

CERTIFICATE

STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

T.L. Gore, the affiant, being first duly sworn, states and alleges as follows:

1. I am the President of THE ARAPAHO MEADOWS HOMEOWNERS ASSOCIATION, a Colorado corporation, and as such am familiar with the Owners of Lots within the ARAPAHO MEADOWS SUBDIVISION.

2. In accordance with Paragraph 6 of THE DECLARATION OF PROTECTIVE COVENANTS FOR ARAPAHO MEADOWS which was recorded on June 29, 1993 as Reception No. 93043503 in the records of the Larimer County Clerk and Recorder, the Owners of Lots within the ARAPAHO MEADOWS SUBDIVISION with at least sixty percent of the votes in the subdivision, have approved the AMENDMENT AND RESTATEMENT OF THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF ARAPAHO MEADOWS.

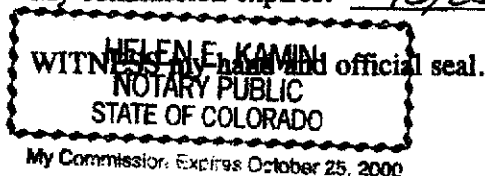
3. The originals of such approvals by the Owners, along with the recorded Amendment and Restatement are in the records of the Association and are available for inspection at the Association's offices during business hours.


4. Further the affiant sayeth naught.


T.L. Gore, President

The foregoing instrument was subscribed and sworn to before me this 11th day of November, 1998 by T.L. Gore as President of THE ARAPAHO MEADOWS HOMEOWNERS ASSOCIATION.

My commission expires: 10/25/2000




Notary Public

T.L. GORE
2365 ARAPAHO RD
ESTES PARK, CO 80517

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STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing instrument was acknowledged before me this 12 day of November, 1998 by Lee Kundtz as Assistant Secretary of The Arapaho Meadows Homeowners Association, a Colorado Nonprofit Corporation.

My Commission Expires July 28, 1999
My commission expires: 288 Park Lane, Estes Park, CO 80517

WITNESS my hand and official seal.

Lisa J. Shulman
Notary Public



RCPTN # 98102555 11/23/98 14:19:00 # PAGES - 39 FEE - \$196.00
M RODENBERGER RECORDER, LARIMER COUNTY CO STATE DOC FEE - \$.00

AMENDMENT AND RESTATEMENT

OF THE

THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

OF

ARAPAHO MEADOWS

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9/2/98

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EXHIBITS

- A LEGAL DESCRIPTION OF THE REAL PROPERTY SUBMITTED TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
ARAPAHO MEADOWS
- B LEGAL DESCRIPTION OF THE COMMON AREAS SUBMITTED TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
ARAPAHO MEADOWS

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AMENDMENT AND RESTATEMENT
OF THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
ARAPAHO MEADOWS

PREAMBLE

THIS DECLARATION is made on the date hereinafter set forth, by the undersigned Owners as hereinafter defined.

WHEREAS, the Owners are the owner of certain real property located in Estes Park, Colorado, as more particularly described on the attached Exhibits A and B; and

WHEREAS, the Owners have constructed a residential community on the said real property.

NOW THEREFORE, the Owners hereby submit the real property described on said Exhibits A and B, together with all rights, and appurtenances thereto and improvements thereon to the provisions of the Colorado Common Interest Ownership Act, as it may be amended from time to time. In the event the said Act is repealed, the Act as it exists on the date this Declaration is recorded shall remain applicable.

The Owners hereby declare that all of the said real property described on said Exhibits A and B shall be held and conveyed subject to the following covenants, conditions and restrictions, all of which are declared and agreed to be for the benefit of any persons having any right, title or interest in the said real property. Said covenants, conditions and restrictions shall be deemed to run with the land and shall be a burden and a benefit to any persons acquiring any interest in the said real property, their grantees, heirs, legal representatives, successors and assigns.

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ARTICLE ONE: DEFINITIONS

As used in this Declaration, unless the context otherwise requires, the terms hereinafter set forth shall have the following meanings:

1.1 ACT means the Colorado Common Interest Ownership Act, C.R.S. §§ 38-33.3-101, et seq., as it may be amended from time to time.

1.2 AGENCIES means and collectively refers to the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Department of Housing and Urban Development (HUD/FHA), the Veterans Administration (VA) or any other governmental or quasi-governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by any of such entities.

1.3 ALLOCATED INTERESTS means the Votes in the Association and the Common Expense Assessment Liability which are allocated to each of the Lots in the Planned Community. The formulas used to establish the Allocated Interests are as follows:

(a) Votes. Each Lot in the Planned Community has one vote.

(b) Common Expense Assessment Liability. The Common Expense Assessment is levied upon all Lots on the basis of a fraction, the numerator of which is one and the denominator of which is the total number of Lots within the Planned Community.

1.4 ARTICLES means the Articles of Incorporation of the Association.

1.5 ASSESSMENTS mean the (a) Common Expense Assessments, (b) Special Assessments, (c) Individual Assessments, and (d) Fines levied pursuant to this Declaration.

1.6 ASSESSMENT LIEN means the statutory lien on a Lot for any Assessment levied against that Lot together with all Costs of Enforcement as herein defined. All Costs of Enforcement are enforceable as Assessments.

If an Assessment is payable in installments, the full amount of the Assessment is a lien from the time the first installment becomes due.

The recording of this Declaration constitutes record notice and perfection of the lien. No further recordation or claim of lien for the assessment is required.

1.7 ASSOCIATION means THE ARAPAHO MEADOWS HOMEOWNERS ASSOCIATION, a Colorado Corporation, not for profit, organized pursuant to §38-33.3-301 of the Act, its successors and assigns.

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1.8 BOARD OF DIRECTORS or BOARD means the Board of Directors of the Association duly elected pursuant to the Bylaws of the Association. The Board of Directors is the governing body of the Association and shall act on behalf of the Association.

The term Board of Directors as used herein is synonymous with the term Executive Board as the latter term is used in the Act.

1.9 BYLAWS means the Bylaws which are adopted by the Board of Directors for the regulation and management of the Association.

1.10 COMMON AREAS means any real property (including all improvements thereon) owned by the Association (Outlots A, B, C and D), all of which is held for the common use and enjoyment of the Owners, the descriptions of which are more fully described in Exhibit B attached hereto.

The term Common Areas as used herein is synonymous with the term Common Elements as the latter term is used in the Act.

1.11 COMMON EXPENSE ASSESSMENTS means all those assessments defined in Paragraph 5.2 hereof.

1.12 COMMON EXPENSE ASSESSMENT LIABILITY means the liability for Common Expenses allocated to each Lot which is determined in accordance with that Lot's Allocated Interests as set forth in Paragraph 1.3 hereof.

