare Budgets. The Association shall prepare Budgets for the Association as provided in Article 9 of this Declaration.

8.14 Duty to Levy and Collect Assessments. The Association shall levy and collect Assessments as provided in Article 9 of this Declaration.

8.15 Duty to Keep Association Records. The Association shall keep financial records sufficiently detailed to enable the Association to comply with the Act, including, but not limited to, financial records sufficiently detailed to provide a statement setting forth the amount of any unpaid Assessments currently levied against an Owner.

8.16 Duties with Respect to Design Review Committee Approvals. The Association shall perform functions to assist the Design Review Committee as elsewhere provided in this Declaration.

8.17 Power to Acquire Property and Construct Improvements. The Association may acquire property or interests in property for the common benefit of Owners including Improvements and personal property. The Association may construct Improvements on property and may demolish existing Improvements.

8.18 Power to Adopt Rules and Regulations. The Association may adopt, amend, repeal, and enforce Rules and Regulations as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration, the operation of the Association, the use and enjoyment of Association Properties and the use of any other property within the Community Area, including Lots. The Association may adopt provisions in the Rules and Regulations which apply to less than all of the area comprising the Community Area, such that the Rules and Regulations need not be uniformly applied across all of the Community Area or all of the Lots. For example, if bears create a problem with trash containers in the upper end of Buckhorn Valley, the Association could adopt special requirements for trash removal for the area the Board determines is subject to bear visitation. Any such Rules and Regulations shall be effective only upon adoption by resolution of the Board of Directors. Notice of the adoption, amendment, or repeal of any Rule or Regulation shall be given in writing to each Member at the address for notices to Members as elsewhere provided in this Declaration or the Bylaws, and copies of the currently effective Rules and Regulations shall be made available to each Member upon request and payment of the reasonable expense of copying the same. Each Member shall comply with such Rules and Regulations and shall see that Persons claiming through such Member comply with such Rules and Regulations. Such Rules and Regulations shall have the same force and effect as if they were set forth in and were part of this Declaration. In the event of conflict between the Rules and Regulations and the provisions of this Declaration, the provisions of this Declaration shall prevail.

8.19 Power to Enforce Declaration and Rules and Regulations. The Association shall have the power to enforce the provisions of this Declaration and the Rules and Regulations and shall take such action as the Board deems necessary or desirable to cause such compliance by each Owner and each Person claiming by, through, or under such Member ("**Related User**"). Without limiting the generality of the foregoing, the Association shall have the power to enforce the provisions of this Declaration and the Rules and Regulations by any one or more of the following means: (a) by entry upon any property within the Community Area after Notice and Hearing (unless a bona fide emergency exists), without liability to the Owner thereof or the Association, for the purpose of enforcement or causing compliance with this Declaration or the Rules and Regulations; (b) by commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this Declaration or the Rules and Regulations, by mandatory injunction or otherwise; (c) by commencing and maintaining actions and suits to recover damages for breach of any of the provisions of this Declaration or the Rules and Regulations; (d) by suspension, after Notice and Hearing, of the voting rights of a Member during and for up to sixty (60) days following any breach by such Member or a Related User of such Member of this Declaration or the Rules and Regulations, unless the breach is a continuing breach in which case such suspension shall continue for a period not to exceed sixty (60) days from the date such breach is cured; (e) by levying and collecting a Reimbursement Assessment against any Owner for breach of this Declaration or the Rules and Regulations by such Owner or Related User of such Owner; and (f) by levying and collecting uniformly applied fines and penalties, established in advance in the Rules and Regulations of the Association, from any Owner or Related User for breach of this Declaration or the Rules and Regulations by such Owner or Related User of such Owner.

8.20 Power to Grant Easements. The Association shall have the power to grant access, utility, drainage, water facility, and other such easements in, on, over, or under Association Properties, as well as the power to designate portions of the Association Properties as limited common elements for the benefit of specific Lot owners.

8.21 Power to Convey and Dedicate Property to Governmental Agencies. The Association, with the approval of Members representing at least sixty-seven percent (67%) of the voting power of the Association entitled to vote (exclusive of the voting power of the Declarant), shall have the power to grant, convey, dedicate, or transfer any Association Properties or facilities to any public, governmental or quasi-governmental agency or authority for such purposes and subject to such terms and conditions as the Association shall deem appropriate, subject to the provisions elsewhere contained in this Declaration for approval of the same by Declarant with respect to property transferred to the Association by Declarant.

8.22 Power to Borrow Money and Mortgage Property. The Association shall have the power to borrow money and, with the approval of Members representing at least sixty-seven percent (67%) of the voting power of the Association entitled to vote (exclusive of the voting power of Declarant), to encumber Association Properties as security for such borrowing, subject to provisions

elsewhere contained in this Declaration with respect to required approvals and consents to such action.

8.23 Power to Engage Employees, Agents, and Consultants. The Association shall have the power to hire and discharge employees and agents and to retain and pay for management, (e.g., management company), legal and accounting services as may be necessary or desirable in connection with the performance of any duties or the exercise of any powers of the Association under this Declaration.

8.24 General Corporate Powers. The Association shall have all of the ordinary powers and rights of a Colorado corporation formed under the Colorado Revised Nonprofit Corporation Act, including, without limitation, entering into partnership and other agreements, subject only to such limitations upon such powers as may be set forth in this Declaration or in the Articles of Incorporation or Bylaws. The Association shall also have the power to do any and all lawful things which may be authorized, required, or permitted to be done under this Declaration or the Articles of Incorporation or Bylaws and to do and perform any and all acts which may be necessary or desirable for, or incidental to, the exercise of any of the express powers or rights of the Association under this Declaration and the Articles of Incorporation or Bylaws.

8.25 Power to Delegate to Master Association. Certain functions, powers and duties of the Association may from time to time be delegated to and then performed and/or exercised by the Master Association. The Board of Directors of the Association may from time to time by board resolution delegate all or any of its functions, powers and duties to the Master Association in accordance with C.R.S. § 38-33.3-220, and any such amendments thereto.

8.26 Aggregation of Utilities. The Association shall have the right to aggregate all or any portion of the Owners for the purposes of purchasing from third party vendors electrical, gas, telephone, cable television, internet access, data transmission, local telephone service, long distance telephone service and other utility or communication services. Each Owner, by accepting a Deed for any Lot, irrevocably constitutes and appoints with the full power of substitution, the Association as its true and lawful attorney in fact, with the full power and authority, in its name, place and stead, to execute, certify, acknowledge, deliver, swear to, file and record any documents as necessary to aggregate utility services for all Owners as provided above, including, but not limited to, any documentation which binds each Owner to use one particular service provider for any such utility service. The appointment of the Association as the Owner's attorney in fact is irrevocable and shall be deemed to be coupled with an interest and shall survive the death or disability of any Owner. If the Association aggregates all of the Owners for the purpose of purchasing any such utility service, the Association shall not be responsible or in any way liable for the quality of or failure to provide any such utility service. Each Owner agrees to abide by the Association's choice of providers, and shall not contract for any such utility services for which the Association has contracted to Aggregate all of the Owners in the Community Area. Declarant hereby grants and conveys to the Association a perpetual non-exclusive easement for the installation, repair, maintenance and replacement of

water, sewer, electrical, gas, telephone, cable television, internet service, and any other utility service, lines, trunk lines, and related appurtenances in connection therewith on, across, over and under any portions of the Lots shown as being subject to any utility or drainage easements on any Plat or Supplemental Plat. The Association may grant permits to any utility provider to utilize this easement. The Association shall not provide for the aggregation of any utility service that has been aggregated for the Owners by the Master Association.

8.27 Powers Provided by Law. In addition to the above-referenced powers, the Association shall have full power to take and perform any and all actions which may be lawfully taken by the Association under the Colorado Revised Nonprofit Corporation Act and the Colorado Common Interest Ownership Act, as the same may be amended from time to time. Without limiting the foregoing, the Board of Directors may delegate to the Master Association the power to adopt and amend budgets for revenues, expenditures and reserves and collect assessments for common expenses from Unit Owners. The Board of Directors may make a delegation of any of its powers by resolution and may rescind the delegation by resolution. The members of the Board of Directors shall have no liability for the acts of omissions of the Master Association with respect to those powers so delegated following and during the period of such delegation.

ARTICLE 9

ASSESSMENTS, BUDGETS, AND FUNDS

9.1 Maintenance Funds To Be Established. The Association shall establish and maintain the following separate Maintenance Funds: (a) an "Operating Fund" and (b) a "Reserve Fund." The Maintenance Funds shall be established as one or more trust savings or trust checking accounts at any financial institution in which deposits are insured by an agency of the federal government. Any surplus funds derived from Assessments shall be transferred to the Reserve Fund or used for Association operations during the next fiscal year in the Board's discretion. In no event shall any surplus funds be distributed to Owners. Each Owner by acceptance of the deed to Owner's Lot, for each fiscal year of the Association in which the Lot is owned, hereby authorizes the Board, in its sole discretion, to either use such surplus during the next fiscal year or to transfer it to the Reserve Fund.

9.2 Establishment of Other Funds. The Association may establish other funds as and when needed. Nothing herein shall limit, preclude or impair the authority of the Association to establish other funds for specified purposes authorized by this Declaration. If the Association establishes any additional funds, the Board shall designate an appropriate title for the fund to distinguish it from other funds maintained by the Association.

9.3 Working Capital Assessment. The Association may elect to impose and collect a Working Capital Assessment in an amount not to exceed three (3) times the monthly Common Assessment of each Lot. Such payments shall not be considered advance payments of Common Assessments. The Working Capital Assessment may be imposed and due owing upon the initial sale

of each Lot by Declarant to an Owner other than Declarant or a Builder. The Association shall deposit such Working Capital Assessments into the Operating Fund. The working capital deposit made by an Owner shall be returned to each Owner upon the sale of the Lot, provided that the new purchaser of the Lot has deposited the required working capital deposit with the Association. In the alternative, upon a transfer of a Lot, the Association may retain the Working Capital Assessment and transfer it to the new Owner of the Lot, in which case the Seller of the Lot shall be credited with amount of the Working Capital Assessment on the settlement sheets at the closing of the sale of the Lot.

9.4 Deposit of Common Assessments to Maintenance Funds. Monies received by the Association from Common Assessments shall be deposited in the Maintenance Funds in accordance with the following provisions: (a) there shall be deposited in the Operating Fund that portion of the Common Assessments which, according to the Association Budget for the year, was budgeted for operating costs and expenses relating to or arising from the performance of Administrative Functions by the Association, and (b) there shall be deposited to the Reserve Fund that portion of the Common Assessments which were budgeted for capital repairs, maintenance, replacements and improvements.

9.5 Other Deposits to Maintenance Funds. The Association shall deposit monies received by the Association from sources other than Common Assessments in the Maintenance Fund determined by the Board of Directors to be most appropriate. For example, Reimbursement Assessments shall be deposited to the Maintenance Fund from which the costs and expenses were or will be paid which form the basis for the Reimbursement Assessments and Special Assessments for capital repairs, maintenance, replacements and Improvements shall be deposited to the Reserve Fund from which such capital costs have been or will be paid. Interest and late charges received on account of delinquent assessments may be allocated among the Maintenance Funds in the same proportions as the delinquent assessments were allocated or, at the discretion of the Board of Directors, may be allocated to any one or more of the Maintenance Funds or other funds.

9.6 Disbursements from Maintenance Funds. All amounts deposited in the Maintenance Funds shall be used solely for the common benefit of all the Members for purposes authorized by this Declaration. Disbursements from particular Maintenance Funds shall be limited to specified purposes as follows: (a) disbursements from the Operating Fund may be made for such purposes as are necessary or proper under this Declaration, except those purposes for which disbursements are to be made from other Maintenance Funds; and (b) disbursements from the Reserve Fund shall be made solely for purposes of funding those Administrative Functions which cannot be expected to recur on an annual or more frequent basis.

9.7 Authority for Disbursements. The Board shall have the authority to make or to authorize an agent to make disbursements of any monies to or from any Maintenance Fund.

9.8 Common Assessments. For each calendar year, the Association may levy Common Assessments against Owners of the Lots provided that to the extent the Board determines that it is

feasible (i) any common expense or a portion thereof benefiting fewer than all of the Lots shall be assessed exclusively against the Lots benefited, and (ii) costs of insurance shall be assessed in proportion to risk and costs of utilities shall be assessed in proportion to usage. Each Owner shall be obligated to pay the Common Assessments levied against and allocated to such Owner and the Lot of such Owner, as hereinafter provided.

9.9 Apportionment of Common Assessments. The amount of the Common Assessments for any year, payable by the Owner of such Lot, shall be computed by multiplying the total amount to be raised by the Common Assessments for that year, as shown in the Association Budget for that year, by a fraction, the numerator of which is one (1) and the denominator of which is the total number of Lots in the Community Area as of the first day of that calendar year.

9.10 Funding of Reserve Funds. The Board, in budgeting and levying Common Assessments, shall endeavor to fund the Reserve Fund by regularly scheduled payments included as part of the Common Assessments rather than by large Special Assessments.

9.11 Supplemental Common Assessments. Except as otherwise provided herein, if the estimated sums contained in the Budget prove inadequate for any reason, including nonpayment of any Owner's Common Assessment, the Board may, from time to time, levy a Supplemental Common Assessment for any of the Maintenance Funds. Such Supplemental Common Assessment shall be assessed against the Owner of each Lot, in the same manner Common Assessments are originally assessed each year by the Board with respect to the particular Maintenance Fund. Written notice of any change in the amount of any annual Common Assessment shall be sent to every Owner subject thereto, not less than thirty (30) days prior to the effective date of such change.

9.12 Annual Budgets. The Common Assessment shall be made on an annual basis against all Lots based upon the Association's advance budget of the cash requirements needed by it to provide for the administration and performance of its duties during such year. The budget shall be submitted to the Owners in the manner provided in the Act; provided, however, that the percentage necessary to disapprove the budget shall be eighty percent (80%). Common Assessments shall be due and payable annually or in periodic installments, or in any other manner, as determined by the Board. Initial Common Assessments for any particular Lot may begin on the first day of the month in which conveyance of the first Lot to an Owner other than the Declarant occurs. Initial Common Assessments for the area comprising the initial Community Area upon Recording this Declaration shall commence on the first day of the month in which the Association anticipates it will commence maintaining the Front Yards. The omission of the Board to levy the Assessment for any period shall not be deemed a waiver, modification or a release of the Owners from their obligation to pay.

9.13 Member Approval of Increase in Maximum Common Assessment. If the Board of Directors, by majority vote, determines that the important and essential functions of the Association will not be properly funded in any one year or in any one year and subsequent years by the amount of the Maximum Common Assessment, it may call a meeting of Members requesting approval of

a specified increase in the Common Assessments. An increase in the Common Assessment for any year shall require the approval of Members representing two-thirds (2/3) of the entire voting power of the Association entitled to vote (exclusive of the voting power exercisable by Declarant).

9.14 Special Assessments for Capital Expenditures. In addition to Common Assessments, the Board of Directors may, subject to the provisions of this Section, levy Special Assessments for the purpose of raising funds not otherwise provided under the Budget from Common Assessments to (a) construct or reconstruct, repair or replace capital Improvements upon Association Properties, including necessary personal property related thereto; (b) add to the Association Properties; (c) provide for necessary facilities and equipment to offer the services authorized in this Declaration; or (d) repay any loan made to the Association to enable it to perform the duties and functions authorized in this Declaration. The Board of Directors shall not levy Special Assessments without the vote of the Members representing at least two-thirds (2/3) of the Owners of Lots subject to the Special Assessment who are entitled to vote. Special Assessments for capital Improvements which may be used by all Members of the Association shall be levied solely on the basis of, and in proportion to, the Membership Interest of an Owner. The Association shall notify Members in writing of the amount of any Special Assessment and of the manner in which, and the dates on which, any such Special Assessment is payable and the Members shall pay any such Special Assessment in the manner so specified.