1.13 COMMON EXPENSES means expenditures made by or liabilities incurred by or on behalf of the Association, together with allocations to reserves.

1.14 COSTS OF ENFORCEMENT means all fees, late charges, interest, expenses, including receiver's fees, and reasonable attorneys' fees and costs incurred by the Association (a) in connection with the collection of the Assessments and Fines, or (b) in connection with the enforcement of the terms, conditions and obligations of the Project Documents.

1.15 COUNTY means Larimer County, Colorado.

1.16 COVENANT CONTROL COMMITTEE (the "Committee") means the Committee formed pursuant to ARTICLE SIX hereof to review and approve or disapprove plans for Improvements as defined herein as more fully provided for by this Declaration and to enforce all covenants.

1.17 DECLARATION means this DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF ARAPAHO MEADOWS, as may be amended from time to time, also including but not limited to plats and maps.

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1.18 DESIGN REVIEW GUIDELINES means the DESIGN REVIEW GUIDELINES FOR ARAPAHO MEADOWS, as amended and supplemented. These guidelines may be adopted by the Covenant Control Committee to implement and interpret the Design Review/Architectural Approval provisions of ARTICLE SIX of this Declaration.

1.19 DWELLING UNIT means the residence constructed on each Lot within the Planned Community and any replacement thereof. Dwelling Unit shall include the Lot upon which such Dwelling Unit is constructed.

1.20 ELIGIBLE MORTGAGEE means a holder, insurer or guarantor of a First Security Interest who has delivered a written request to the Association containing its name, address, the legal description and the address of the Lot encumbered by its First Security Interest, requesting that the Association notify them on any proposed action requiring the consent of the specified percentage of Eligible Mortgagees.

1.21 FIRST MORTGAGEE means any Person which owns, holds, insures or is a guarantor of a Security Interest as herein defined, which is a First Security Interest encumbering a Lot within the Planned Community. A First Mortgagee shall also include the holder of executory land sales contracts wherein the Administrator of Veterans Affairs (Veterans Administration) is the Seller, whether such contract is recorded or not.

1.22 FIRST SECURITY INTEREST means a Security Interest (as hereinafter defined) that has priority of record over all other recorded liens except those liens made superior by statute (such as general ad valorem tax liens and special assessments).

1.23 GUEST means (a) any person who resides with an Owner within the Planned Community; (b) a guest or invitee of an Owner; (c) an occupant or tenant of a Dwelling Unit within the Planned Community, and any members of his or her household, invitee or cohabitant of any such person; or (d) a contract purchaser.

1.24 IMPROVEMENTS means:

(a) all of the following exterior improvements, structures and any appurtenances thereto or components thereof: buildings, outbuildings, hot tubs, swimming pools, tennis courts, solar collectors, painting or other finish materials on any visible structure, additions, garages, driveways, fences, screening walls, retaining walls, stairs, decks, windbreaks, exterior light fixtures, poles, signs, cooling, heating and water softening equipment; and

(b) any change, alteration, modification, expansion or addition to any previously approved Improvement, including any change of exterior appearance, finish material, color or texture;

(c) the demolition or destruction, by voluntary action, of any building, structure or other Improvements;

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(d) 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. However, grading, filling, etc., associated with landscaping is not restricted unless, in the judgment of the Committee, it adversely affects the flow of ground water to or from adjacent lots.

1.25 LOT means each platted lot shown upon the Plat of the Planned Community which is subject to this Declaration, together with all appurtenances and improvements now or hereafter located thereon.

"Lot" shall include any Dwelling Unit constructed thereon as the term "Dwelling Unit" is herein defined.

The term Lot as used herein is synonymous with the term Unit as the latter term is used in the Act.

1.26 MANAGING AGENT means any one or more persons employed by the Association who is engaged to perform any of the duties, powers or functions of the Association.

1.27 MEMBER means each Owner, as defined in Paragraph 1.29 hereof.

1.28 NOTICE AND HEARING means a written notice and an opportunity for a hearing before the Board of Directors in the manner provided in the Bylaws.

1.29 OWNER means the record Owner of the fee simple title to any Lot which is subject to this Declaration.

1.30 PERSON means a natural person, a corporation, a partnership, an association, a trustee, a limited liability company, a joint venture, or any other entity recognized as being capable of owning real property under Colorado law.

1.31 PLANNED COMMUNITY means such real property and the improvements located thereon as more fully described on Exhibits A and B attached hereto.

1.32 PLAT means the final plat of the Arapaho Meadows Phase I Subdivision recorded in the records of the County Clerk and Recorder, as amended.

1.33 PROJECT DOCUMENTS means this Declaration and the Plat recorded and filed pursuant to the provisions of the Act, the Articles of Incorporation and Bylaws of the Association, the Design Review Guidelines, and the Rules and Regulations, if any.

1.34 RULES means the Rules and Regulations adopted by the Board of Directors for the regulation and management of the Planned Community as amended from time to time.

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1.35 SECURITY INTEREST means an interest in real estate or personal property created by contract which secures payment of an obligation. The term includes a lien created by a deed of trust, contract for deed, land sales contract and UCC-1.

1.36 SPECIAL ASSESSMENT means those Assessments defined in Paragraph 5.3(d) hereof.

1.37 TOWN means Estes Park, Colorado.

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ARTICLE TWO: SCOPE OF THE DECLARATION

2.1 Conveyances Subject to this Declaration. All covenants, conditions and restrictions which are granted or created by this Declaration shall be deemed to be covenants appurtenant to and running with the land, and shall at all times inure to the benefit of and be binding on any person having any interest in the Planned Community, their respective heirs, successors, personal representatives or assigns.

Any instrument recorded subsequent to this Declaration and purporting to establish and effect any interest in the Planned Community shall be subject to the provisions of this Declaration despite any failure to make reference thereto.

2.2 Owner's Rights Subject to this Declaration. Each Owner shall own his or her Lot in fee simple and shall have full and complete dominion thereof, subject to the provisions of this Declaration.

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ARTICLE THREE: THE COMMON AREAS

3.1 Common Area Dedication. The Plat of the Planned Community, recorded in the records of the County Clerk and Recorder, has designated certain areas of the Planned Community as Common Areas, which are more fully described on the attached Exhibit B.

The Common Areas are not dedicated for use by the general public, but are dedicated to the common use and enjoyment of only the Owners of Lots located within the Planned Community and such Owner's Guests, as more fully provided for in this Declaration.

Said Plat is hereby incorporated herein and made a part of this Declaration.

3.2 Title to the Common Areas. Title to the Common Areas has been conveyed to the Association. However, by decree of the Town, Outlots A, B, C, D, must remain as Common Areas. No action can be taken by the Board of Directors that alters the open space character of the Outlots without written permission from the Town.

3.3 Duty to Manage and Care for the Common Areas. The Association shall manage, operate, care for, insure, maintain, repair, modify, improve and reconstruct all of the Common Areas and the improvements located thereon and keep the same in a safe, attractive and desirable condition for the use and enjoyment of all of the Owners.

3.4 Owner's Rights in the Common Areas. Every Owner and such Owner's Guests shall have the right and easement of use and enjoyment in and to the Common Areas, which shall be appurtenant to and shall pass with the title of the Lot to such Owner, subject to the following rights of the Board of Directors:

(a) To borrow money to improve the Common Areas and to mortgage said Common Areas as security for any such loan; provided, however, that the Association may not subject any portion of the Common Areas to a security interest unless such is approved by Owners to which at least eighty percent of the votes in the Association are allocated, as more fully set forth in §38-33.3-312 of the Act.

(b) To convey or dedicate all or any part of the Common Areas for such purposes and subject to such conditions as may be agreed to by the Owners to which at least eighty percent of the votes in the Association are allocated.

The granting of permits, licenses and easements shall not be deemed a conveyance or encumbrance within the meaning of this Paragraph as more fully set forth in §38-33.3-312 of the Act.

(c) To promulgate and adopt Rules and Regulations with which each Owner and their Guests shall strictly comply.

(d) To take such steps as are reasonably necessary to protect the Common Areas against foreclosure.

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(e) To enter into, make, perform or enforce any contracts, leases, agreements, licenses, easements and rights-of-way, for the use of Common Areas by Owners and Guests for any purpose the Board may deem to be useful, beneficial or otherwise appropriate.

(f) To close or limit the use of the Common Areas temporarily while maintaining, repairing and making replacements in the Common Areas, or permanently if approved by Owners to which at least eighty percent of the votes in the Association are allocated.

(g) To make such use of the Common Areas as may be necessary or appropriate for the performance of the duties and functions which it is obligated or permitted to perform under this Declaration.

(h) The rights granted to the Board of Directors in Paragraph 4.9 hereof.

3.5 Delegation of Use. Any Owner may delegate his or her right of enjoyment to the Common Areas and facilities to their Guests.

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ARTICLE FOUR: THE ASSOCIATION

4.1 Name. The name of the Association is THE ARAPAHO MEADOWS HOMEOWNERS ASSOCIATION, and it is a Planned Community.

4.2 Purposes and Powers. The Association, through its Board of Directors, shall perform functions and manage the Planned Community as provided in this Declaration so as to further the interests of the residents of the Planned Community and Members of the Association.

4.3 Board of Directors. The affairs of the Association shall be managed by a Board of Directors which may by resolution delegate authority to a Managing Agent for the Association as more fully provided for in the Bylaws, provided no such delegation shall relieve the Board of final responsibility.

4.4 Articles and Bylaws. The purposes and powers of the Association and the rights and obligations with respect to Members set forth in this Declaration may and shall be amplified by provisions of the Articles of Incorporation and Bylaws of the Association. In the event either the Articles or Bylaws conflict with the Declaration, the Declaration shall control. In the event the Articles conflict with the Bylaws, the Articles shall control.

4.5 Membership. Members of the Association shall be every record owner of a Lot subject to this Declaration. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Where more than one person holds interest in any Lot, all such persons shall be Members.

4.6 Voting Rights. The Association shall have one class of voting membership. Owners shall be entitled to one vote for each Lot owned.

The vote for such Lot, the ownership of which is held by more than one Owner, may be exercised by any one of them unless an objection or protest by any other holder of an interest of the Lot is made prior to the completion of the vote, in which case the vote for such Lot shall be exercised as the persons holding such interest shall determine between themselves. Should the joint owners of a Lot be unable, within a reasonable time, to agree upon how they will vote any issue, they shall be passed over and their right to vote on such issue shall be lost.

4.7 Budget.

(a) In accordance with § 38-33.3-303 of the Act, the Board of Directors shall cause to be prepared, at least sixty days prior to the commencement of each calendar year, a Budget for such calendar year. Within thirty days after the adoption of any Budget by the Board, the Board shall mail, by ordinary first-class mail, or otherwise deliver, a summary of the Budget to each Owner and shall set a date for a meeting of the Owners to consider ratification of the Budget not less than fourteen days nor more than sixty days after delivery of the summary.

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Unless at that meeting Owners to which at least sixty-seven percent of the votes in the Association are allocated reject the Budget, the Budget shall be deemed ratified whether or not a quorum is present. In the event the Budget is rejected, the Budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget adopted by the Board of Directors.

(b) If the Board of Directors deems it necessary or advisable to amend a Budget that has been ratified by the Owners pursuant to Paragraph 4.7(a) above, the Board shall adopt a proposed amendment to the Budget, deliver a summary of the proposed amendment to all Owners and set a date for a meeting of the Owners to consider ratification of the proposed amendment. The date of such meeting shall not be less than fourteen days, nor more than sixty days, after the delivery of the summary of the proposed amendment.

Unless at that meeting Owners to which at least sixty-seven percent of the votes in the Association are allocated reject the Budget, the Budget shall be deemed ratified whether or not a quorum is present.

4.8 Indemnification. Each Officer, Director and committee member of the Association shall be indemnified by the Association against all expenses and liabilities including attorney fees, reasonably incurred by or imposed upon him or her in any proceeding to which he or she may be a party, or in which he or she may become involved, by reason of his or her being or having been an Officer, Director or committee member of the Association, or any settlements thereof, whether or not he or she is an Officer, Director or committee member of the Association at the time such expenses are incurred, to the full extent permitted by Colorado law.

4.9 Certain Rights and Obligations of the Association.

(a) Contracts, Easements and Other Agreements: The Board of Directors shall have the right to enter into, grant, perform, enforce, cancel and vacate: contracts, easements, licenses, leases, agreements, and/or rights-of-way, for the use by Owners, their Guests, and other persons, concerning the Common Areas.

Any of such contracts, licenses, leases, agreements, easements and/or rights-of-way, shall be upon such terms and conditions as may be agreed to from time to time by the Board of Directors, without the necessity of the consent thereto, or joinder therein, by the Owners or First Mortgagees.

(b) Other Association Functions: The Association may undertake any activity, function or service for the benefit of or to further the interests of all, some or any Members on a self-supporting, Special Assessment or Common Expense Assessment basis.

(c) Implied Rights: The Board of Directors shall have and may exercise any right or privilege given to it expressly by this Declaration, or reasonably to be implied from the provisions of this Declaration, or given or implied by law, or which may be necessary or desirable to fulfill its duties, obligations, rights or privileges.

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ARTICLE FIVE: ASSESSMENTS

5.1 Obligation. Each Owner by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees and shall be personally obligated to pay to the Association (a) Common Expense Assessments, (b) Special Assessments, (c) Fines, (d) Individual Assessments, and (e) Costs of Enforcement, which shall be a continuing lien upon the Lot against which each such Assessment is levied.