9.15 Reimbursement Assessments. The Board of Directors may, subject to the provisions hereof, levy a Reimbursement Assessment against any Owner if the willful or negligent failure of an Owner, or a Person acting by or through an Owner, to comply with this Declaration, the Articles of Incorporation, the Bylaws or the Rules and Regulations results in the expenditure of funds by the Association including, but not limited to, court costs and attorneys' fees. Such Assessment shall be known as a Reimbursement Assessment. The amount of the Reimbursement Assessment shall be due and payable to the Association thirty (30) days after notice to the Owner of the decision of the Board of Directors that the Reimbursement Assessment is owing. An Owner shall be entitled to Notice and Hearing prior to the issuance of a Reimbursement Assessment against such Owner by the Association.

9.16 Late Charges and Interest. If any Assessment, or any installment thereof, is not paid when due, the Owner obligated to pay the Assessment may be required to pay a reasonable late charge to be determined by the Board. Any Assessment, or installment of Assessment, which is not paid when due shall bear interest from the date such Assessment was due at a rate of eighteen percent (18%) per annum or such other rate, not to exceed the maximum permitted by law, as the Board may from time to time designate.

9.17 Notice of Default and Acceleration of Assessments. If any Assessment, or any installment thereof, is not paid when due, the Board of Directors may mail a notice of default ("**Notice of Default**") to the Owner and to each first Mortgagee of the Lot who has requested a copy of the notice. If the delinquent Assessment or installment and any late charges or interest thereon are

not paid in full on or before the date specified in the notice, the Board, at its option, may declare all of the unpaid balance of the Assessment for the then current calendar year to be immediately due and payable without further demand and may enforce the collection of the full Assessment and all charges and interest thereon in any manner authorized by law or in this Declaration, subject to the protection afforded to Mortgagees under this Declaration.

9.18 Remedies to Enforce Assessments. Each Assessment levied hereunder shall be a separate, distinct and personal debt and obligation of the Owner or Member against whom the same is assessed. In the event of a default in payment of any Assessment or installment thereof, whether Common, Special, or Reimbursement, the Board may, in addition to any other remedies provided under this Declaration or by law, enforce such obligation on behalf of the Association by suit or by the filing and foreclosure of a lien as hereinafter provided.

9.19 Lawsuit to Enforce Assessments. The Board may bring a suit at law to enforce any Assessment obligation. Any judgment rendered in such action shall include any late charges, interest, and other costs of enforcement, including reasonable attorneys' fees in the amount as the court may adjudge, against the defaulting Owner or Member.

9.20 Lien to Enforce Assessments. Pursuant to and in accordance with the Act, the Association shall have a statutory lien on a Lot for any Assessment levied against that Lot, and/or fines imposed against its Owner, from the time such Assessment or fine becomes due. All fees, charges, late charges, attorneys' fees, fines and interest outstanding from such Owner shall be included in such lien. The lien created hereby and under the Act shall be prior to any declaration of homestead rights recorded after the time that the Lot becomes a part of the Community Area and shall have the priority attached to such lien under the Act and under Colorado law. The lien shall continue until the amounts secured thereby and all subsequently accruing amounts are fully paid or otherwise satisfied. Unless paid or otherwise satisfied, the lien may be foreclosed in the manner for the foreclosure of mortgages in the State of Colorado or in any other manner provided under Colorado law.

9.21 Estoppel Certificates. Upon the written request of any Member and any Person with, or intending to acquire, any right, title, or interest in the Lot of such Member, the Association shall furnish a written statement setting forth the amount of any Assessments or other amounts, if any, due and accrued and then unpaid with respect to a Lot and the Owner thereof, and setting forth the amount of any Assessment levied against such Lot which is not yet due and payable. Such statement shall, with respect to the Person to whom it is issued, be conclusive against the Association and all Persons for all purposes, that no greater or other amounts were then due or accrued and unpaid and that no other Assessments have been levied.

9.22 No Offsets. All Assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reduction thereof shall be permitted for any reason including, without

limitation, any claim that the Association or the Board of Directors is not properly exercising its duties and powers under this Declaration.

ARTICLE 10

MISCELLANEOUS

10.1 Term of Declaration. Unless amended as herein provided, each provision contained in this Declaration shall continue and remain in full force and effect until December 31, 2050, and thereafter shall be automatically extended for successive periods of ten (10) years each until terminated at any time by the vote, by written ballot, of Members holding at least sixty percent (60%) of the voting power of Members of the Association entitled to vote. In the event this Declaration is terminated, the termination of this Declaration shall be evidenced by a termination agreement ("**Termination Agreement**"), or ratification thereof, executed by the requisite number of Owners. The Termination Agreement shall specify a date after which the Termination Agreement will be void unless recorded before such date. The Termination Agreement shall be Recorded and the termination of this Declaration shall be effective upon such recording.

10.2 Amendment of Declaration by Declarant. Until such time as Declarant has conveyed any portion of the Community Area to a third party, any of the provisions, covenants, conditions, restrictions and equitable servitudes contained in this Declaration may be amended or terminated by Declarant by the recordation of a written instrument, executed by Declarant, setting forth such amendment or termination. Declarant reserves the right to unilaterally amend this Declaration in all circumstances permitted by the Act.

10.3 Amendment of Declaration by Members. Except as otherwise provided in this Declaration, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration may be amended, repealed or expanded (by adding additional provisions or properties) at any time and from time to time upon approval of the amendment by Members holding at least sixty percent (60%) of the voting power of the Association entitled to vote. The amendment shall be effective upon the recordation of a certificate (which may be contained in the Amendment) executed by the President or a Vice President setting forth the amendment in full and certifying that the amendment or repeal has been approved by the Members. Any amendment to the Declaration made hereunder shall be effective only when Recorded.

10.4 Amendment of Articles and Bylaws. The Articles of Incorporation and Bylaws may be amended in accordance with the provisions set forth in such instruments or, in the absence of such provisions, in accordance with applicable provisions of the Colorado Reserved Nonprofit Corporation Act.

10.5 Special Rights of First Mortgagees. Any First Mortgagee (meaning a Mortgagee with first priority over other Mortgagees) of a Mortgage encumbering any Lot in the Community Area,

upon filing a written request therefor with the Association, shall be entitled to (a) written notice from the Association of any default by the Mortgagor of such Lot in the performance of the Mortgagor's obligations under this Declaration, the Articles of Incorporation, the Bylaws, or the Rules and Regulations, which default is not cured within sixty (60) days after the Association learns of such default; (b) examine the books and records of the Association during normal business hours; (c) receive a copy of financial statements of the Association including any annual financial statement within ninety (90) days following the end of any fiscal year of the Association; (d) to receive written notice of all meetings of Members; (e) designate a representative to attend any meeting of Members; and (f) receive immediate written notice as soon as the Association receives notice or otherwise learns of any condemnation or eminent domain proceedings or other proposed acquisition with respect to any portion of the Association Properties.

10.6 Priority of First Mortgage over Assessments. Except for the priority granted to the Association for Assessments under the Act, each First Mortgagee of a Mortgage encumbering a Lot who obtains title to such Lot pursuant to the remedies provided in the Mortgage, by judicial foreclosure, or by deed or assignment in lieu of foreclosure shall take title to the Lot free and clear of any claims for unpaid Assessments or charges against such Lot which accrued prior to the time such holder acquires title to such Lot.

10.7 Association Right to Mortgage Information. Each Owner hereby authorizes any First Mortgagee holding a Mortgage on such Owner's Lot to furnish information to the Association concerning the status of such First Mortgage and the loan, which it secures.

10.8 Notices. Any notice permitted or required to be given under this Declaration shall be in writing and may be given either personally or by mail, telephone, telecopier or telegraph. If served by mail, each notice shall be sent postage prepaid, addressed to any Person at the address given by such Person to the Association for the purpose of service of such notice, or to the Lot of such Person if no address has been given to the Association and shall be deemed given, if not actually received earlier, at 5:00 p.m. on the second business day after it is deposited in a regular depository of the United States Postal Service. Such address may be changed from time to time by notice in writing to the Association.

10.9 Persons Entitled To Enforce Declaration. The Association, acting by authority of the Board, and any Member of the Association entitled to vote shall have the right to enforce any or all of the provisions, covenants, conditions, restrictions, and equitable servitudes contained in this Declaration against any property within the Community Area and the Owner thereof. The right of enforcement shall include the right to bring an action for damages as well as an action to enjoin any violation of any provision of this Declaration.

10.10 Violations Constitute a Nuisance. Any violation of any provision, covenant, condition, restriction, and equitable servitude contained in this Declaration, whether by act or omission, is hereby declared to be a nuisance and may be enjoined or abated, whether or not the

relief sought is for negative or affirmative action, by any Person entitled to enforce the provisions of this Declaration.

10.11 Enforcement of Self-Help. Declarant or the Association, or any authorized agent of either of them, may enforce, by self-help, any of the provisions, covenants, conditions, restrictions and equitable servitudes contained in this Declaration. In order to effect a self-help remedy, the Association, without prior notice, may enter any portion of the Lot, provided that the Association shall not enter any dwelling except with having obtained proper legal process or in the case of any emergency affecting the safety of persons in the Community Area.

10.12 Violations of Law. Any violation of any federal, state, municipal, or local law, ordinance, rule, or regulation, pertaining to the ownership, occupation, or use of any property within the Community Area is hereby declared to be a violation of this Declaration and shall be subject to any and all enforcement procedures set forth in this Declaration.

10.13 Remedies Cumulative. Each remedy provided under this Declaration is cumulative and not exclusive.

10.14 Arbitration. Any dispute between (1) the Declarant and (2) the Association or any Owner shall be, at the request of either party, resolved by binding arbitration administered by the American Arbitration Association in accordance with Colorado Uniform Arbitration Act of 1975 (this section does not apply to any dispute between the Association and any Owner). If either party requests arbitration, it shall be the exclusive and sole remedy to resolve the dispute and the Declarant, Association and each Owner shall not then have the right to any trial by jury or judge. The initiating Person shall give written notice of its decision to arbitrate by providing a specific statement or demand for arbitration setting forth the nature of the dispute, the amount involved and any remedy sought. No Person shall file a memorandum of lis pendens or similar instrument that would encumber the land owned by any party to the arbitration. The arbitrators may request testimony, materials and documentation prior to any hearing as they may determine is appropriate. A judgment upon an award rendered by the arbitrator may be entered in any court having jurisdiction.

10.15 Costs and Attorneys' Fees. In any action or proceeding under this Declaration, the party that does not prevail shall pay to the prevailing party all costs and expenses incurred by the prevailing party in connection therewith including reasonable attorneys' fees.

10.16 Limitation on Liability. The Association, the Board of Directors, the Design Review Committee, Declarant, and any Member, agent, or employee of any of the same shall not be liable to any Person for any action or for any failure to act if the action or failure to act was in good faith and without malice.

10.17 Liberal Interpretation. The provisions of this Declaration shall be liberally construed as a whole to effectuate the purpose of this Declaration.

10.18 Governing Law. This Declaration shall be construed and governed under the laws of the State of Colorado.

10.19 Colorado Common Interest Ownership Act. In the event that any of the terms and conditions of this Declaration are in conflict or inconsistent with the terms and conditions of the Colorado Common Interest Ownership Act, the terms and conditions of the Act shall control. All terms and provisions contained herein, to the extent possible, shall be construed in accordance with the terms and provisions of the Act.

10.20 Master Declarations. In the event that any of the terms and conditions of this Declaration are in conflict with or inconsistent with the terms of the terms and conditions of the Master Declaration, the terms and conditions of the Master Declaration shall control to the extent of the conflict.

10.21 Severability. Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity, unenforceability, partial validity or partial enforceability of the provisions or portion thereof shall not affect the validity or enforceability of any other provision.

10.22 Number and Gender. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular, and the masculine, feminine, or neuter genders shall each include the masculine, feminine, and neuter genders.

10.23 Captions for Convenience. The titles, headings, and captions used in this Declaration are intended solely for convenience of reference and shall not be considered in construing any of the provisions of this Declaration.

10.24 Mergers or Consolidations. Upon a merger or consolidation of the Association with another association, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving consolidated association may administer and enforce the covenants, conditions and restrictions established by this Declaration governing the Property, together with the covenants and restrictions established upon any other property, as one plan.

10.25 Exhibits Incorporated. All Exhibits to this Declaration are incorporated herein and made a part hereof as if fully set forth herein.

10.26 Disclaimer Regarding Safety. The Association and/or Declarant may, but shall not be obligated to, maintain or support certain activities within the Community Area designed to make it safer than it might otherwise be. **HOWEVER, THE ASSOCIATION AND DECLARANT HEREBY SHALL NOT BE HELD LIABLE FOR ANY LOSS, INJURY OR DAMAGE BY**



REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. Each Owner assumes all risks of loss or damage to persons and property resulting from acts or failure to act of the third parties (and covenants to inform all Related Users of the Unit of the provisions of this section).

10.27 Development Inconveniences. The Community Area and the surrounding area is a combination of commercial, urban, suburban, agricultural and industrial properties and are subject to many uses that may cause the Owner and Related Users many inconveniences arising out of those uses. In addition, Declarant has reserved many development and other special declarant rights to complete the development and to construct improvements in the Community Area and the surrounding area. THE OWNER WAIVES ANY CLAIMS AND AGREES TO HOLD THE DECLARANT AND ITS AFFILIATES HARMLESS FROM ANY COST, LOSS OR INCOVENIENCES RELATED TO THE DEVELOPMENT OF THE COMMUNITY AREA OR THE SURROUNDING AREA INCLUDING, WITHOUT LIMITATION, FUGITIVE DUST, NOISE, TRAFFIC AND CONSTRUCTION ACTIVITIES AS WELL AS ANY DELAYS OR CHANGES IN, OR CESSATION OF THE DEVELOPMENT OF THE COMMUNITY AREA OR THE SURROUNDING AREA. Each Owner, by acceptance of a deed to the Unit, assumes all risks of loss, injury or damage to persons and property arising out of such inconveniences (and covenants to inform all Related Users of the Unit of the provision of this section).

10.28 NO REPRESENTATIONS OR WARRANTIES. NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, SHALL BE DEEMED TO HAVE BEEN GIVEN OR MADE BY DECLARANT OR ITS AGENTS OR EMPLOYEES IN CONNECTION WITH ANY PORTION OF THE COMMUNITY AREA, OR ANY IMPROVEMENT THEREON, THEIR PHYSICAL CONDITION, ZONING, COMPLIANCE WITH APPLICABLE LAWS, FITNESS FOR INTENDED USE, OR IN CONNECTION WITH THE SUBDIVISION, SALE, OPERATION, MAINTENANCE, COST OF MAINTENANCE, TAXES OR REGULATION THEREOF, UNLESS AND EXCEPT AS SHALL BE SPECIFICALLY SET FORTH IN WRITING IN A SEPARATE DOCUMENT.

IN WITNESS WHEREOF, Declarant has executed this Declaration the day and year first above written.

ROARK PARTNERS, LLLP, a Colorado
limited liability limited partnership

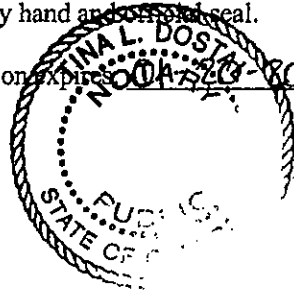
By: David Garton, Jr.
David Garton, Jr., General Partner

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 13TH day of December 2000, by David Garton, Jr., as General Partner of and on behalf of Roark Partners, LLLP, a Colorado limited liability limited partnership.