The obligation for such payments by each Owner to the Association is an independent personal covenant with all amounts due, from time to time, payable in full when due without notice or demand and without setoff or deduction. All Owners of each Lot shall be jointly and personally liable to the Association for the payment of all Assessments and Costs of Enforcement.

The personal obligation for delinquent assessments shall not pass to such Owner's successors in title unless expressly assumed by them.

No Owner may waive or otherwise escape liability for the Common Expense Assessment provided for herein by the non-use of the Common Elements or the abandonment of his or her Lot.

The omission or failure of the Board of Directors to levy the Common Expense Assessment for any period shall not be deemed a waiver, modification or a release of the Owners from their obligation to pay.

5.2 Purpose of the Common Expense Assessment. The Common Expense Assessment levied by the Association shall be used exclusively for the purpose of (a) promoting the health, safety and welfare of the residents of the Planned Community and the Members of the Association, (b) providing for the improvement, repair, maintenance and reconstruction of the Common Areas, (c) providing hazard insurance insuring insurable improvements upon the Common Areas, and liability insurance covering incidents occurring on the Common Areas, and (d) satisfying any other purpose reasonable, necessary or incidental to such purposes.

Such assessments shall include the establishment and maintenance of a Reserve Fund for the improvement, repair, maintenance and reconstruction of the Common Areas which the Association has an on going duty to replace, repair and/or maintain on a periodic basis.

5.3 Levy of Assessments.

(a) **Common Expense Assessments.** Common Expense Assessments shall be levied on all Lots based upon a budget of the Association's cash requirements. The Common Expense Assessment Liability shall be prorated among the Lots in accordance with that Lot's Common Expense Assessment as set forth in Paragraph 1.3 hereof.

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(b) Individual Assessments. The Board of Directors shall have the right to individually levy any Owner or Owners amounts as provided for by this Declaration, to include but not be limited to, charges levied under Paragraph 10.2 thereof. No Individual Assessment shall be levied until the Owner or Owners to be charged have been given a Notice and Hearing before the Board of Directors. Fines shall be collected as part of the Cost of Enforcement. Individual Assessments may be levied at any time as required and are exempt from any voting requirements by the membership required for other assessments called for under the Declaration.

(c) Fines. The Board of Directors of the Association shall have the right to levy a Fine against an Owner or Owners for each violation of this Declaration, the Bylaws, the Articles and the Rules and Regulations of the Association. No such Fine shall be levied until the Owner or Owners to be charged have been given a Notice and Hearing as provided for in the Bylaws of the Association.

Fines may be levied in a reasonable amount as determined from time to time by the Board of Directors in its discretion and uniformly applied. Fines shall be collected as part of the Costs of Enforcement.

(d) Special Assessments. In addition to the other Assessments authorized herein, the Board of Directors, subject to the limitations set forth below, may levy a Special Assessment for the purpose of defraying, in whole or in part, any unexpected expense to include but not be limited to, the cost of any construction, reconstruction, improvement, repair or replacement of any improvement upon the Common Elements, including fixtures and personal property relating thereto, or for the funding of any operating deficit incurred by the Association provided that any such assessment shall have the approval of Owners to whom at least sixty-seven percent of the votes in the Association are allocated, who are voting in person or by proxy at a meeting duly called for this purpose.

Any such Special Assessment shall be levied against each Lot in accordance with that Lot's Common Expense Assessment Liability determined in accordance with Paragraph 1.3 hereof.

Written notice of any meeting called for the purpose of making a Special Assessment shall be sent to all Owners not less than fourteen days nor more than sixty days in advance of the meeting. At the first such meeting called, the presence of Owners or of proxies to whom at least sixty percent of the votes in the Association are allocated shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty days following the preceding meeting.

5.4 Due Date. Fines and Individual Assessments shall be due and payable as established by the Board of Directors.

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All other Assessments shall be levied on an annual basis and shall be due and payable in such frequency as the Board of Directors determines in its discretion from time to time.

Written notice of all Assessments shall be sent to each Owner subject thereto specifying the type of Assessment, the amount and the date such Assessment is due.

5.5 Remedies for Nonpayment of Assessments. If any Assessment (to include Costs of Enforcement) is not fully paid within thirty days after the same becomes due and payable, then:

(a) interest shall accrue at the default rate set by the Board of Directors on the amount of the Assessment in default accruing from the due date until date of payment;

(b) the Board may bring an action at law in any court of competent jurisdiction against any Owner personally obligated to pay the same and obtain a judgment for the amounts due.

(c) the Board may proceed to foreclose its lien against the Lot pursuant to the power of sale granted to the Association by this Declaration in the manner and form provided by Colorado law for foreclosure of real estate mortgages.

An action at law or in equity by the Association against an Owner to recover a judgment for unpaid Assessments may be commenced and pursued by the Association without foreclosing or in any way waiving the Association's lien for the Assessments.

5.6 The Assessment Lien. The Association is hereby granted an Assessment Lien against each Lot for any Assessment levied by the Board of Directors and for Costs of Enforcement levied against such Lot Owners when the Lot Owner fails to pay as required by the Declaration. All Costs of Enforcement incurred pursuant to this Declaration are enforceable as Assessments.

The Association's lien on a Lot for Assessments shall be superior to all other liens and encumbrances except the following: real property ad valorem taxes and special assessment liens duly imposed by Colorado governmental or political subdivision or special taxing district, or any other liens made superior by statute.

The Act does not affect the priority of mechanics' or materialmen's liens.

Recording of the Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for Assessments under this Article is required. However, the Board of Directors may prepare, and record in the county in which the Lot is located, a written notice setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot, and a description of the Lot. If a lien is filed, the cost thereof shall be considered a Cost of Enforcement.

Any First Mortgagee who acquires title to a Lot by virtue of foreclosing a first mortgage or by virtue of a deed in lieu of foreclosure will take the Lot free of any claims for unpaid

Assessments and Costs of Enforcement against that Lot which have accrued prior to the time such First Mortgagee acquires title to the Lot, except to the extent the Act grants lien priority for Assessments of the Association.

Sale or transfer of any Lot shall not affect the lien for said Assessments except that sale or transfer of any Lot pursuant to foreclosure by any First Mortgagee, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture shall only extinguish the Assessment Lien only to the extent provided by Colorado law. No such sale, deed in lieu of foreclosure, nor cancellation or forfeiture shall relieve any Lot Owner from continuing liability for any Assessment thereafter becoming due, nor from the lien thereof.

In any action by an Association to collect Assessments and Costs of Enforcement or to foreclose a lien for unpaid Assessments, the court may appoint a receiver for the Owner to collect all sums alleged to be due from the Owner prior to or during the pending of the action. The court may order the receiver to pay any sums held by the receiver to the Association during the pending of the action to the extent of the Association's Common Expense Assessments and Costs of Enforcement. The rights of the Association shall be expressly subordinate to the rights of any First Mortgagee of a Lot under any assignment of rents given in connection with a first deed of trust.

The Assessment Lien hereby given shall also be a lien upon all of the rents and profits of the encumbered Lot; provided, however, the lien shall be subject and subordinate to the rights of any First Mortgagee of a Lot under any assignment of rents given in connection with a first deed of trust. Without prejudice to any other right or remedy, the Association may exercise its lien rights to rents and profits by delivering a Notice of Exercise to the occupant or any payor of rents and profits, and thereafter shall be entitled to collect all such rents and profits to the extent of any delinquency.

The Association's lien on a Lot for Assessments and Costs of Enforcement shall be superior to any homestead exemption now or hereafter provided by the laws of the State of Colorado or any exemption now or hereafter provided by the laws of the United States. The acceptance of a deed to a Lot subject to this Declaration shall constitute a waiver of the homestead and any other exemption as against said Assessment Lien.

5.7 Surplus Funds. Any surplus funds of the Association remaining at the close of the Association's fiscal year after payment of the Common Expenses and any prepayment of or making provisions for reserves shall be retained by the Association as unallocated reserves and need not be credited to the Owners in proportion to their Common Expense Liability to reduce their future Common Expense Assessments.

5.8 Certificate of Status of Assessments. The Association shall furnish to an Owner or such Owner's First Mortgagee upon written request delivered personally or by certified mail, first class postage prepaid, return receipt requested, to the Association's Registered Agent, a statement setting forth the amount of unpaid Assessments currently levied against such Owner's Lot.

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The statement shall be furnished within fourteen business days after receipt of the request and is binding upon the Association, the Board of Directors, and every Owner. If no statement is furnished to the Owner or First Mortgagee, delivered personally or by certified mail, first class postage prepaid, return receipt requested, to the inquiring party, then the Association shall have no right to assert a priority lien upon the Lot for unpaid Assessments which were due as of the date of the request.

5.9 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.

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ARTICLE SIX: COVENANT CONTROL COMMITTEE

In order to protect the beauty, enjoyment and values of all property within the Planned Community, the Covenant Control Committee ("Committee") shall approve the exterior materials, exterior design and site location of all Improvements as defined in Paragraph 1.24 hereof upon every Lot, prior to the commencement of construction thereof. For exterior materials, the Committee shall give preference to but not be bound to wood, stone and glass. For roofing materials, wood shakes are prohibited, and all other materials must be approved by the Committee. For exterior colors, the Committee shall give preference to earth-tone and forest-tone colors and colors which are harmonious with the then existing colors of the other Dwelling Units of the Planned Community. Approval of the color and/or material by the Committee is required before repainting and/or reroofing any structure.

6.1 Membership of the Committee. The Committee shall be the Board of Directors or a committee of not less than three persons appointed by said Board. No Improvement of the type defined in Paragraph 1.24 shall be placed upon any Lot within the Planned Community without the prior written approval of the Committee.

6.2 Approval of the Improvements Required. Prior to the commencement of construction, upon any Lot of the Planned Community, of any Improvement upon any Lot within the Planned Community, a material list, plans and specifications, and a site location map shall be submitted to the Committee in duplicate by the Owner (Applicant). The Committee shall have the right to reject the same if the Committee, in its sole discretion, deems any of the same to be incomplete or insufficient. All exterior colors and exterior materials must be approved in advance by the Committee. The Committee may also consider harmony of design with surrounding structures and variation in exterior design to avoid monotony or repetition. The Committee may also consider location of the Improvement(s) on a Lot as it might impact the privacy or views of an adjacent Lot or Lots.

The following items must be included with said documents in addition to other items which the Committee may reasonably require from time to time:

- a. size and square footage of finished space including floor plans;
- b. exterior elevations;
- c. samples of exterior colors;
- d. specifications for driveway;
- e. verification that any proposed culvert meets requirements of applicable governmental drainage plans;
- f. plot layout and site plans with respect to topography, grade and drainage in relation to existing dwellings and drainage;
- g. roof plan; and
- h. the proposed construction schedule.

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6.3 Decision of the Committee. The decision of the Committee shall be made within thirty days after receipt by the Committee of all materials required by the 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, the reasons therefor shall be stated. The decision of the Committee shall be promptly transmitted to the Applicant at the address furnished by the Applicant to the Committee. An approval or disapproval relating to the Improvement on one Lot shall not bind the Committee to approve or disapprove a similar Improvement on any other Lot.

A majority vote of the Committee shall constitute the action of the Committee.

The Committee shall report in writing to the Board of Directors all final actions of the Committee if requested by the Board of Directors.

The Committee shall not be required to keep the materials submitted beyond one year from date of approval.

6.4 Failure to Timely Approve. In the event the Committee fails to approve or disapprove within thirty days subsequent to the date upon which satisfactory documents have been submitted to it, approval will be conclusively deemed to have been made.

6.5 Design Architectural Review Fee. The Committee shall have the right to consult with an architect or engineer at a cost to the Applicant if it deems it necessary in reviewing the proposed development information.

6.6 Waiver/Variations. All Improvements shall be constructed in accordance with the development information submitted to and approved by the Committee. The Committee may grant reasonable variances or adjustments of and to these conditions and restrictions, by a majority of Committee members present and voting, in order to overcome practical difficulties. Upon demand, the Committee shall provide the Applicant with a certificate setting forth that all Improvements made to any Lot do or do not comply with this Declaration, and if not, setting forth the noncomplying improvements.

6.7 Design Review Guidelines. The Committee may, from time to time, formulate and adopt guidelines and procedures consistent with this Declaration, for the purpose of clarifying or assisting in the exercise of its duties contemplated by this Declaration. Additionally, the Committee may adopt guidelines regarding architectural construction standards, the contents of which are consistent with this Declaration. Copies of any adopted guidelines, procedures or standards may be obtained from the Committee upon request from any Owner affected.

6.8 No Liability for Committee Action. There shall be no liability imposed on the Committee, any member of said Committee, any authorized representative of said Committee, the Association, any member of the Board of Directors for any loss, damage or injury arising out of or in any way connected with the performance of the duties of the Committee, if such party acted in good faith and without malice.

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In reviewing any matter, the Committee shall not be responsible for passing on safety, whether structural or otherwise, or conformance with building codes or other governmental laws or regulations, nor shall its approval of an Improvement be deemed approval of such matters.