WITNESS my hand and official seal.

My commission expires NOV 20 2004.



[Signature]
Notary Public

My Commission Expires NOV 20 2004

List of Exhibits

- A. Property
- B. Annexable Property
- C. Permitted Exceptions
- D. Initial Rules and Regulations



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EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

A parcel of land located in Lot 1, Section 10 and Lot 2, Section 11, Township 5 South, Range 85 West of the 6th P.M., Town of Gypsum, County of Eagle, State of Colorado being a portion of Parcel One, as shown on that instrument recorded in Book 701, Page 373 in the Eagle County Clerk and Recorder's Office; and being more particularly described as follows:

Beginning at an existing US G.L.O. brass cap monument marking Angle Point 3 of Tract 54, and considering the line between Angle Points 3 and 4 of said Tract 54 to have an assumed bearing of N89°28'27"E with all other bearings contained herein relative thereto;
thence N89°28'27"E, 115.73 feet;
thence S00°29'47"E, 149.83 feet;
thence N89°30'13"E, 18.98 feet;
thence S00°29'47"E, 64.76 feet;
thence S48°42'02"E, 548.38 feet;
thence S41°17'58"W, 100.00 feet;
thence S32°38'17"W, 50.58 feet;
thence S41°17'58"W, 200.00 feet;
thence S34°32'17"W, 50.35 feet;
thence S32°30'46"W, 70.30 feet;
thence S00°01'52"E, 109.26 feet;
thence S23°20'28"E, 77.49 feet;
thence S00°10'07"E, 27.93 feet;
thence S89°49'53"W, 228.86 feet;
thence along a curve to the right having a radius of 310.00 feet, an arc length of 99.24 feet, a central angle of 18°20'33" and a chord length of 98.82 feet bearing S51°11'54"W;
thence S60°22'10"W, 92.98 feet;
thence along a curve to the left having a radius 16.50 feet, an arc length of 20.66 feet, a central angle of 71°44'50" and a chord length of 19.34 feet bearing S24°29'45"W;
thence S89°49'53"W, 218.88 feet to a No. 4 rebar with Cap Stamped LS 9337;
thence N00°04'37"W, 1276.64 feet to a No. 4 rebar with Cap Stamped LS 9337;
thence N89°33'29"E, 327.53 feet to the point of beginning.



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EXHIBIT B

LEGAL DESCRIPTION OF ANNEXABLE PROPERTY

Parcel 1:

A parcel of land located in Lots 3 and 4, Section 10, Township 5 South, Range 85 West of the 6th Principal Meridian, County of Eagle, State of Colorado, more particularly described as follows:

Beginning at angle point 6 of Tract 57, Township 5 South, Range 85 West of the 6th P.M. being a USGLO brass cap;
Thence N. 00 degrees 04 minutes 16 seconds W. 784.53 feet along the Easterly line of said Tract 57 to an aluminum survey cap LS 9337;
Thence East 1438.65 feet to an aluminum survey cap LS9337;
Thence South 729.88 feet to the Northerly line of Tract 81, Township 5 South, Range 85 West of the 6th P.M. to an aluminum survey cap LS9337;
Thence S. 87 degrees 49 minutes 22 seconds W. 1438.72 feet along said Northerly line to angle point 6 of said Tract 57, the point of beginning,
County of Eagle, State of Colorado.

Parcel 2:

A parcel of land located in Tract 81 and Tract 82, Township 5 South, Range 85 West of the 6th Principal Meridian, more particularly described as follows:

Beginning at a brass cap found for A.P. 1 of said Tract 82,
Thence N. 89 degrees 54 minutes 00 seconds W. 1007.48 feet along the Northerly line of said Tract 82 to a brass cap at A.P. 6 of Tract 54, said Township and Range;
Thence along the Northerly line of said Tract 82 N. 89 degrees 49 minutes 56 seconds W. 1454.50 feet to a brass cap at A.P. 5 of said Tract 54;
Thence along the Northerly line of said Tract 82 N. 89 degrees 56 minutes 09 seconds W. 175.50 feet to a brass cap at A.P. 2 of said Tract 82, also being A.P. 1 of said Tract 81;
Thence along the Northerly line of said Tract 81 S. 87 degrees 49 minutes 22 seconds W. 2111.25 feet;
Thence S. 42 degrees 59 minutes 51 seconds E. 1725.78 feet;
Thence N. 89 degrees 52 minutes 58 seconds E. 3671.58 feet to an aluminum cap at A.P. 8 of said Tract 82; Thence N. 04 degrees 21 minutes 32 seconds W. 1332.54 feet to A.P. 1 of said Tract 82, the point of beginning,
County of Eagle, State of Colorado.



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Parcel 3:

A parcel of land located in Tract 81, and Tract 82, Township 5 South, Range 85 West of the 6th Principal Meridian, more particularly described as follows:

Beginning at a brass cap found for A.P. 7 of said Tract 82, thence S. 84 degrees 19'22"W. 1354.32 feet to an aluminum cap at A.P. 8 of said Tract 82;
thence S. 89 degrees 52'58" W. 3671.58 feet;
thence S. 42 degrees 59'51" E. 1787.65 feet to the most southerly line of said Tract 81 between A.P. 5 and A.P. 6 of said Tract 81;
thence along said southerly line N. 89 degrees 51'58" E. 1148.57 feet to a brass cap at A.P. 6 of Tract 81, also being A.P. 5 of said Tract 82;
thence along the southerly line of said Tract 82 N. 83 degrees 13'44" E. 1120.33 feet to a brass cap at A.P. 2 of Tract 84, said Township and Range;
thence S. 89 degrees 39'17" E. 1318.32 feet along said southerly line to a brass cap at A.P. 1 of said Tract 84;
thence along said southerly line N. 89 degrees 17'53" E. 205.47 feet to a brass cap at A.P. 6 of said Tract 82;
thence N. 00 degrees 39'51" E. 1319.68 feet to A.P. 7 of said Tract 82, the point of beginning, County of Eagle, State of Colorado.

Parcel 4:

A parcel of land located in Lots 1 and 4 in Section 10, and Lots 2 and 3 in Section 11, all in Township 5 South, Range 85 West of the 6th Principal Meridian, County of Eagle, State of Colorado, more particularly described as follows:

Beginning at Angle Point 6 of Tract 57, Township 5 South, Range 85 West of the 6th P.M., being a USGLO brass cap;
thence N 87°49'22" E 1438.72 feet to the True Point of Beginning, being an aluminum survey cap LS 9337;
thence N 87°49'22" E 901.54 feet to Angle Point 1, Tract 81, Township 5 South, Range 85 West of the 6th P.M., being USGLO brass cap;
thence S 89°56'09" E 175.50 feet to Angle Point 5 of Tract 54, Township 5 South, Range 85 West of the 6th P.M., being a USGLO brass cap;
thence N 02°30'16" E 2595.71 feet to Angle Point 4 of said Tract 54, being a USGLO brass cap;
thence S 89°28'58" W 1303.44 feet to Angle Point 3 of said Tract 54, being a USGLO brass cap;
thence S 89°32'15" W 327.46 feet to the northeast corner of the parcel of land described in Book 243 at Page 411 of the Eagle County Records, being an aluminum survey cap LS 9337;
thence S 00°04'16" 1276.75 feet to the southeast corner of said parcel, being an aluminum survey cap LS 9337;
thence N 89°49'45" E 265.42 feet to an aluminum survey cap LS 9337;
thence South 607.04 feet to an aluminum survey cap LS 9337;

thence East 174.01 feet to an aluminum survey cap LS 9337;
thence South 729.88 feet to The point of Beginning.
County of Eagle, State of Colorado;

Except for that portion of Parcel 4 described as follows:

A parcel of land located in Lot 1, Section 10 and Lot 2, Section 11, Township 5 South, Range 85 West of the 6th P.M., Town of Gypsum, County of Eagle, State of Colorado being a portion of Parcel One, as shown on that instrument recorded in Book 701, Page 373 in the Eagle County Clerk and Recorder's Office; and being more particularly described as follows:

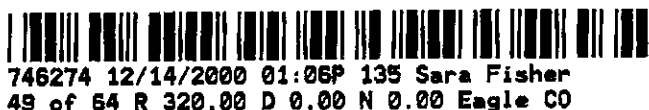
Beginning at an existing US G.L.O. brass cap monument marking Angle Point 3 of Tract 54, and considering the line between Angle Points 3 and 4 of said Tract 54 to have an assumed bearing of N89°28'27"E with all other bearings contained herein relative thereto;

thence N89°28'27"E, 115.73 feet;
thence S00°29'47"E, 149.83 feet;
thence N89°30'13"E, 18.98 feet;
thence S00°29'47"E, 64.76 feet;
thence S48°42'02"E, 548.38 feet;
thence S41°17'58"W, 100.00 feet;
thence S32°38'17"W, 50.58 feet;
thence S41°17'58"W, 200.00 feet;
thence S34°32'17"W, 50.35 feet;
thence S32°30'46"W, 70.30 feet;
thence S00°01'52"E, 109.26 feet;
thence S23°20'28"E, 77.49 feet;
thence S00°10'07"E, 27.93 feet;
thence S89°49'53"W, 228.86 feet;
thence along a curve to the right having a radius of 310 feet, an arc length of 99.24 feet, a central angle of 18°20'33" and a chord length of 98.82 feet bearing S51°11'54"W;
thence S60°22'10"W, 92.98 feet;
thence along a curve to the left having a radius 16.50 feet, an arc length of 20.66 feet, a central angle of 71°44'50" and a chord length of 19.34 feet bearing S24°29'45"W;
thence S89°49'53"W, 218.88 feet to a No. 4 rebar with Cap Stamped LS 9337;
thence N00°04'37"W, 1276.64 feet to a No. 4 rebar with Cap Stamped LS 9337;
thence N89°33'29"E, 327.53 feet to the point of beginning.

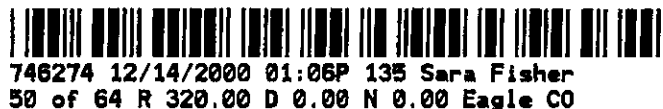
EXHIBIT C

PERMITTED EXCEPTIONS

1. Taxes for the year 2000 and subsequent year.
2. Reservations and exceptions in patents and acts authorizing their issuance as the same may affect the subject property and, specifically, the rights to ditches and reservoirs used in connection with vested and accrued water rights together with the reservation of a right of way for ditches and canals constructed by the authority of the United States as set forth in U.S. Patent recorded August 7, 1930 in Book 93 at Page 380.
3. Terms, conditions and provisions of Right of way Easement as granted to Eagle Valley Telephone Company recorded January 11, 1979 in Book 280 at Page 689.
4. Terms, conditions and provisions of Easements granted to Colorado-Ute Electric Association, Inc. recorded July 01, 1981 in Book 325 at Pages 349.
5. Terms, conditions and provisions of access easement recorded August 01, 1994 in Book 646 at Page 475.
6. Terms, conditions and provisions of Access Easement recorded August 01, 1994 at Book 646 at Page 476.
7. Terms, conditions and provisions of Grant of Easement recorded May 21, 1996 in Book 695 at Page 109.
8. Terms, conditions and provisions of Agreement and Easement Grants recorded September 09, 1996 in Book 704 at Page 786.
9. Terms, conditions, restrictions and reservations contained in Certificate regarding the Eagle County Soil Conservation District, recorded December 12, 1950 in Book 136 at Page 217 as Reception No. 79461.
10. Terms, conditions and Provisions of Annexation Agreement recorded March 3, 2000 at Reception No. 724078.
11. Terms, conditions and provisions of Service Plan for Buckhorn Valley Metropolitan Districts No. 1 and No. 2 recorded March 3, 2000 at Reception No. 724083.



12. Terms, conditions and provisions of Annexation Ordinances recorded March 3, 2000 at Reception Nos. 724079, 724080 and Annexation Maps recorded March 3, 2000 at Reception Nos. 702084, 702085.
13. Terms, conditions and provisions of Resolution No. 2000-091 for approval of permit to construct a major extension of existing domestic sewage treatment systems recorded June 28, 2000 at Reception No. 733270.
14. Terms, conditions and provisions of Easement Deed recorded June 30, 2000 at Reception No. 733539 as modified in Correction Easement Deed recorded on November 22, 2000 at Reception No. 744808.
15. Terms, conditions and provisions of Amendment to Easement Agreements and Easement Relocation Agreements recorded October 4, 2000 at Reception Nos. 740768, 740769 and 740770.
16. Deed of Trust from Roark Partners LLLP to the Public Trustee of Eagle County for the benefit of Alpine Bank to secure an indebtedness in the principal sum of \$575,000.00, and any other amounts and/or obligations secured thereby, dated October 4, 1999 and recorded October 20, 1999 as Reception No. 712333.
17. Deed of Trust from Roark Partners, LLLP, a Colorado limited liability limited partnership and Dave Garton, Jr., to the Public Trustee of Eagle County for the benefit of Alpine Bank Avon to secure an indebtedness in the principal sum of \$1,245,000.00 and any other amounts and/or obligations secured thereby, dated March 29, 2000 and recorded April 18, 2000 at Reception No. 727536.
18. Easements, reservations and restrictions as shown on the plat recorded August 30, 2000 at Reception No. 737977.
19. Terms, conditions and provisions of Master Declaration of Covenants, Conditions and Restrictions for Buckhorn Valley Master Owners Association recorded on December 14, 2000 at Reception No. 746273.
20. The Deed of Trust from Roark Partners, LLLP, a Colorado limited liability limited partnership and David Garton, Jr., to the Public Trustee of Eagle County for the benefit of Alpine Bank to secure an indebtedness in the principal sum of \$543,300.00, and any other amounts and/or obligations secured thereby, dated August 28, 2000 and recorded November 2, 2000 at Reception No. 743144.
21. The Deed of Trust from Roark Partners, LLLP, a Colorado limited liability limited partnership and David Garton, Jr., to the Public Trustee of Eagle County for the benefit of



Alpine Bank to secure an indebtedness in the principal sum of \$6,915,000.00, and any other amounts and/or obligations secured thereby, dated August 28, 2000 and recorded November 2, 2000 at Reception No. 743146.

22. The Deed of Trust from Roark Partners, LLLP, a Colorado limited liability limited partnership and David Garton, Jr., to the Public Trustee of Eagle County for the benefit of Alpine Bank to secure and indebtedness in the principal sum of \$1, 885,339.25, and any other amounts and/or obligations secured thereby, dated August 28, 2000 and recorded November 2, 2000 at Reception NO. 743153.



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EXHIBIT D

INITIAL RULES AND REGULATIONS

These Rules and Regulations (the "**Rules**") have been adopted and implemented to protect the investment of the members and to enhance the values of the properties subject to regulation by the Association. Terms which are defined in the Declaration of Covenants, Conditions and Restrictions for The Single Family Residences at Buckhorn Valley (the "**Declaration**") shall have the same meaning herein, unless defined otherwise in these Rules.

I. GARBAGE AND TRASH.

A. No refuse, garbage, trash, lumber, grass, shrub, tree clippings, plant waste, compost, metal, bulk materials, scrap, refuse or debris of any kind shall be kept, stored, or allowed to accumulate on any Lot except within an enclosed structure or appropriately screened from view, except that any container containing such materials may be placed outside at such times as may be necessary to permit garbage or trash pick-up. To reduce potential bear and other wildlife problems, refuse must be disposed of as follows:

1. Prior to disposal, any refuse that might attract bears or other wildlife shall be kept within the garage or enclosed structure in a suitable receptacle with a tight-fitting lid, or, if stored outside overnight, shall be contained within individual bear-proof container approved by the Association;
2. Trash containers shall be taken to the collection point the morning of collection and shall not be put out the night before the morning of collection;
3. There shall be no dumps or underground disposal of refuse within the Planned Community; and
4. Compost piles shall consist only of leaves, grass, branches, or other plant matter and shall not contain any food items.

II. PETS.

A. No animals, live stock or poultry of any kind, including horses, shall be raised, bred or kept on any Lot, except that domesticated birds or fish and other small domestic animals permanently confined indoors will be allowed, provided that they are not kept, bred, or maintained for any commercial purpose.

- B. An Owner may have an aggregate of not more than three domesticated animals (e.g., two cats and one dog) per household, subject to all applicable local ordinances. The Board, in its sole discretion, may reasonably restrict the household pet from being kept on a case-by-case basis.
- C. In no event will any dog whose breed is known for its viciousness or ill temper, in particular, the American Staffordshire Terrier (known as a "Pit Bull Terrier"), Rottweiler, Doberman Pincher or German Shepherd, be permitted in the Community, nor any animal of any kind that has venom or poisonous capture mechanisms, or if let loose would constitute vermin, will be allowed in the Community. The Board reserves the right to make a determination that any particular pet is too dangerous to be allowed in the Community. No animal of any kind shall be permitted which in the sole opinion of the Review Committee makes an unreasonable amount of noise or odor, is a nuisance, or is a threat to public safety.
- D. Pet owners shall clean up after their pet(s) and dispose of any bodily wastes in suitable containers. Pets shall not be allowed to damage grass, shrubs, trees or any other portion of the Association Properties. Expenses and costs resulting from damage to shrubs, trees or Association Properties will be the responsibility of the Owner of the Lot at which the responsible pet is kept.
- E. Pets, including dogs and cats, shall not be allowed to roam unrestrained on the Association Properties or outside the Owner's Lot.
- F. Pets shall not be chained or tethered outdoors, unattended, so as to become an annoyance or nuisance to others from barking or such other cause.
- G. Pets shall not be fed outside.
- H. Animals must be licensed as required by law.
- I. With the exception of bird feeders, the feeding, baiting, salting, or other means of attracting wildlife is prohibited.
- J. All household pets shall be controlled by their Owner and shall not be allowed off the Owner's Lot except when properly leashed and accompanied by the pet Owner or such Owner's representative.
- K. Each Owner of a household pet shall be financially responsible and liable for any damage caused by said household pet, and shall be responsible for all costs incurred by the Association or its agent as result of noncompliance with these animal and pet regulations.
- L. When outside the residence on an Owner's Lot, dogs shall be confined by: (1) confinement in an area bounded by an above-ground fence; (2) confinement in a kennel; (3) confinement in an

area bounded by an invisible electric fence attached to the Owner's residence; or (4) a leash. Dogs shall not be allowed to chase or molest persons or their property, wildlife or domestic animals.

M. Dogs shall not be allowed to bark continuously, which shall be defined as barking for a fifteen (15) minute period, including successive barks or a series of barks which repeat or resume following a brief or temporary cessation.

N. Any violation of the Declaration or of these Rules and Regulations concerning pets, shall subject an Owner to the rights and remedies allowed or provided the Association in the Declaration, and shall also subject the Owner to a reasonable fine assessment imposed by the Association, after notice and a hearing, as follows:

1. First offense/violation: Written notice warning letter to pet owner and/or Owner.
2. Second offense/violation: A \$100.00 fine may be assessed against the Owner, except for a violation of section II C, which shall carry a fine of \$500.00 per day until cured.
3. Third offense/violation: A \$200.00 fine may be assessed against the Owner.
4. Fourth offense/violation and each subsequent offense/violation: A \$500.00 fine may be assessed against the Owner.
5. Fifth or Continuing Offense/Violation: The Association may take action to have the pet removed from the Community Area by mandatory injunction or otherwise.

III. MOTOR VEHICLES/PARKING.

A. Vehicle Repairs. No maintenance, servicing, repair, mechanical work, body work, engine work, dismantling or repainting of any type of vehicle, boat, machine or device may be carried on except within a completely enclosed structure which screens the sight and sound of such activity from the street and from other Lots. No work may be conducted or carried on so as to become an annoyance, nuisance, eyesore or hazard. Car washing will only be permitted in the Lot Owner's driveway. In the event of violation hereof, in addition to the rights and remedies available under the Declaration, a reasonable fine may be assessed, after notice and hearing, as follows:

1. First Offense/Violation. Written notice/warning letter to the Owner and/or vehicle owner.

2. Second Offense/Violation. A \$100.00 fine may be assessed against the Owner and/or vehicle owner.
3. Third Offense/Violation. A \$200.00 fine may be assessed against the Owner and/or vehicle owner.
4. Fourth Offense/Violation. A \$500.00 fine may be assessed against the Owner and/or vehicle owner.

B. Trailers, Campers and Junk Vehicles. No boat, camper (on or off supporting vehicles), trailer, tractor, truck, industrial or commercial vehicle (both cabs or trailers), towed trailer unit, motorcycle, disabled, junk, or abandoned vehicles, motor home, camper, recreational vehicle, or any other vehicle, the primary purpose of which is recreational, sporting or commercial use, shall be parked or stored in, on, or about any Lot or street within the Community Area except within the attached garage or unless such vehicles are concealed from view and approved by the Design Review Committee. For the purposes of this covenant, a 3/4-ton or smaller vehicle commonly known as a pickup truck shall not be deemed a commercial vehicle or truck.

C. Inoperative, Unused or Abandoned Vehicles. No inoperative, unused or abandoned vehicle shall be stored, parked, maintained or kept upon any part of the Community, including any street, or way of access within the Community. "Inoperative, abandoned or unused vehicle" shall mean any automobile, truck, motorcycle, motorbike, boat, trailer, camper, housetrailer, or similar vehicle which has not been driven under its own propulsion or has not been moved out of the Community for a period of two (2) weeks or longer, or which does not have an operable propulsion system. In the event that the Board shall determine that the vehicle is an abandoned or inoperable vehicle, then a written notice describing the vehicle shall be personally delivered to the Owner thereof, if known, or shall be conspicuously placed upon the vehicle. If the vehicle is not then removed within 48 hours of such notice, except in the event of emergencies, the Board shall have the right to remove the vehicle and the vehicle owner shall be responsible for all towing and storage charges. Exemptions from this two (2) week provision (for the purpose of keeping a vehicle within the Community during vacation periods), may be applied for by an Owner by written request by such Owner to the Association. No request for exemption shall be deemed granted in the absence of written approval thereof by the Board.

D. Restrictions on Parking and Storage. Subject to the Declaration, each recreation or accessory vehicle such as a house trailer, camping trailer, boat trailer, boat, hauling trailer, running gear, or accessories thereto, motor driven cycle, self-contained motorized recreational vehicle, van or other type of recreational equipment, parked or stored in the Community shall be parked or stored, at any one time, wholly within the boundaries of the garage or driveway of the Lot. Automobiles or trucks (non-commercial vehicles) parked or stored in the Community shall be parked or stored at any one time either within the boundaries of the garage or driveway of the Lot. At no time shall any automobile, recreational vehicle or accessory vehicle be parked on, beside or along the roadways in



the Community. This restriction, however, shall not restrict trucks or other commercial vehicles within the Community, which are necessary for construction or for the maintenance of the Association Properties or Lots. The provisions of this section shall be subject to, and may be modified and/or supplemented by, the Association.

E. Motor Vehicle Fines. In the event of any violation of the Declaration or those Rules concerning motor vehicles and parking, then in addition to all rights and remedies provided by the Declaration, a reasonable fine assessment may be imposed, after notice and hearing, as follows:

1. First Offense/Violation. Written notice of intent to tow may be given to the Owner/vehicle owner or posted on subject vehicle. If the vehicle in violation is not removed within forty-eight (48) hours after notice of intent to tow, the Association shall be entitled to tow the subject vehicle and the Owner and vehicle owner (if different) shall be jointly and severally liable for all expenses, costs and fees incurred in such towing and/or storage.
2. Second Offense/Violation. A \$100.00 fine may be assessed against the Owner. Additionally if the vehicle in violation is not removed within forty-eight (48) hours after notice of intent to tow, the Association shall be entitled to tow the subject vehicle and the Owner and vehicle owner (if different) shall be jointly and severally liable for all expenses, costs and fees incurred in such towing and/or storage.
3. Third Offense/Violation. A \$200.00 fine may be assessed against the Owner. Additionally if the vehicle in violation is not removed within forty-eight (48) hours after notice of intent to tow, the Association shall be entitled to tow the subject vehicle and the Owner and vehicle owner (if different) shall be jointly and severally liable for all expenses, costs and fees incurred in such towing and/or storage.
4. Fourth and Subsequent Offense(s)/Violation(s). A \$500.00 fine may be assessed against the Owner. Additionally if the vehicle in violation is not removed within forty-eight (48) hours after notice of intent to tow, the Association shall be entitled to tow the subject vehicle and the Owner and vehicle owner (if different) shall be jointly and severally liable for all expenses, costs and fees incurred in such towing and/or storage.

IV. WATERING RESTRICTIONS.

A. The water from the water irrigation system is to be used only to irrigate lawns, shrubs and trees within the Community Area. Any other use is strictly forbidden. The Association may, if necessary to conserve water, prohibit the use of water to irrigate rear and side yard lawns. Watering shall occur only during the months of the year and during the hours of the day as the Board may

direct from time to time. No water shall be wasted by allowing five (5) gallons or more of irrigation water to run into the streets or drainage culverts.

B. Each residence shall only have one exterior water faucet. No potable water from the water supply that is delivered to each residence through its water tap for such Lot to the Town of Gypsum water system shall be used, in any quantity, to water or irrigate any exterior lawns, shrubs, trees or any other landscaping.

C. Any violation of the Declaration or of these Rules and Regulations concerning watering restrictions, shall subject an Owner to the rights and remedies allowed or provided the Association in the Declaration, and shall also subject the Owner to a reasonable fine assessment imposed by the Association, after notice and a hearing, as follows:

1. First offense/violation: Written notice warning letter to Owner.
2. Second offense/violation: A \$100.00 fine may be assessed against the Owner.
3. Third offense/violation: A \$200.00 fine may be assessed against the Owner.
4. Fourth offense/violation and each subsequent offense/violation: A \$500.00 fine may be assessed against the Owner.

V. OTHER RESTRICTIONS.

A. Nuisance. No noxious, offensive, dangerous or unsafe activity shall be carried on any Lot or the Association Properties; nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Owners or occupants or which may interfere with their peaceful enjoyment of their own Lot. No Owner shall make or permit any disturbing noises or nuisance activities or do or permit anything to be done that will interfere with the rights, peaceful enjoyment and comforts of convenience of other Owners or occupants. No Owner or occupant shall play, or suffer to be played, any musical instrument or operate, or suffer to be operated, an engine, device, phonograph, television set or radio at high volume or in any other manner that shall cause unreasonable disturbances to other Owners or occupants.

B. Compliance with Laws. No unlawful use may be made of any portion of the Community. Owners shall comply with and conform to all applicable laws and regulations of the United States and of the State of Colorado, and with all local ordinances, rules and regulations. The violating Owner shall hold the Association and other Owners harmless from all fines, penalties, costs and prosecutions for any violation or noncompliance.

1. First offense/violation: Written notice warning letter to Owner.
2. Second offense/violation: A \$100.00 fine may be assessed against the Owner.
3. Third offense/violation: A \$200.00 fine may be assessed against the Owner.
4. Fourth offense/violation and each subsequent offense/violation: A \$500.00 fine may be assessed against the Owner.

C. No Temporary Structures. No tent, shack, temporary structure, or temporary building shall be placed upon any property within the Community Area except with the prior written consent of the Design Review Committee.

D. Restrictions on Signs and Advertising. No sign, poster, billboard, advertising device, or display of any kind shall be erected or maintained anywhere within the Community Area so as to be evident to public view, except: (a) signs as may be approved in advance in writing by the Design Review Committee; or (b) signs, posters, billboards or any other type of advertising device or display erected by Declarant incidental to the development, construction, promotion, marketing or sales of Lots within the Community Area. A sign advertising a Lot for sale or for lease may be placed on a Lot; provided, however, that standards relating to dimensions, color, style, and location of such sign shall be determined from time to time by the Design Review Committee.

E. Storage. No building materials shall be stored on any Lot except temporarily during continuous construction of an Improvement.

F. Owner's Right to Lease Lot. All Owners shall have the right to lease such Owner's Lot provided that: (a) all Leases shall be in writing; (b) all Leases shall be for an entire Lot with a completed residence thereon; (c) all Leases shall provide that the terms of the Lease and the lessee's occupancy of the Lot shall be subject to this Declaration, the Rules and Regulations and that any failure by the lessee to comply with any of the aforesaid documents in any respect shall be a default under such Lease; and (d) such Owner shall notify the Association immediately upon the leasing of such Lot and register with the Association both the name(s) of the tenant(s) and new mailing information for notices to be sent by the Association directly to such Owner.

VI. PAYMENTS AND FINES.

A. Returned Check Charges. In addition to any and all charges imposed or allowed under the Declaration, Articles of Incorporation, Bylaws or these Rules, a fifty dollar (\$50.00) fee shall be assessed against an Owner, in the event any check or other instrument attributable to or for the benefit of such Owner or Owner's properties not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. Such return check charge

shall be due and payable immediately, upon notice thereof, in the same manner as provided for payment of assessments under the Declaration. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law.

B. Application of Payments Made to the Association. The Association reserves the right to apply any and all payments received on account of any Owner or the Owner's property (hereinafter collectively "**Owner**"), to payment of any and all legal fees and costs (including attorney's fees), expenses of enforcement and collection, late fees, return check charges, lien fees and interest owing or incurred with respect to such Owner pursuant to the Declaration, Bylaws and Rules of the Association prior to application of the payment to the special or general assessments due or to become due with respect to such Owner.

C. Fine Assessments. All fines and assessments shall be due and payable immediately upon notice of such fine or assessment, as described in the Policies and Procedures for Enforcement (the "**Policies and Procedures**") established below. Notwithstanding anything to the contrary in these Rules and in the Policies and Procedures, the Association shall be entitled to take such action and perform such work as specified in these Rules or as otherwise permitted or required by law, the Declaration or the Bylaws, prior to, in the absence of, or during the pendency of any hearing. If any fine assessment is not paid within ten (10) days after the due date, a late charge in the amount of \$15.00 shall be assessed to compensate the Association for the expenses, costs and fees involved in handling such delinquency.

Owners shall be personally, jointly and severally liable for all fines/penalty assessments. In the event a fine assessment is not paid within fifteen (15) days, the Association may thereafter commence an action at law, or in equity, or both, against any Owner personally obligated to pay the same, for recovery of said assessment plus late charges, as aforesaid. The prevailing party shall be entitled to recover its reasonable attorney's fees and associated costs and expenses incurred in connection with such legal proceedings.

VII. COLLECTION PROCEDURES. The Association has adopted the following procedures and policies for the collection of assessments and other charges of the Association.

A. Due Dates. The annual assessment as determined by the Association and as allowed for in the Declaration shall be due and payable in 4 installments due on the first day of the month following the close of the calendar quarter. Assessments or other charges not paid to the Association by the 10th day of the beginning month in which they are due shall be considered past due and delinquent.

B. Invoices. The Association may, but shall not be required to invoice an Owner as a condition to an Owner's obligation to pay assessments or other charges of the Association. If the Association provides an Owner with an invoice for quarterly installments of the annual assessments, although invoices are not required, the invoice should be mailed or sent to the owner between the 15th and 20th



day of the month preceding each due date.

C. Late Charges Imposed on Delinquent Installments. A quarterly installment of the annual assessment shall be past due and delinquent if not paid by the 10th day of the month in which it is due. The Association shall impose a twenty dollar (\$20.00) late charge on the outstanding or past due balance then due the Association. An additional twenty-dollar (\$20.00) late charge shall accrue during each and every subsequent 10-day period that the assessment remains unpaid.