6.9 Prior Construction. All Improvements constructed prior to the date of the recording of this amended Declaration, as well as partially-completed and/or planned construction that were approved by the former Architectural Committee before that date, are excluded from the provisions of this Article insofar as these provisions may be more restrictive than the provisions in effect when the initial approval was granted. The said Committee may not retroactively apply the provisions of this Article to construction approved under the prior Declaration. However, the provisions of this Article do apply to any modifications, additions or new Improvements that are proposed to be made on all Lots after the date of the recording of this Declaration. Specifically, but not in limitation, changing the color or roofing of any Improvement requires approval by the said Committee.

6.10 Appeal of Denial of Improvement Request. If approval of any Improvement requested by an Owner is denied by the Committee, the Owner shall have the right to appeal the denial to the Board of Directors. The request for review must be submitted in writing to both the Committee and the Board within thirty (30) days of the written denial by the Committee. The request must clearly state the Owner's reasons for appealing the denial. The Board must schedule a hearing for the Owner before the Board and the Committee within ten (10) days of receipt of the appeal request. The Board is authorized to overrule the Committee's denial by a two-thirds majority of the entire Board. The decision of the Board shall be final.

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ARTICLE SEVEN: LAND USE AND OTHER RESTRICTIONS

7.1 Residential Purposes. All Lots within the Planned Community shall be used for residential purposes only and no Improvement shall be erected, altered, placed or permitted to remain on any Lot other than one (1) single-family Dwelling Unit except that:

The Owner of a Dwelling Unit may use a portion of the Owner's Dwelling Unit for a private office so long as the use is clearly incidental and secondary to the use of the Dwelling Unit for dwelling purposes and does not change the character thereof and that the use does not regularly result in any motor vehicle(s) being left ungaraged overnight beyond the one vehicle allowed according to the terms of Paragraph 7.9.

7.2 Construction Criteria. All such Dwelling Units shall have a minimum of one thousand five hundred (1,500) finished square feet of living space, exclusive of garage and open porch areas. No such Dwelling Unit shall exceed thirty (30) feet in height measured from grade to the highest roof point. Attendant to said Dwelling Unit there must be constructed an attached and/or detached garage to contain not less than two and not more than four vehicles. Carports are prohibited. Subject to the approval of the Committee, a detached garage may be built after the Dwelling Unit and its associated garage have been built.

The site location, exterior material, color and style of said single-family Dwelling Unit and its garage shall be complementary and compatible with the neighboring environment and shall, prior to the commencement of the construction thereof, be approved by the Committee as herein provided.

Replaced
see Amend-
Amendment
Rec indue
see replacement
7.3 Rental Restrictions. No Dwelling Unit shall be rented to a nonowner for a period of less than thirty (30) days. The Committee must be notified of the starting and ending dates of all rentals before they begin. Rental of a portion of a home while the Owner remains in residence is prohibited.

7.4 Prohibited Improvements. The Committee shall not approve dome or geodesic designs. No mobile homes (whether or not on foundation) or used buildings shall be permitted. No modular housing will be permitted, and for this purpose "Modular" shall mean substantially prebuilt off-site. Should a dispute arise in this regard to any provisions of this Paragraph, the Committee shall resolve the same and its determination shall be final.

7.5 Recreational Vehicles and Equipment. No recreational vehicles or tents shall be used on any Lot at any time as a temporary or permanent residence. All recreational vehicles, including but not limited to, travel trailers and mobile homes as well as camper shells and boats, that are used by Owners shall be garaged or fully screened so no part is visible. However, all such items that are used by Owners may be left ungaraged for periods not exceeding seven (7) days before and after each use, and such items used by visitors may be left ungaraged for periods not exceeding fourteen (14) days. The Committee is authorized to rule that an Owner is in violation of this Paragraph if it determines the Owner is attempting to circumvent it by removing the recreational item(s) for brief periods without actually using it. This Paragraph does not apply to trampolines, basketball hoops, swing sets and other children's play equipment.

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7.6 Antennas. No exterior antennas of any type shall be allowed on any Lot, except that exterior satellite dishes shall be allowed if the size, location and screening thereof is first approved by the Committee.

7.7 Storage. No Lot shall be used for the storage of any property of any nature whatsoever in the open except during the construction period, but in no event to exceed two (2) years.

7.8 Trash and Garbage. Rubbish, garbage or other waste shall be kept and disposed of in a sanitary manner, and containers therefor shall be kept in a clean and sanitary condition, screened from the view of adjacent Lots.

7.9 Use of Garages. No unlicensed or inoperative motor vehicle shall be permitted to remain on any Lot unless same is garaged. No equipment or machinery of any kind, other than motor vehicles and such recreation items as are covered in Paragraph 7.5 above, shall be permitted on any Lot unless garaged or kept within a structure approved by the Committee. This prohibition shall not apply to construction equipment during any construction approved by the Committee.

It is the intention of these covenants that motor vehicles used by Owners or renters (not including guests' vehicles) shall be garaged whenever practical, especially at night. Accordingly, if more than one such vehicle is left ungaraged for extended periods, the Committee is authorized to require it/them to be garaged or removed from the Planned Community if the Committee judges there to be a violation or if a written complaint is lodged with the Committee by four or more Owners and the Committee, after investigation, concurs that the intent of this restriction has been violated.

7.10 Nuisances. Offensive or loud noises and uses considered to be a nuisance shall not be permitted on any Lot within the Planned Community, and for the purpose of this Paragraph, a noise shall be offensive or loud if so considered by the majority of the adjacent Owners, and a use shall be considered to be a nuisance if it is so considered by a majority of the Owners. This covenant shall apply to the use of motor bikes and similar vehicles.

7.11 Household Pets. No animals, livestock, horses, cattle, swine, fowl or poultry of any kind whatsoever shall be raised, kept or left on any Lot, with the following exceptions: A maximum of two dogs and two cats may be kept per Lot so long as the same are not raised or kept for a commercial purpose. All dogs and cats shall be confined within the boundaries of the Lot unless under the direct control of the Owner and on a leash.

7.12 Signs. No signs shall be located on any Lot with the exception of a sign identifying the occupants of the Dwelling Unit, and a sign advertising the property for sale, as long as any such sign does not exceed four (4) square feet in size and is no more than four (4) feet higher than grade at the point of its location. Any such sign, if for the purpose of identifying the Owner, shall be constructed of material and color which is harmonious with the Dwelling Unit. Nothing herein contained shall prevent the Owners, in cooperation with other adjacent Owners, from erecting a Planned Community identification sign at the point of entrance to the Planned Community.

7.13 Fences. No wall, fence or barrier of any kind shall be constructed on any Lot prior to the approval, by the Committee, of the height design, style and location thereof. No perimeter or privacy fencing of any kind shall be allowed. Limited landscape fencing will be permitted subject to approval by the Committee. The use of chain link fence is permitted only for one fenced area upon each Lot no greater than five hundred (500) square feet for the purpose of controlling dogs and cats, provided the fence is not over eighty (80) inches high and uses no barbed wire. Such an enclosure may be covered with chain link fencing or other material approved by the Committee.

7.14 Resubdividing of Lots Prohibited. No Lot shall be created within the Planned Community, either by Lot split, resubdivision, replat or otherwise, which is smaller than one-half (½) acre in size.

7.15 Period of Construction. All construction of any Improvements shall be completed within one (1) year subsequent to the commencement thereof.

7.16 Tree Infestation. Trees infested by known contagious infestation shall be treated or removed by the Owner. Failure to do so within one (1) year will permit the Board of Directors to remove such trees as they deem necessary at the expense of the Owner.

7.17 Exterior Lighting. No exterior lighting, including methods of illumination and types and designs of light poles or standards, shall be permitted unless approved by the Committee. No exterior lighting that is deemed excessive by the Committee shall be permitted, including but not limited to, holiday lighting. However, before ruling that holiday or other exterior lighting is excessive, the Committee shall poll at least half of the residents in the Community.

7.18 Off-Site Visibility. Off-site visibility of development on Block A, Lots 1, 2, 3, Block B, Lots 1, 2, 3, 4, and 5, shall be reduced by appropriate use of cut and fill, minimal disruption of natural vegetation, building colors and materials, re-vegetation and landscaping.

7.19 Open Space. Outlots A, B, C and D of the Planned Community shall be owned and controlled by the Association, subject to the Open Space restrictions in Paragraph 3.2.

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ARTICLE EIGHT: EASEMENTS

8.1 Utility Easements. Easements for utilities over and across the Common Areas shall be those shown upon the Plat of the Planned Community, and such other easements as may be established pursuant to the provisions of this Declaration.

8.2 Easements for the Board of Directors. Each Lot shall be subject to an easement in favor of the Board of Directors (including its agents, employees and contractors) to perform its obligations pursuant to this Declaration. Before anyone who is authorized by the Board to enter an Owner's property under this easement provision enters the property, the Owner must be given a written notice at least one week in advance. The notice shall state the approximate date and time of the entry and shall be confirmed, if reasonably possible, by a telephone call to the Owner the day before the entry.

8.3 Emergency Easements. A nonexclusive easement for ingress and egress is hereby granted to all police, sheriff, fire protection, ambulance, and other similar emergency agencies or persons, now or hereafter servicing the Planned Community, to enter upon any part of the Planned Community in the performance of their duties.

8.4 Easements Deemed Appurtenant. The easements and rights herein created for an Owner shall be deemed appurtenant to the Lots owned by such Owner. All conveyances and instruments affecting title to a Lot shall be deemed to grant and reserve the easements and rights of way as provided herein, as though set forth in said document in full, even though no specific reference to such easements or rights of way appear.

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ARTICLE NINE: INSURANCE

9.1 Authority to Purchase/General Requirements. All insurance policies relating to the Association and Common Areas within the Planned Community shall be purchased by the Board of Directors.

All policies of insurance shall be written by reputable companies duly authorized and licensed to do business in the State of Colorado with an A.M. Best's rating of "A" or better if reasonably available, or, if not reasonably available, the most nearly equivalent rating.

All insurance policies shall contain the standard mortgagee clause or equivalent endorsement (without contribution) in which it appropriately names the First Mortgagee in the policy, its successors and assigns, beneficiary.

9.2 Hazard Insurance. The Board of Directors shall obtain and maintain a blanket, "all-risk" form policy of hazard insurance, insuring any insurable improvements located on the Common Areas. Such insurance shall at all times represent one hundred percent of the current replacement cost based on the most recent appraisal of all insurable improvements in the Common Areas.

9.3 Liability Insurance. Commercial General Liability insurance, as set forth in § 38-33.3-313(b) of the Act, will be maintained in an amount determined by the Board of Directors, but in no event shall it be less than \$1,000,000. This insurance shall cover all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Areas and the activities of the Association; and may also include, if applicable, comprehensive automobile liability insurance, host liquor liability, contractual liability, workers compensation insurance for employees of the Association, and such other risks as shall customarily be required by private institutional mortgage investors with respect to projects similar in construction, location and use.

9.4 Fidelity Insurance. The Association shall obtain and maintain, to the extent reasonably available, fidelity insurance coverage for any Owner or Association employee who either handles or is responsible for funds held or administered by the Association. The insurance shall name the Association as insured, and shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

The fidelity insurance policy should cover the maximum funds (including Reserve Funds) that will be in the custody of the Association or its management agent at any time while the policy is in force.

9.5 Directors' and Officers' Liability Insurance. The Board of Directors shall obtain and maintain directors' and officers' liability insurance, if reasonably available, covering all of the directors and officers of the Association. This insurance will have limits determined by the Board of Directors.

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9.6 Premiums. Insurance premiums for insurance carried or to be carried by the Association shall be a Common Expense.

9.7 Insurance Proceeds. The insurance shall be carried naming the Association as the owner and beneficiary thereof for the use and benefit of the Association. Any loss covered by the policies carried under this Article shall be adjusted exclusively by the Board of Directors and provide that all claims are to be settled on a replacement cost basis.

The Association shall hold any insurance proceeds received in trust for the Owners and their First Mortgagees as their interests may appear. The proceeds shall be disbursed first for the repair or restoration of the damaged Common Areas. Owners and First Mortgagees are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the Common Areas have been repaired or restored. If proceeds are to be distributed to Owners and First Mortgagees, the distribution shall be made as their interests shall appear.

9.8 Condemnation. If a part of the Common Areas are acquired by condemnation, that portion of any award attributable to the Common Areas taken must be paid to the Association.

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ARTICLE TEN: MAINTENANCE

10.1 Maintenance of the Common Areas. The Association shall provide for the repair, maintenance and/or reconstruction of the Common Areas. Without limiting the generality of the foregoing and by way of illustration, the Association shall keep the Common Areas in safe, attractive, clean, functional and good repair and may make necessary or desirable alterations or improvements thereon.

10.2 Association Responsibility. The maintenance obligation on the part of the Association shall apply to such maintenance required by ordinary wear and tear and shall not apply to maintenance, repair and/or reconstruction resulting from willful neglect or destruction.

In the event such repair, maintenance and/or reconstruction is resulting from the willful neglect or destruction by an Owner or such Owner's Guests, the Board of Directors shall have the right, after Notice and Hearing, to charge the costs of such repair, maintenance and/or replacement, to such Owner by an Individual Assessment in accordance with Paragraph 5.3(b) hereof.

Determination of whether such repair, maintenance and/or reconstruction is the obligation of the Association and the determination of when, the magnitude and the manner of the above described maintenance, repair and/or reconstruction shall rest solely with the Board of Directors, which will also have the sole responsibility for determining the kind and type of materials used in such repair and maintenance.