D. Interest. Delinquent assessments, fines or other charges due the Association shall bear interest at the rate set forth in the Declaration.

E. Attorney's Fees on Delinquent Accounts. As an additional expense permitted under the Declaration, Articles and Bylaws, the Association shall be entitled to recover its reasonable attorney's fees incurred in the collection of assessments or other charges due the Association from a delinquent owner.

F. Collection Letters.

1. After a monthly installment of the annual assessments or other charge due the Association, becomes 30 days past due, the Association may cause, but shall not be required to send, a collection letter to be sent to the Owners who are delinquent in payment.
2. Additionally, the Association may, but shall not be required to send a letter to the Owner advising that their account has been referred to the Association's attorneys for collection.

G. Use of Certified Mail/Regular Mail. In the event the Association shall cause a collection letter or notices to be sent to a delinquent Owner by regular mail, the Association may also cause, but shall not be required to send, an additional copy of that letter or notice by certified mail.

H. Liens. The Association may file a Notice of Lien against the property of any delinquent Owner in accordance with the terms and provisions of the Declarations, Articles and Bylaws.

I. Referral of Delinquent Accounts to Attorneys. The Association may, but shall not be required to refer delinquent accounts to its attorneys for collection. Upon referral to the attorneys, the attorneys shall take all appropriate action to collect the accounts referred. The Owner(s) of the Unit with the delinquent account shall be responsible for, and pay as an assessment on such Unit, any attorney's fees incurred in this instance.

J. Referral of Delinquent Accounts to Collection Agencies. The Association may, but shall not be required to refer delinquent accounts to one or more collection agencies for collection. Upon referral to a collection agency, the agency shall take all appropriate action to collect the accounts referred.



K. Ongoing Evaluation. Nothing in this procedure shall require the Association to take specific actions other than to notify Owners of the adoption of these procedures. The Association has the option and right to continue to evaluate each delinquency on a case by case basis.

IX. POLICIES AND PROCEDURES FOR ENFORCEMENT OF THE DECLARATION, BY-LAWS AND RULES.

A. Notice of Violation. Notice of Hearing of any provisions of the Declaration, Bylaws or Rules shall be provided to the applicable Owner as soon as reasonably practicable following discovery by the Board of such violation. The notice shall describe the nature of the violation and shall further state that the Board may seek to protect its rights as they are specified in the governing legal documents.

B. Services of Notices. Service of all notices required or permitted to be given hereunder shall be made as follows:

If to an Owner: By personal delivery to the Owner; or by U.S. Mail, postage prepaid, addressed to the last registered address of the Owner as contained in the Association's records.

If to the Association: By personal delivery or U.S. Mail, postage prepaid, addressed to the Association in care of its registered agent and office, as maintained with the Colorado Secretary of State, or such other address as the parties may be advised of in writing.

Any notice personally delivered shall be deemed received on the date of delivery, and any notice mailed shall be deemed received on the fifth day following the date of mailing.

C. Request for Hearing. In the event any Owner desires to attend a hearing or Board meeting to challenge or contest any alleged violation and possible fine, said Owner must, within 14 days from receipt of the Notice of Hearing, request such hearing by notifying the Association, in writing, of such hearing request. In the event a proper and timely request for a hearing is not made as provided herein, the right to a hearing shall be deemed forever waived. If a hearing is not requested within the aforementioned 14 day period, the Board shall determine if there was a violation, and if so, assess a reasonable fine within the guidelines contained in these Rules, all within 60 days of the expiration of the aforementioned 14 day period. The fine assessment is due and payable immediately upon receipt of notice of the said assessment. The Association's managing agent shall give notice of said assessment to the applicable Owner as provided in these Policies and Procedures. In requesting a hearing before the Association, an Owner shall state and describe the grounds and basis for challenging or denying the alleged violation as well as such other information the Owner deems pertinent.

D. Discovery. Upon written request to the Association, not later than ten days prior to the date of hearing, the Owner shall be entitled to: (a) obtain the names and addresses of witnesses, to the



extent known to the Association, and (b) inspect and make copies of any statements, writings and investigative reports relative to the case contained in the Association's records. Nothing in this section shall, however, authorize the inspection or copying of any writing or other thing which is privileged from disclosure by law or otherwise made confidential or protected, such as attorney work product.

E. Board to Conduct Hearing. The Board shall hear and decide cases set for hearing pursuant to these Policies and Procedures. The Board may appoint an officer or other Owner to act as the presiding officer (the "**Presiding Officer**") at any of the hearings.

F. Conflicts. It shall be incumbent upon each Board member to make a determination as to whether s/he is able to function in a disinterested and objective manner in consideration on each hearing before the Board. Any Board member incapable of objective and disinterested consideration on any hearing before the Association shall disclose such to the President of the Association prior to the hearing on the case, if possible, or, if advance notice is not possible, then such disclosure shall be made at the hearing, and said Board member shall be disqualified from all proceedings with regard to the hearing. If disqualification of any Board member(s) results in an even number of remaining Board members eligible to hear a case, the Presiding Officer shall appoint an Association member, in good standing, to serve as a voting member of the hearing board.

G. Hearing. Each hearing shall be held at the scheduled time, place and date, provided that the Presiding Officer may grant continuances for good cause. At the beginning of each hearing, the Presiding Officer shall explain the rules, procedures and guidelines by which the hearing shall be conducted and shall introduce the case before the Board by Reading the notice of hearing. The general procedure for hearing shall consist of opening statements by each party; presentation of testimony and evidence, including cross-examination of witnesses by each party; and closing statements by each party. Notwithstanding the foregoing, the Board may exercise its discretion as to the specific manner in which a hearing shall be conducted and shall be authorized to question witnesses, review evidence and take such other reasonable action during the course of the hearing which it may deem appropriate or desirable to permit the Board to reach a just decision in the case. Rules of law regarding trials and presentation of evidence and witnesses shall be applicable to the hearing insofar as the Presiding Officer deems adherence to such rules of law to be in the interests of justice; provided that any relevant evidence should be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the course of serious affairs. Neither the complaining parties nor the Owner must be in attendance at the hearing. However, the decision of the Board at each hearing shall be based on the matters set forth in the notice of hearing, request for hearing and such evidence as may be presented at the hearing. Unless otherwise determined by the Board of Directors, all hearings shall be open to attendance by all members of the Association.

H. Decision. After all testimony and other evidence have been presented to the Board at a hearing, the Board shall render its decision thereon within ten days after the hearing. A decision, either a finding for or against the Owner, shall be by a majority of the Board. The Board shall issue written findings of fact and conclusions, and, if applicable, shall impose a reasonable fine as

provided in the Association's Rules. The Board may also issue and present for recording with the Clerk and Recorder of San Miguel County, Colorado, a notice of finding of violation. Upon satisfactory compliance with the Association's governing documents, the notice of violations may be released by the Association issuing and recording a release of notice of findings of violations.

I. Enforcement and Attorney's Fees. In accordance with the Declaration, Bylaws and Rules, it is hereby declared to be the intention of the Association to enforce the provisions by of the Documents by any and all means available to the Association at law or in equity, and to seek recovery and reimbursement of all attorney's fees, Association expenses and costs incurred by the Association in connection therewith.

J. Enforcement, Modification, Amendments, Repeal and Re-Enactment. Notwithstanding anything to the contrary contained in these Policies and Procedures, the Association hereby reserves the right, at any time and from time to time hereafter, to modify, amend, repeal and/or re-enact these Policies and Procedures in accordance with the Declaration, Bylaws and applicable law. The Board shall have the right to change the rules and regulations after a thirty day written notice to Owners if the change is required to protect the physical health, safety or peaceful enjoyment of the Owners in the Community. The Board and its management company are empowered to enforce these rules and regulations. All rules and regulations shall be in effect at all times.

K. Miscellaneous.

1. Failure by the Association, the Board or any person to enforce any provision of these Policies and Procedures shall in no event be deemed to be a waiver of the right to do so thereafter.
2. The Provisions of these Policies and Procedures shall be deemed to be independent and several, and the invalidity of any one or more of the provisions hereof, or any portion thereof, by judgment or decree of any court of competent jurisdiction, shall in no way affect the validity or enforceability of the remaining provisions, which provisions shall remain in full force and effect.
3. Unless the context provides or requires to the contrary, the use of the singular herein shall include the plural, the use of the plural shall include the singular and the use of any gender shall include all genders.
4. The captions to the sections are inserted herein only as a matter of convenience and for reference, and are in no way to be construed so as to define, limit or otherwise describe the scope of these policies and procedures or the intent of any provision hereof.

IN WITNESS WHEREOF, the undersigned, as President of the Association, certifies these Rules were adopted by the Board of Directors on _____, 2000.

President



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FIRST AMENDMENT TO EXHIBIT D (Initial Rules and Regulations)
to
**THE DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS FOR
THE SINGLE FAMILY RESIDENCES AT BUCKHORN VALLEY**

In Item III, Section D, Restrictions on Parking and Storage, pg. 54, in the first sentence, the phrase "... or driveway..." shall hereby be stricken. The intent here is that no recreational vehicles may be parked on the driveway of a Lot.

**SECOND AMENDMENT TO EXHIBIT D (Initial Rules and
Regulations)**
to
**THE DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS FOR
THE SINGLE FAMILY RESIDENCES AT BUCKHORN VALLEY**

The following restrictions shall hereby be added to the Rules and Regulations as Item IV,
Section D:

“In all phases of single-family development after Phases 1 and 2, the maximum irrigable landscaping per lot shall be 5,000 square feet. Each owner will install, construct, or plant some type of non-irrigable erosion control elements, e.g., bark, gravel, patios, decks, water features, or other non-irrigable ground covering, in the remainder of the lot. All such landscaping projects must be approved by the Buckhorn Valley Design Review Board in writing in advance of installation.”

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**FIRST SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR THE SINGLE FAMILY RESIDENCES AT
BUCKHORN VALLEY**

This FIRST SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE SINGLE FAMILY RESIDENCES AT BUCKHORN VALLEY ("First Supplement") is made and executed effective as of the 14th day of SEPTEMBER, 2002 by ROARK PARTNERS, LLLP, a Colorado limited liability limited partnership ("Declarant").

RECITALS

A. On or about December 13, 2000 Declarant executed and recorded that certain Declaration of Covenants, Conditions and Restrictions for the Single Family Residences at Buckhorn Valley, recorded on December 14, 2000 at Reception No. 746274 in the real property records of Eagle County, Colorado ("Declaration") concerning the formation of a planned community of single family residential homes in accordance with the terms of the Planned Unit Development for Buckhorn Valley, Town of Gypsum, Colorado.

B. As used herein, all defined terms shall have those meanings subscribed to the particular defined terms as provided in the Declaration.

C. Pursuant to the Declaration, Declarant reserved the right to annex additional real property to the Community Area. Declarant desires to annex that portion of the Annexable Property described in Exhibit A attached hereto ("Phase 2A").

NOW THEREFORE, Declarant declares and publishes as follows:

1. Annexation of Phase 2A. Phase 2A is hereby annexed into the Community Area and is made subject to all the terms, provisions and conditions of the Declaration. All of the covenants, conditions and restrictions set forth in the Declaration are hereby incorporated by this reference into this First Supplemental Declaration.

2. Supplemental Plat. The Final Plat for Buckhorn Valley PUD-Phase 2A recorded on June 17, 2002 at Reception No. 798931 is hereby adopted as a Supplemental Plat pursuant to the Declaration. All of the Lots as depicted on the Supplemental Plat shall constitute Lots as defined in the Declaration.

3. Re-Allocation of Voting Rights and Share of Common Assessments. The voting rights with respect to the Master Association matters are re-allocated and the Owner's proportionate share of the Common Assessments for all of the Units, as amended herein, are hereby re-allocated as provided in Exhibit B attached hereto.



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4. Special Declarant Rights. Declarant does hereby have, retain and reserve all of those certain declarant rights, special declarant rights, and reservations contained in Article 6 of the Declaration with respect to the Lots and Tracts located in Phase 2A.

5. Miscellaneous. In the event of any conflict or inconsistency between the provisions of the Declarations and this First Supplement, the terms of this First Supplement shall control. Except as modified herein, the Declaration shall remain in full force and effect.

Executed as of the first date written above.

ROARK PARTNERS, LLLP, a Colorado limited liability limited partnership

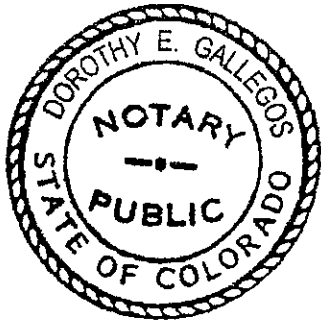
By: David Garton, Jr.
David Garton, Jr., General Partner

STATE OF Colorado)
) ss.
COUNTY OF EAGLE)

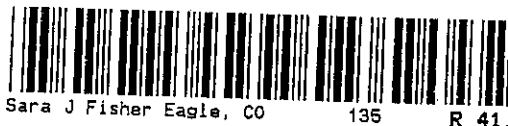
The foregoing instrument was acknowledged before me this 14th day of October, 2002, by Dave Garton, Jr., as General Partner of and on behalf of Roark Partners, LLLP, a Colorado limited liability limited partnership.

Witness my hand and official seal.

My commission expires: 7-1-03



Dorothy E. Gallegos
Notary Public



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EXHIBIT A

Legal Description
Buckhorn Valley P.U.D - Phase 2A

A parcel of land located in Lot 3, Lot 4 and Tract 81, all in Section 10, Township 5 South, Range 85 West of the 6th P.M., Town of Gypsum, County of Eagle, State of Colorado, with the perimeter of said parcel being more particularly described as follows:

Beginning at a 2 1/2 inch G.L.O. brass cap on a 1 inch iron pipe marked for Angle Point 6 of Tract 57 of said Section 10 from where a 2 1/2 inch G.L.O. brass cap on a 1 inch iron pipe marked for Angle Point 5 of Tract 56 of said Section 10 bears N00°04'26"W with all bearings contained in this description being relative thereto, thence N00° 04'26"W, 784.38 feet along the westerly line of said Tract 57 being also the easterly line of a parcel of land described in Book 640 at Page 194 at the Eagle County Clerk and Recorders Office; thence departing said tract line N89° 59'20"E, 1280.79 feet along the southerly line of a parcel of land as described at Reception No. 702875 at said Clerk and Recorders Office to a point on the southerly line of a parcel of land as described at Reception No. 745231 at said Clerk and Recorders Office; thence departing said southerly line N53° 03'51"E, 34.45 feet; thence along a curve to the left having a length of 24.72 feet, a radius of 16.50 feet, a tangent of 15.34 feet, a central angle of 85°50'09" and a chord of 22.47 feet bearing N10°08'47"E; thence along a non-tangent curve to the right having a length of 282.14 feet, a radius of 555.00 feet, a tangent of 144.19 feet, a central angle of 29°07'37" and a chord of 279.11 feet bearing N16°12'29"W to the westerly line of a parcel of land as described at Reception No. 745231 at said Clerk and Recorders Office; thence along the westerly line of said parcel described at Reception No. 745231 along a non-tangent curve to the left having a length of 313.74 feet, a radius of 700.00 feet, a tangent of 159.55 feet, a central angle of 25°40'49" and a chord of 311.12 feet bearing N16°16'18"W to the southerly line of Buckhorn Valley P.U.D. - Phase One recorded at said Clerk and Recorders Office at Reception No. 746275; thence along said southerly line of said Buckhorn Valley P.U.D. - Phase One N89°49'53"E, 78.90 feet to the easterly line of said parcel described at Reception No. 745231; thence along said easterly line as described at Reception No. 745231 along a curve to the right having a length of 305.65 feet, a radius of 770.00 feet, a tangent of 154.86 feet, a central angle of 22°44'37" and a chord of 303.65 feet, bearing S14°53'52"E; thence departing said easterly line as described at Reception No. 745231 and along the following fifteen (15) courses;



Sara J Fisher Eagle, CO

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Page: 3 of 8

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LAMBDA A,

Cont.

- 1.) Along a non-tangent curve to the left having a length of 395.80 feet, a radius of 485.00 feet a tangent of 209.67 feet, a central angle of $46^{\circ}45'28''$ and a chord of 384.90 feet bearing $S26^{\circ}54'17''E$;
- 2.) $S42^{\circ}08'37''W$, 172.10 feet;
- 3.) $S43^{\circ}31'11''W$, 174.07 feet;
- 4.) $S26^{\circ}36'53''W$, 66.31 feet;
- 5.) $S03^{\circ}08'30''E$, 326.71 feet;
- 6.) $S15^{\circ}49'01''W$, 92.34 feet;
- 7.) $S86^{\circ}51'30''W$, 120.00 feet;
- 8.) $S03^{\circ}08'30''E$, 24.56 feet;
- 9.) $S86^{\circ}51'30''W$, 320.00 feet;
- 10.) $N03^{\circ}08'30''W$, 18.26 feet;
- 11.) $S86^{\circ}51'30''W$, 109.71 feet;
- 12.) $S03^{\circ}08'30''E$, 263.23 feet;
- 13.) $S03^{\circ}50'15''E$, 53.98 feet;
- 14.) $S02^{\circ}23'21''E$, 78.84 feet;
- 15.) $S03^{\circ}08'30''E$, 61.55 feet;

To the northeasterly line of a parcel of land as described at Book 603 Page 697 at said Clerk and Recorders Office; thence $N42^{\circ}59'56''W$, 649.72 feet along said northeasterly line to the northerly line of said Tract 81; thence along said northerly line of Tract 81, $S87^{\circ}49'56''W$, 228.91 feet to said Angle Point 6 of said Tract 57 and the point of Beginning.

Said Parcel contains 26.099 acres more and less.



Sara J Fisher Eagle, CO

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Page: 4 of 8

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Lot 42	Phase I	1	.98%
Lot 43	Phase I	1	.98%
Lot 44	Phase I	1	.98%
Lot 45	Phase I	1	.98%
Lot 46	Phase I	1	.98%
Lot 47	Phase I	1	.98%
Lot 48	Phase I	1	.98%
Lot 49	Phase I	1	.98%
Lot 50	Phase I	1	.98%
Lot 51	Phase I	1	.98%
Lot 52	Phase I	1	.98%
Lot 53	Phase I	1	.98%
Lot 115	Phase 2A	1	.98%
Lot 116	Phase 2A	1	.98%
Lot 117	Phase 2A	1	.98%
Lot 118	Phase 2A	1	.98%
Lot 119	Phase 2A	1	.98%
Lot 120	Phase 2A	1	.98%
Lot 121	Phase 2A	1	.98%
Lot 122	Phase 2A	1	.98%
Lot 123	Phase 2A	1	.98%
Lot 124	Phase 2A	1	.98%
Lot 125	Phase 2A	1	.98%
Lot 126	Phase 2A	1	.98%
Lot 127	Phase 2A	1	.98%
Lot 128	Phase 2A	1	.98%
Lot 129	Phase 2A	1	.98%
Lot 130	Phase 2A	1	.98%
Lot 131	Phase 2A	1	.98%
Lot 132	Phase 2A	1	.98%
Lot 133	Phase 2A	1	.98%
Lot 134	Phase 2A	1	.98%
Lot 135	Phase 2A	1	.98%
Lot 136	Phase 2A	1	.98%
Lot 137	Phase 2A	1	.98%
Lot 138	Phase 2A	1	.98%
Lot 139	Phase 2A	1	.98%
Lot 140	Phase 2A	1	.98%
Lot 141	Phase 2A	1	.98%
Lot 142	Phase 2A	1	.98%
Lot 143	Phase 2A	1	.98%
Lot 145	Phase 2A	1	.98%
Lot 146	Phase 2A	1	.98%
Lot 147	Phase 2A	1	.98%
Lot 148	Phase 2A	1	.98%
Lot 149	Phase 2A	1	.98%



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Page: 6 of 8

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EXHIBIT B

<u>Lot</u>	<u>Phases</u>	<u>Votes</u>	<u>Assessment Percentage</u>
Lot 1	Phase I	1	.98%
Lot 2	Phase I	1	.98%
Lot 3	Phase I	1	.98%
Lot 4	Phase I	1	.98%
Lot 5	Phase I	1	.98%
Lot 6	Phase I	1	.98%
Lot 7	Phase I	1	.98%
Lot 8	Phase I	1	.98%
Lot 9	Phase I	1	.98%
Lot 10	Phase I	1	.98%
Lot 11	Phase I	1	.98%
Lot 12	Phase I	1	.98%
Lot 13	Phase I	1	.98%
Lot 14	Phase I	1	.98%
Lot 15	Phase I	1	.98%
Lot 16	Phase I	1	.98%
Lot 17	Phase I	1	.98%
Lot 18	Phase I	1	.98%
Lot 19	Phase I	1	.98%
Lot 20	Phase I	1	.98%
Lot 21	Phase I	1	.98%
Lot 22	Phase I	1	.98%
Lot 23	Phase I	1	.98%
Lot 24	Phase I	1	.98%
Lot 25	Phase I	1	.98%
Lot 26	Phase I	1	.98%
Lot 27	Phase I	1	.98%
Lot 28	Phase I	1	.98%
Lot 29	Phase I	1	.98%
Lot 30	Phase I	1	.98%
Lot 31	Phase I	1	.98%
Lot 32	Phase I	1	.98%
Lot 33	Phase I	1	.98%
Lot 34	Phase I	1	.98%
Lot 35	Phase I	1	.98%
Lot 36	Phase I	1	.98%
Lot 37	Phase I	1	.98%
Lot 38	Phase I	1	.98%
Lot 39	Phase I	1	.98%
Lot 40	Phase I	1	.98%
Lot 41	Phase I	1	.98%



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Page: 5 of 8
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Lot 150	Phase 2A	1	.98%
Lot 151	Phase 2A	1	.98%
Lot 152	Phase 2A	1	.98%
Lot 153	Phase 2A	1	.98%
Lot 154	Phase 2A	1	.98%
Lot 155	Phase 2A	1	.98%
Lot 156	Phase 2A	1	.98%
Lot 157	Phase 2A	1	.98%
Lot 158	Phase 2A	1	.98%
Lot 159	Phase 2A	1	.98%
Lot 160	Phase 2A	1	.98%
Lot 161	Phase 2A	1	.98%
Lot 162	Phase 2A	1	.98%
Lot 163	Phase 2A	1	.98%
Lot 164	Phase 2A	1	.98%
Lot 165	Phase 2A	1	.98%
Lot 166	Phase 2A	1	.98%
Lot 167	Phase 2A	<u>1</u>	<u>.98%</u>
		102	100%



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Page: 7 of 8

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Sara J Fisher Eagle, CO

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R 41.00

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**CONSENT AND SUBORDINATION
BY DEED OF TRUST BENEFICIARY**

Colorado Business Bank, as the beneficiary in that certain Deed of Trust recorded at Reception No. 770925 + 770926 in the real property records of Eagle County, Colorado, does hereby approve and consent to the foregoing First Supplement to Declarations for the Single Family Residences at Buckhorn Valley and hereby agrees that any and all rights and interest under said Deed of Trust shall be and are hereby declared to be junior and subordinate to the provisions of this First Supplement.

Colorado Business Bank

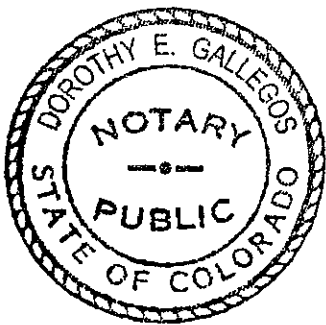
By: *[Signature]*
Philip H. Hancock V.P.

STATE OF Colorado)
COUNTY OF Eagle) ss.

The foregoing instrument was acknowledged before me this 14th day of October, 2002, by Phil Hancock as Vice-President of and on behalf of Colorado Business Bank.

Witness my hand and official seal.

My commission expires: 7-1-03



[Signature]
Notary Public



Sara J Fisher Eagle, CO

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R 41.00

D 0.00

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Page: 8 of 8

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5/26-

SECOND SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE SINGLE FAMILY RESIDENCES AT BUCKHORN VALLEY

This SECOND SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE SINGLE FAMILY RESIDENCES AT BUCKHORN VALLEY ("Second Supplement") is made effective as of the 14th day of October, 2002 by ROARK PARTNERS, LLLP, a Colorado limited liability limited partnership ("Declarant").

RECITALS

A. On or about December 13, 2000 Declarant executed and recorded that certain Declaration of Covenants, Conditions and Restrictions for the Single Family Residences at Buckhorn Valley, recorded on December 14, 2000, at Reception No. 746274 in the real property records of Eagle County, Colorado ("Declaration") concerning the formation of a planned community of single family residential homes in accordance with the terms of the Planned Unit Development for Buckhorn Valley, Town of Gypsum, Colorado.

B. As used herein, all defined terms shall have those meanings subscribed to the particular defined terms as provided in the Declaration.

C. Whereas, on or about October 14, 2002, Declarant did execute that certain First Supplement to Declaration of Covenants, Conditions and Restrictions for the Single Family Residences at Buckhorn Valley, recorded on October 15, 2002, at Reception No. 810260, in the real property records of Eagle County, Colorado ("First Supplement").

D. Exhibit B to the First Supplement contained two errors by including Lot 47 of Phase I, and failing to include Lot 144, Phase 2A, resulting in a miscalculation of the assessment percentages for the common expense assessments. Pursuant to the Declaration and C.R.S. § 38-33.3-204(4) the Declarant may amend the First Supplement to correct clerical, typographical or technical errors.

NOW THEREFORE, Declarant declares and publishes as follows:

1. Supplemental Exhibit. Exhibit B to the First Supplement is hereby amended and restated in the form of Exhibit B attached hereto.

2. Miscellaneous. Except as modified herein, the Declaration and the First Supplement shall remain in full force and effect.

Executed as of the first date written above.

*Return to: Roark Partners
P.O. Box 480
Gypsum Co 81637*



Teak J Simonton Eagle, CO 135 R 26.00 D 0.00

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Page: 1 of 5
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ROARK PARTNERS, LLLP, a Colorado limited liability limited partnership

By: David Garton, Jr.
David Garton, Jr., General Partner

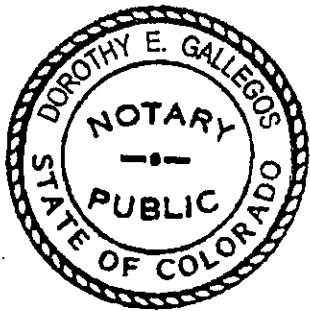
STATE OF Colorado)
COUNTY OF Eagle) ss.

The foregoing instrument was acknowledged before me this 9th day of June, 2004, by Dave Garton, Jr., as General Partner of and on behalf of Roark Partners, LLLP, a Colorado limited liability limited partnership.

Witness my hand and official seal.

My commission expires: 7/01/05.

Dorothy E. Gallegos
Notary Public



880005

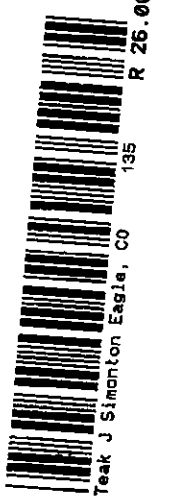
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Teak J Simonton Eagle, CO 135 R 26.00 D 0.00

EXHIBIT B

<u>Lot</u>	<u>Phase</u>	<u>Votes</u>	<u>Assessment Percentage</u>
Lot 1	Phase I	1	.9524%
Lot 2	Phase I	1	.9524%
Lot 3	Phase I	1	.9524%
Lot 4	Phase I	1	.9524%
Lot 5	Phase I	1	.9524%
Lot 6	Phase I	1	.9524%
Lot 7	Phase I	1	.9524%
Lot 8	Phase I	1	.9524%
Lot 9	Phase I	1	.9524%
Lot 10	Phase I	1	.9524%
Lot 11	Phase I	1	.9524%
Lot 12	Phase I	1	.9524%
Lot 13	Phase I	1	.9524%
Lot 14	Phase I	1	.9524%
Lot 15	Phase I	1	.9524%
Lot 16	Phase I	1	.9524%
Lot 17	Phase I	1	.9524%
Lot 18	Phase I	1	.9524%
Lot 19	Phase I	1	.9524%
Lot 20	Phase I	1	.9524%
Lot 21	Phase I	1	.9524%
Lot 22	Phase I	1	.9524%
Lot 23	Phase I	1	.9524%
Lot 24	Phase I	1	.9524%
Lot 25	Phase I	1	.9524%
Lot 26	Phase I	1	.9524%
Lot 27	Phase I	1	.9524%
Lot 28	Phase I	1	.9524%
Lot 29	Phase I	1	.9524%
Lot 30	Phase I	1	.9524%
Lot 31	Phase I	1	.9524%
Lot 32	Phase I	1	.9524%
Lot 33	Phase I	1	.9524%
Lot 34	Phase I	1	.9524%
Lot 35	Phase I	1	.9524%
Lot 36	Phase I	1	.9524%
Lot 37	Phase I	1	.9524%
Lot 38	Phase I	1	.9524%
Lot 39	Phase I	1	.9524%
Lot 40	Phase I	1	.9524%
Lot 41	Phase I	1	.9524%

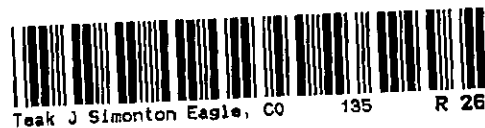
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Page: 3 of 5
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Teak J Simonton Eagle, CO



Lot 42	Phase I	1	.9524%
Lot 43	Phase I	1	.9524%
Lot 44	Phase I	1	.9524%
Lot 45	Phase I	1	.9524%
Lot 46	Phase I	1	.9524%
Lot 48	Phase I	1	.9524%
Lot 49	Phase I	1	.9524%
Lot 50	Phase I	1	.9524%
Lot 51	Phase I	1	.9524%
Lot 52	Phase I	1	.9524%
Lot 53	Phase I	1	.9524%
Lot 115	Phase 2A	1	.9524%
Lot 116	Phase 2A	1	.9524%
Lot 117	Phase 2A	1	.9524%
Lot 118	Phase 2A	1	.9524%
Lot 119	Phase 2A	1	.9524%
Lot 120	Phase 2A	1	.9524%
Lot 121	Phase 2A	1	.9524%
Lot 122	Phase 2A	1	.9524%
Lot 123	Phase 2A	1	.9524%
Lot 124	Phase 2A	1	.9524%
Lot 125	Phase 2A	1	.9524%
Lot 126	Phase 2A	1	.9524%
Lot 127	Phase 2A	1	.9524%
Lot 128	Phase 2A	1	.9524%
Lot 129	Phase 2A	1	.9524%
Lot 130	Phase 2A	1	.9524%
Lot 131	Phase 2A	1	.9524%
Lot 132	Phase 2A	1	.9524%
Lot 133	Phase 2A	1	.9524%
Lot 134	Phase 2A	1	.9524%
Lot 135	Phase 2A	1	.9524%
Lot 136	Phase 2A	1	.9524%
Lot 137	Phase 2A	1	.9524%
Lot 138	Phase 2A	1	.9524%
Lot 139	Phase 2A	1	.9524%
Lot 140	Phase 2A	1	.9524%
Lot 141	Phase 2A	1	.9524%
Lot 142	Phase 2A	1	.9524%
Lot 143	Phase 2A	1	.9524%
Lot 144	Phase 2A	1	.9524%
Lot 145	Phase 2A	1	.9524%
Lot 146	Phase 2A	1	.9524%
Lot 147	Phase 2A	1	.9524%
Lot 148	Phase 2A	1	.9524%
Lot 149	Phase 2A	1	.9524%



Lot 150	Phase 2A	1	.9524%
Lot 151	Phase 2A	1	.9524%
Lot 152	Phase 2A	1	.9524%
Lot 153	Phase 2A	1	.9524%
Lot 154	Phase 2A	1	.9524%
Lot 155	Phase 2A	1	.9524%
Lot 156	Phase 2A	1	.9524%
Lot 157	Phase 2A	1	.9524%
Lot 158	Phase 2A	1	.9524%
Lot 159	Phase 2A	1	.9524%
Lot 160	Phase 2A	1	.9524%
Lot 161	Phase 2A	1	.9524%
Lot 162	Phase 2A	1	.9524%
Lot 163	Phase 2A	1	.9524%
Lot 164	Phase 2A	1	.9524%
Lot 165	Phase 2A	1	.9524%
Lot 166	Phase 2A	1	.9524%
Lot 167	Phase 2A	<u>1</u>	<u>.9524%</u>
		105	100%



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Page: 5 of 5
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Teak J Simonton Eagle, CO

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R 26.00

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5/26-

FOURTH SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE SINGLE FAMILY RESIDENCES AT BUCKHORN VALLEY

This FOURTH SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE SINGLE FAMILY RESIDENCES AT BUCKHORN VALLEY ("~~Fourth Supplement~~") is made and executed effective as of the 7th day of March, 2007 by ROARK PARTNERS, LLLP, a Colorado limited liability limited partnership ("~~Declarant~~").

RECITALS

A. Declarant executed and recorded that certain Declaration of Covenants, Conditions and Restrictions for the Single Family Residences at Buckhorn Valley, recorded on December 14, 2000 at Reception No. 746274 in the real property records of Eagle County, Colorado as amended and supplemented in the First Supplement recorded at Reception No. 810260, the Second Supplement recorded at Reception No. 880005 and the Third Supplement recorded at Reception No. 916283 and re-recorded at Reception No. 918652 (collectively, "~~Declaration~~") concerning the formation of a planned community of single family residential homes in accordance with the terms of the Planned Unit Development for Buckhorn Valley, Town of Gypsum, Colorado.

B. As used herein, all defined terms shall have those meanings subscribed to the particular defined terms as provided in the Declaration.

C. Pursuant to the Declaration, Declarant reserved the right to annex additional real property to the Community Area. Declarant desires to annex those certain residential lots, described in Exhibit A attached hereto ("~~Phase Four Lots~~"), which constitute a portion of the Annexable Property.

NOW THEREFORE, Declarant declares and publishes as follows:

1. Annexation of Phase Four. The Phase Four Lots are hereby annexed into the Community Area and is made subject to all the terms, provisions and conditions of the Declaration. All of the covenants, conditions, restrictions and other provisions set forth in the Declaration are hereby incorporated by this reference into this Fourth Supplement.

2. Supplemental Plat. The Final Plat for Buckhorn Valley PUD-Phase Four, recorded on _____, 2007 at Reception No. _____ is hereby adopted as a Supplemental Plat pursuant to the Declaration. The Phase Four Lots as depicted on the Supplemental Plat shall constitute Lots as defined in the Declaration and are owned by the Declarant.

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BUCKHORN VALLEY

PAGE 02

3. Re-Allocation of Voting Rights and Share of Common Assessments. The voting rights with respect to Association matters are re-allocated and the Owner's proportionate share of the Common Assessments for all of the Units, as amended herein, are hereby re-allocated as provided in Exhibit B attached hereto.

4. Special Declarant Rights. Declarant retains and reserves all of the declarant rights, special declarant rights, and reservations contained in Article 5 of the Declaration with respect to all the property described therein, including, without limitation, the Phase Four Lots.

5. Miscellaneous. In the event of any conflict or inconsistency between the provisions of the Declaration and this Fourth Supplement, the terms of this Fourth Supplement shall control. Except as modified herein, the Declaration shall remain in full force and effect.

Executed as of the first date written above.

ROARK PARTNERS, LLLP, a Colorado limited liability limited partnership

By: David Garton, Jr.
David Garton, Jr., General Partner

STATE OF COLORADO)
) ss.
COUNTY OF EAGLE)

The foregoing instrument was acknowledged before me this 7th day of March, 2007, by Dave Garton, Jr., as General Partner of and on behalf of Roark Partners, LLLP, a Colorado limited liability limited partnership.

Witness my hand and official seal.

My commission expires: 06/07/08



Samantha Gale
Notary Public

03/07/2007 09:14 9785248858

BUCKHORN VALLEY

PAGE 04

EXHIBIT A

**Lots 168 through 213, inclusive,
Buckhorn Valley FUD - Phase Four,
according to the recorded plat thereof,
County of Eagle,
State of Colorado.**

03/07/2007 08:14 9705248868

BUCKHORN VALLEY

PAGE 05

EXHIBIT B

<u>Lots</u>	<u>Phase</u>	<u>Vote</u>	<u>Assessment Percentage</u>
Lots 1 through 46, inclusive	Phase 1	1 each	.474% each
Lots 48 through 53, inclusive	Phase 1	1 each	.474% each
Lots 54 through 113, inclusive	Phase 3	1 each	.474% each
Lots 115 through 167, inclusive	Phase 2A	1 each	.474% each
Lots 168 through 213, inclusive	Phase Four	1 each	.474% each
		211	100%

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BUCKHORN VALLEY

PAGE 06

**CONSENT AND SUBORDINATION
BY DEED OF TRUST BENEFICIARY**

Colorado Business Bank, as the beneficiary of certain Deeds of Trust encumbering the Phase Four Lots, does hereby approve and consent to the foregoing Fourth Supplement to Declarations for the Single Family Residences at Buckhorn Valley and hereby agrees that any and all rights and interest under said Deed of Trust shall be and are hereby declared to be junior and subordinate to the provisions of this Fourth Supplement.

Colorado Business Bank

By: [Signature]

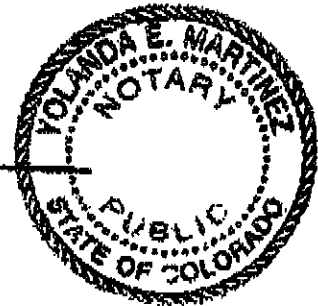
STATE OF Colorado }
COUNTY OF Eagle } ss.

The foregoing instrument was acknowledged before me this 9th day of March, 2007, by Kevin M. Heritage as Vice President of and on behalf of Colorado Business Bank.

Witness my hand and official seal.

My commission expires: 03/31/2008

[Signature]
Notary Public



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BUO



5/26-

**FOURTH SUPPLEMENT TO MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR BUCKHORN VALLEY, TOWN OF
GYPSUM, COLORADO**

This FOURTH SUPPLEMENT TO MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BUCKHORN VALLEY, TOWN OF GYPSUM, COLORADO ("Fourth Supplement") is made and executed effective as of the 9th day of March, 2007 by ROARK PARTNERS, LLLP, a Colorado limited liability limited partnership ("Declarant").

RECTALS

A. Declarant executed and recorded that certain Master Declaration of Covenants, Conditions and Restrictions for Buckhorn Valley, Town of Gypsum, Colorado recorded on December 14, 2000 at Reception No. 746273 in the real property records of Eagle County, Colorado as amended in the First Supplement recorded at Reception No. 810261, the Second Supplement recorded at Reception No. 916282 and re-recorded at Reception No. 918651 and the Third Supplement recorded at Reception No. 922789 ("Master Declaration") concerning the formation of a planned community of single family residential homes, duplexes, multi-family condominiums, multi-family townhomes, schools, parks and open space and commercial development in accordance with the terms of the Planned Unit Development for Buckhorn Valley, Town of Gypsum, Colorado.

B. As used herein, all defined terms shall have those meanings subscribed to the particular defined terms as provided in the Master Declaration.

C. Pursuant to the Master Declaration, Declarant reserved the right to annex additional real property to the Community Area. Declarant desires to annex a portion of the Annexable Property, which is now platted as Lots 168 through 213, inclusive, Buckhorn Valley Phase Four, more particularly described in Exhibit A attached hereto ("Phase Four Lots").

NOW THEREFORE, Declarant declares and publishes as follows:

1. Annexation of Phase Four Lots. The Phase Four Lots are hereby annexed into the Community Area and is made subject to all the terms, provisions and conditions of the Master Declaration. All of the covenants, conditions, restrictions and other provisions set forth in the Master Declaration are hereby incorporated by this reference into this Fourth Supplement.

2. Supplemental Plat. The Final Plat for Buckhorn Valley PUD - Phase Four recorded on March _____, 2007 at Reception No. _____ is hereby adopted as a Supplemental Plat pursuant to the Master Declaration. All of the Lots as depicted on the

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Chas. Note

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BUCKHORN VALLEY

PAGE 08

Supplemental Plat shall constitute Lots as defined in the Master Declaration and are owned by the Declarant.

3. Re-Allocation of Voting Rights and Share of Common Assessments. The voting rights with respect to the Master Association matters are re-allocated and the Owner's proportionate share of the Common Assessments for all of the Units, as amended herein, are hereby re-allocated as provided in Exhibit B attached hereto.

4. Special Declarant Rights. Declarant retains and reserves all of the declarant rights, special declarant rights, and reservations contained in Article 6 of the Master Declaration with respect to all the property described therein, including, without limitation, the Phase Four Lots.

5. Miscellaneous. In the event of any conflict or inconsistency between the provisions of the Master Declaration, the terms of this Fourth Supplement shall control. Except as modified herein, the Master Declaration shall remain in full force and effect.

Executed as of the first date written above.

ROARK PARTNERS, L.L.P. a Colorado limited liability partnership

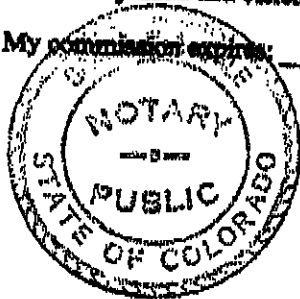
By: David Garton, Jr.
David Garton, Jr., General Partner

STATE OF Colorado)
COUNTY OF Eagle) ss.

The foregoing instrument was acknowledged before me this 7th day of March, 2007, by Dave Garton, Jr., as General Partner of and on behalf of Roark Partners, L.L.P., a Colorado limited liability partnership.

Witness my hand and official seal.

My commission expires: 06/07/08



Shirley D. Gale
Notary Public

Client's Note: This document was in poor condition when received in this office.

Client's Note:

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BUCKHORN VALLEY

PAGE 09

EXHIBIT A

**Lots 168 through 213, inclusive,
Buckhorn Valley PUD - Phase Four,
according to the recorded plat thereof,
County of Eagle,
State of Colorado.**

Client Note: This document was in poor condition when received in this office.

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BUCKHORN VALLEY

PAGE 10

EXHIBIT B

<u>Lots</u>	<u>Phase</u>	<u>Vote</u>	<u>Assessment Percentage</u>
Lots 1 through 46, inclusive	Phase I	1 each	0.26% each
Lots 48 through 53, inclusive	Phase I	1 each	0.26% each
Lots 54 through 113, inclusive	Phase 3	1 each	0.26% each
Lots 115 through 167, inclusive	Phase 2A	1 each	0.26% each
Lots 1 through 38, inclusive	Multi-Family PUD	1 each	0.26% each
Lots 39 through 41, inclusive	Multi-Family PUD	2 each	0.52% each
Lots 42 through 103, inclusive	Multi-Family PUD	1 each	0.26% each
Lots 104 through 110, inclusive	Multi-Family PUD	2 each	0.52% each
Lots 168 through 213, inclusive	Phase Four	1 each	0.26% each
		376	100%


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Clerk's Note:

**CONSENT AND SUBORDINATION
BY DEED OF TRUST BENEFICIARY**

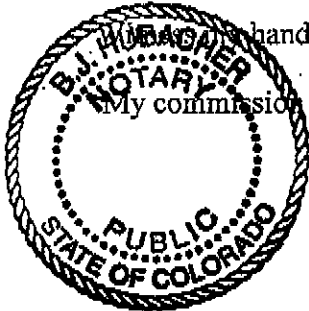
Colorado Business Bank, as the beneficiary of certain Deeds of Trust encumbering the Phase Four Lots, does hereby approve and consent to the foregoing Fourth Supplement to Master Declaration and hereby agrees that any and all rights and interest under said Deed of Trust shall be and are hereby declared to by junior and subordinate to the provisions of this Fourth Supplement.

Colorado Business Bank

By: 

STATE OF Colorado)
) ss.
COUNTY OF Eagle)

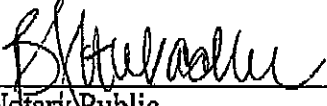
The foregoing instrument was acknowledged before me this 9th day of March, 2007, by Kevin M. Armitage as Vice President of and on behalf of Colorado Business Bank.



EXPIRES: 01/29/2011

hand and official seal.

My commission expires: 1/29/11


Notary Public

Clerk's Note: This document was in poor condition when received in this office.



5/2/07

DECLARATION OF EASEMENT
(Overlook Lane)

THIS DECLARATION OF EASEMENT ("Declaration") is made this 13th day of March, 2007 by and between ROARK PARTNERS, LLLP, a Colorado limited liability limited partnership ("Grantor") and The Homeowners Association For the Single Family Residences at Buckhorn Valley, Inc., a Colorado non-profit corporation ("Association").

RECITALS

A. Grantor is the owner of Lots 192, 193 and 194, Buckhorn Valley PUD – Phase Four, Town of Gypsum, County of Eagle, State of Colorado ("Lots").

B. Lots 192, 193 and 194 have been designed with the intent that they share a common driveway having a single curb cut and access point to Buckhorn Valley Boulevard located on Lot 193.

C. The Town of Gypsum will not permit the users of the Lots to back out on Buckhorn Valley Boulevard. Thus, Grantor has designed a joint driveway that will allow cars from all three Lots to turn around before they enter Buckhorn Valley Boulevard and desires to provide for an easement for the joint driveway within that portion of Lots 192, 193 and 194 depicted on the plat for Buckhorn Valley Phase Four as "Overlook Lane" ("Easement Premises") for the benefit of the owners of Lots 192, 193 and Lot 194 ("Owners").

D. The Lots are subject to the Declaration of Covenants, Conditions and Restrictions recorded on December 14, 2004, at Reception No. 746274 ("Covenants") in the real property records of Eagle County, Colorado. The Association is the homeowners association charged with managing the community under the Covenants and for maintaining all private roads within the community.

NOW, THEREFORE, in furtherance of promoting a common plan of development for the Lots in a manner that protects and enhances the quality, aesthetic desirability and attractiveness of the Lots, and in consideration of the foregoing recitals, Grantor hereby declares as follows:

1. Grant of Easement. Grantor hereby declares, establishes, creates, reserves, grants and conveys a perpetual, reciprocal non-exclusive easement on, over and across Easement Premises to and for the benefit of Lots 192, 193 and 194 for the following uses:

(a) For vehicular and pedestrian access, ingress and egress to and from Lot 192, Lot 193 and Lot 194 to and from Buckhorn Valley Boulevard ("Street");

(b) For the construction, installation, maintenance, repair and replacement of a paved driveway and driveway related improvements:

- (c) For snow removal and storage;
- (d) For residential curbside waste pickup; and
- (e) For any other associated uses.

2. Initial Construction of Driveway. Neither the Grantor nor the Association shall have any obligation to construct a driveway within the Easement Premises. The initial construction of any such driveway and other facilities may be undertaken by any one or more of the Owners and (i) shall be done in conformance with the Covenants, including having obtained the prior approval of the Association's design review committee, (ii) shall be commenced after having provided reasonable notice to the Owners of all three Lots, and (iii) shall be done in a manner so as to minimize, to the extent reasonably possible, any interruption and interference to the Owners of the three Lots. The costs of construction shall be shared, as provided in Section 5 below.

3. Reserved Rights. The Owner of each Lot reserves unto itself the right to use that portion of the Easement Premises affecting such Owner's Lot for any purpose that does not materially impair the use of the Easement Premises for the permitted uses; provided, no parking of vehicles and no storage of any equipment or materials shall be permitted within the Easement Premises.

4. Scope of Easements. The easements created herein shall be for the benefit of all Owners of the Lots and their designated tenants, subtenants, licensees, guests and invitees, regardless of the number of users or amount of use and shall be for the entire Easement Premises, regardless of the area occupied by the driveway improvements.

5. Maintenance / Obligation to Share Costs.

(a) Once the driveway improvements have been constructed, the Association shall, pursuant to Section 8.3 of the Covenants, maintain the driveway improvements, including snow removal, but shall have no other obligation to otherwise preserve or protect the Easement Premises or the safety of persons using the Easement Premises. The Owners shall otherwise maintain, repair, replace, operate and protect, as the case may be, the driveway and the Easement Premises in good working condition.

(b) The Owners shall each pay one-third (1/3) of all costs of constructing, resurfacing, repairing and maintaining the driveway improvements and the Easement Premises, including the costs of initial construction and completion of the driveway. The costs shall include, without limitation: the cost of paving the driveway, the cost of resurfacing and repairing the pavement located on the Easement Premises, the cost of snow removal, and other similar costs. All costs incurred by the Association in connection with Overlook Lane shall be

collectable as common expense assessments to be assessed against and allocated among the three Lots, pro rata, and the Association shall have all the rights and remedies available under the Covenants to enforce payment and collection of the same.

(c) The obligations imposed on the Owners by this Section 5 shall be mandatory whether or not an owner of any of the Lots (or any tenants of either of such properties) actually uses the easements created by this Declaration; provided however, notwithstanding anything contained in this Declaration to the contrary, the owner that first commences construction shall design and construct the driveway for use by all Lots, but the obligation to share costs imposed by this Section 5 upon the Owners of the other Lots shall not commence with respect to such Lots until such time as a building permit for the construction of the improvements on such Lot has been issued which results in the use of any of the easements established hereby. Once the building permit has been issued for such Lots, then the Owner of the Lot that paid for the initial costs of constructing the driveway may make demand for payment of the other Owner's pro rata share of the construction costs.

(e) In the event any Owner of a Lot shall fail to pay to another Owner its pro rata share of the total cost of construction, resurfacing, repairing and maintaining the Driveway and the Easement Premises, then, if such failure to pay shall continue for a period of more than thirty (30) days after the date demanded, the defaulting Owners shall pay such amount, together with interest from the date of demand to the date of payment at the rate of ten percent (10%) per annum over the rate charged for US Treasury Bills having a five (5) year maturity.

(f) Upon written notice to any defaulting Owner, the Owner of either of the other Lots may cure any defaults of the defaulting Owner under this paragraph by performing or causing to be performed any obligations imposed upon such Owner hereunder and the Owners of the Lots so performing may setoff any such expenditures against any payment due or to become due hereunder.

6. General.

(a) The benefits and burdens of each easement and the obligations of each covenant set forth in this instrument shall run with the Lots, shall be appurtenant to the Lots, and shall bind and benefit the Owners thereof, their respective heirs, successors, successors-in-title, legal representatives and assigns.

(b) The provisions of this Declaration may be abrogated, modified, rescinded or amended in whole or in part by a written instrument executed by the Association and all of the Owners of the Lots in a written instrument duly recorded in the real property records of Eagle County, Colorado.

(c) The easements and rights created, reserved, granted and established in this Declaration do not, are not intended to and shall not be construed to create any easements, rights or privileges in and for the benefit of the general public.

(d) The Association is an intended third party beneficiary of this Declaration and may enforce the Owner's obligation to maintain the Easement Premises as provided herein. The easements granted herein shall not merge with the fee title owner of Grantor or any other Owner and this Declaration may not be terminated or extinguished, even by merger, without the prior written consent of the Association.

(e) In the event of any action concerning the interpretation or enforcement of this Declaration, the party that does not substantially prevail shall pay to the party who does substantially prevail all costs and expenses, including attorneys fees, incurred in connection with such action.

IN WITNESS WHEREOF, the Grantor has executed and delivered this Declaration under seal as of the day and year first above written.

"Grantor"

Roark Partners, LLLP, a Colorado limited liability limited partnership

By: 

David Garton, General Partner

"Association"

The Association For the Single Family Residences at Buckhorn Valley, Inc.
Colorado non-profit corporation

By: 

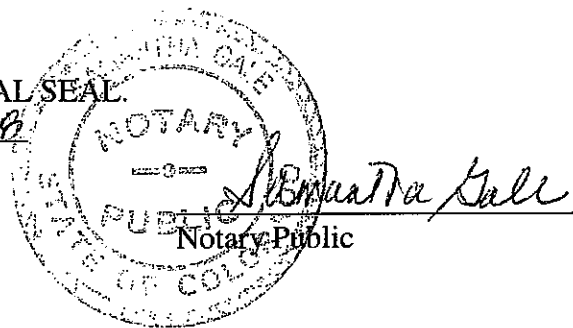
David Garton, President

STATE OF COLORADO)
)ss.
County of Eagle)

Acknowledged before me this 3rd day of March, 2007, by David Garton, as General Partner of and on behalf of Roark Partners, LLLP, a Colorado limited liability limited partnership.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires: 06/07/08

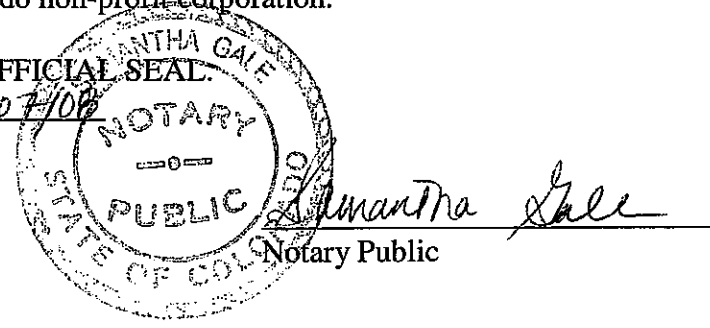


STATE OF COLORADO)
)ss.
County of Eagle)

Acknowledged before me this 3rd day of March, 2007, by David Garton, President of and on behalf of the Homeowners Association For the Single Family Residences at Buckhorn Valley, Inc., a Colorado non-profit corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires: 06/07/08



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THIRD SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE SINGLE FAMILY RESIDENCES AT BUCKHORN VALLEY

This THIRD SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE SINGLE FAMILY RESIDENCES AT BUCKHORN VALLEY ("**Third Supplement**") is made and executed effective as of the 2nd day of May, 2005 by ROARK PARTNERS, LLLP, a Colorado limited liability limited partnership ("**Declarant**").

RECITALS

A. Declarant executed and recorded that certain Declaration of Covenants, Conditions and Restrictions for the Single Family Residences at Buckhorn Valley, recorded on December 14, 2000 at Reception No. 746274 in the real property records of Eagle County, Colorado as amended and supplemented in the First Supplement recorded on October 15, 2002 at Reception No. 810260 and in the Second Supplement recorded on June 9, 2004 at Reception No. 880005 (collectively, "**Declaration**") concerning the formation of a planned community of single family residential homes in accordance with the terms of the Planned Unit Development for Buckhorn Valley, Town of Gypsum, Colorado.

B. As used herein, all defined terms shall have those meanings subscribed to the particular defined terms as provided in the Declaration.

C. Pursuant to the Declaration, Declarant reserved the right to annex additional real property to the Community Area. Declarant desires to annex that portion of the Annexable Property described in Exhibit A attached hereto ("**Phase 3**").

NOW THEREFORE, Declarant declares and publishes as follows:

1. Annexation of Phase 3. Phase 3 is hereby annexed into the Community Area and is made subject to all the terms, provisions and conditions of the Declaration. All of the covenants, conditions, restrictions and other provisions set forth in the Declaration are hereby incorporated by this reference into this Third Supplemental Declaration.

2. Supplemental Plat. The Final Plat for Buckhorn Valley PUD-Phase 3 recorded on April 27, 2005 at Reception No. 913694 is hereby adopted as a

THIS DOCUMENT IS BEING RE-RECORDED TO CORRECT EXHIBIT A

Supplemental Plat pursuant to the Declaration. All of the Lots as depicted on the Supplemental Plat shall constitute Lots as defined in the Declaration and are owned by the Declarant.

3. Re-Allocation of Voting Rights and Share of Common Assessments. The voting rights with respect to the Association matters are re-allocated and the Owner's proportionate share of the Common Assessments for all of the Units, as amended herein, are hereby re-allocated as provided in Exhibit B attached hereto.

4. Special Declarant Rights. Declarant does hereby have, retain and reserve all of those certain declarant rights, special declarant rights, and reservations contained in Article 6 of the Declaration with respect to the Lots and Tracts located in Phase 3.

5. Miscellaneous. In the event of any conflict or inconsistency between the provisions of the Declaration and this Third Supplement, the terms of this Third Supplement shall control. Except as modified herein, the Declaration shall remain in full force and effect.

Executed as of the first date written above.

ROARK PARTNERS, LLLP, a Colorado limited liability limited partnership

By: David Garton, Jr.
David Garton, Jr., General Partner

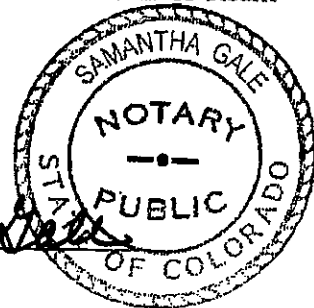
STATE OF COLORADO)
) ss.
COUNTY OF EAGLE)

The foregoing instrument was acknowledged before me this 2nd day of May, 2005, by Dave Garton, Jr., as General Partner of and on behalf of Roark Partner, LLLP, a Colorado limited liability limited partnership.

Witness my hand and official seal.

My commission expires: 06/07/08

Samantha Gale
Notary Public



• EXHIBIT A

A parcel of land located in Lot 1, Section 10 and Lot 2, Section 11, Township 5 South, Range 85 West of the 6th P.M., Town of Gypsum, County of Eagle, State of Colorado being a portion of the parcel described on the Buckhorn Valley Annexation No. 2 recorded at Reception No. 724085 in the office of the Eagle County Clerk and Recorded with all bearings described herein, based on a bearing of N89° 28'27"E for the line between Corner No. 3 and Corner No. 4 of Tract 54, both being 2 1/2" brass caps on 1 1/2" iron pipes, stamped USGLO (1918), found in place; being more particularly described as follows:

Beginning at said Corner No. 4 of Tract 54 thence S02°30'08"W, 1162.59 feet along the Southwesterly line of said Tract 54, to a point from which Corner No. 5 of said Tract 54, being a 2 1/2" brass cap on 1" iron pipe, stamped USGLO (1918), found in place, bears S02°30'08"W, 1433.17 feet; thence departing said Southwesterly line along the Northerly line of an existing 125 foot Colorado-Ute Electric Association, Inc., easement, described in Book 325 at Page 349 at said Clerk and Recorder's Office, S89°49'53"W, 964.87 feet to the Southeast corner of Lot 53, Buckhorn Valley P.U.D. - Phase One as recorded at Reception No's. 746275 and 775756 in said Clerk and Recorder's Office; thence departing said Northerly line along the Easterly line of said Buckhorn Valley P.U.D. - Phase One, the following (12) twelve courses and distances:

- 1) N00°10'07"W, 27.93 feet;
- 2) N23°20'28"W, 77.49 feet;
- 3) N00°01'52"W, 109.26 feet;
- 4) N32°30'46"E, 70.30 feet;
- 5) N34°32'17"E, 50.35 feet;
- 6) N41°17'58"E, 200.00 feet;
- 7) N32°38'17"E, 50.58 feet;
- 8) N41°17'58"E, 100.00 feet;
- 9) N48°42'02"W, 548.38 feet;
- 10) N00°29'47"W, 64.76 feet;
- 11) S89°30'13"W, 18.98 feet;
- 12) N00°29'47"W, 149.83 feet;

to said line between Corner No. 3 and Corner No. 4 of Tract 54, from which said Corner No. 3 bears S89°28'27"W, 115.73 feet; thence N89°28'27"E, 1187.72 feet to the Point of Beginning,

EXHIBIT B

<u>Lot</u>	<u>Phases</u>	<u>Votes</u>	<u>Assessment Percentage</u>
Lot 1	Phase I	1	.606%
Lot 2	Phase I	1	.606%
Lot 3	Phase I	1	.606%
Lot 4	Phase I	1	.606%
Lot 5	Phase I	1	.606%
Lot 6	Phase I	1	.606%
Lot 7	Phase I	1	.606%
Lot 8	Phase I	1	.606%
Lot 9	Phase I	1	.606%
Lot 10	Phase I	1	.606%
Lot 11	Phase I	1	.606%
Lot 12	Phase I	1	.606%
Lot 13	Phase I	1	.606%
Lot 14	Phase I	1	.606%
Lot 15	Phase I	1	.606%
Lot 16	Phase I	1	.606%
Lot 17	Phase I	1	.606%
Lot 18	Phase I	1	.606%
Lot 19	Phase I	1	.606%
Lot 20	Phase I	1	.606%
Lot 21	Phase I	1	.606%
Lot 22	Phase I	1	.606%
Lot 23	Phase I	1	.606%
Lot 24	Phase I	1	.606%
Lot 25	Phase I	1	.606%
Lot 26	Phase I	1	.606%
Lot 27	Phase I	1	.606%
Lot 28	Phase I	1	.606%
Lot 29	Phase I	1	.606%
Lot 30	Phase I	1	.606%
Lot 31	Phase I	1	.606%
Lot 32	Phase I	1	.606%
Lot 33	Phase I	1	.606%
Lot 34	Phase I	1	.606%
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Lot 40	Phase I	1	.606%

Lot 41	Phase I	1	.606%
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Lot 109	Phase 3	1	.606%
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Lot 131	Phase 2A	1	.606%
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Lot 148	Phase 2A	1	.606%
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Lot 163	Phase 2A	1	.606%
Lot 164	Phase 2A	1	.606%
Lot 165	Phase 2A	1	.606%
Lot 166	Phase 2A	1	.606%
Lot 167	Phase 2A	<u>1</u>	<u>.606%</u>
		165	99.99%

**CONSENT AND SUBORDINATION
BY DEED OF TRUST BENEFICIARY**

Colorado Business Bank, as the beneficiary in that certain Deed of Trust recorded at Reception No _____ in the real property records of Eagle County, Colorado, does hereby approve and consent to the foregoing Third Supplement to Declarations for the Single Family Residences at Buckhorn Valley and hereby agrees that any and all rights and interest under said Deed of Trust shall be and are hereby declared to by junior and subordinate to the provisions of this Third Supplement.

Colorado Business Bank

By: [Signature] as
Vice President

STATE OF Colorado)
COUNTY OF Eagle) ss.

The foregoing instrument was acknowledged before me this 2nd day of May, 2005, by _____ of and on behalf of Colorado Business Bank.

Witness my hand and official seal.
My Commission Expires 4/11/2007
My commission expires: _____

[Signature]
Notary Public