10.3 Board of Directors. Access to all of the Lots within the Planned Community to perform the said repair, maintenance and/or reconstruction by the Board of Directors, its agents and employees shall be made pursuant to the maintenance easement granted in accordance with Paragraph 8.2 hereof.

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ARTICLE ELEVEN: FIRST MORTGAGEE PROVISIONS

The following provisions are for the benefit of holders, insurers, or guarantors of holders of first mortgages recorded against Lots within the Planned Community who qualify as an Eligible Mortgagee as defined by Paragraph 1.20 hereof. To the extent applicable, necessary, or proper, the provisions of this ARTICLE ELEVEN apply to both this Declaration and to the Articles and Bylaws of the Association.

11.1 Notices of Action. An Eligible Mortgagee shall be entitled to timely written notice of:

(a) any material condemnation loss or any casualty loss which affects a material portion of the Planned Community or any Lot in which there is a first mortgage held, insured, or guaranteed by such Eligible Mortgagee;

(b) any default in the performance by an individual Borrower of any obligation of the Declaration not cured within sixty days;

(c) any lapse, cancellation, or material modification of any mandatory insurance policy or fidelity bond maintained by the Association;

(d) any proposed action which would require the consent of a specified percentage of Eligible Mortgagees.; and

(e) any material judgment rendered against the Association.

11.2 Amendment to Documents/Special Approvals.

(a) The consent of Owners to which at least sixty-seven percent of the votes in the Association are allocated and the consent of fifty-one percent of the Eligible Mortgagees shall be required to add to or amend any material provisions of this Declaration or the Articles or Bylaws of the Association. A change to any of the following would be considered material.

(i) voting rights;

(ii) increase of the Common Expense Assessment annually by 25% over the Common Expense Assessment levied in the prior fiscal year, increase the assessment liens or change the priority of the assessment liens;

(iii) reduction in the reserves for maintenance, repair and replacement of the Common Areas;

(iv) responsibility for maintenance and repairs;

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- (v) right to use the Common Areas;
- (vi) convertibility of Lots into Common Areas or vice versa;
- (vii) expansion or contraction of the Planned Community, or the addition, annexation or withdrawal of property to or from the Planned Community;
- (viii) hazard or fidelity insurance requirements;
- (ix) imposition of any restrictions on the leasing of Lots;
- (x) imposition of any restrictions on a Lot Owner's right to sell or transfer his or her Lot;
- (xi) restoration or repair of the Planned Community (after damage or partial condemnation) in a manner than that specified in the Project Documents;
- (xii) any provision that expressly benefits mortgage holders, insurers or guarantors.

(b) The Association may not take any of the following actions without the consent of Owners to which at least sixty-seven percent of the votes in the Association are allocated and the approval of at least fifty-one percent of the Eligible Mortgagees.

- (i) Reconstruct or repair the Planned Community after damage due to an insurable hazard or a partial condemnation in a manner other than specified in the Project Documents.
- (ii) Merge the Planned Community with any other planned community.
- (iii) Assign the future income of the Association, including its right to receive Common Expense Assessments.
- (iv) Not repair or reconstruct, in the event of substantial destruction, any part of the Common Areas.

(c) Any action to terminate the legal status of the Planned Community after substantial destruction or condemnation occurs must be agreed to by Owners to which at least sixty-seven percent of the votes in the Association are allocated, and by fifty-one percent of the Eligible Mortgagees.

(d) Any action to terminate the legal status of the Planned Community for reasons other than substantial destruction or condemnation occurs must be agreed to by Owners to which at least sixty-seven percent of the votes in the Association are allocated, and by sixty-seven percent of the Eligible Mortgagees.

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11.3 Special FHLMC Provisions. Except as provided by statute in the case of a condemnation or a substantial loss to the Lots and/or Common Areas, unless at least two-thirds of the Eligible Mortgagees or Owners have given their prior written approval, the Association may not:

- (a) by act or omission seek to abandon or terminate the Planned Community;
- (b) change the pro rata interest or obligations of any Lot in order to levy assessments, allocate distribution of hazard insurance proceeds or condemnation awards;
- (c) seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas by act or omission.

The granting of easements for public utilities or other public purposes consistent with the intended use of the Common Areas is not a transfer within the meaning of this Paragraph 11.3(c).

- (d) use hazard insurance proceeds for losses to any planned community property for other than the repair, replacement or reconstruction of the planned community property).

11.4 Implied Approval. Implied approval by an Eligible Mortgagee shall be assumed when an Eligible Mortgagee fails to submit a response to any written proposal for an amendment within thirty days after said Eligible Mortgagee receives proper notice of the proposal, provided this notice was delivered by certified or registered mail with return receipt requested.

11.5 Books and Records. Owners and their mortgagees shall have the right to examine the books and records of the Association at the office of the Association in accordance with the procedure set forth in the Association's Bylaws.

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ARTICLE TWELVE: DURATION, AMENDMENT AND TERMINATION OF THE DECLARATION

12.1 Duration. The covenants, restrictions and obligations of this Declaration shall run with and bind the land in perpetuity until this Declaration is terminated in accordance with Paragraphs 11.2(c) and (d).

12.2 Amendments by Owners. Except as permitted in Paragraph 13.5 hereof, and except as restricted by Paragraphs 11.2 and 11.3 hereof, this Declaration may be amended by a written agreement by Owners to which at least sixty-seven percent of the votes in the Association are allocated.

Any such amendment shall be effective upon the recording of the amendment together with a notarized Certificate of the Secretary of the Association certifying that the requisite number of Owners and Eligible Mortgagees, if required, have given their written consent to the amendment. The Secretary shall further certify that originals of such written consents by Owners and Eligible Mortgagees, as applicable, along with the recorded amendment, are in the records of the Association and available for inspection.

Each amendment to the Declaration must be recorded in the Office of the County Clerk and Recorder.

All signatures shall be irrevocable even upon death or conveyance of the Lot, except that if an amendment is not recorded within three years of the date of signature, then the executing Owner or their successor or assigns may revoke their signature by a written and notarized document delivered to the Secretary of the Association. Signatures need not be notarized.

Amendments can be executed in counterparts, provided that such recorded document shall also contain a certification of the Secretary of the Association that all counterparts, as executed, are part of the whole.

No action shall be commenced or maintained to challenge the validity of any aspect of any amendment of the Association's Declaration, Articles of Incorporation or Bylaws unless it is commenced within one year from the date of the recording of the said amendment, unless fraud or willful negligence is asserted and proven.

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ARTICLE THIRTEEN: GENERAL PROVISIONS

13.1 Right of Action. The Association and any aggrieved Owner shall have an appropriate right of action against an Owner for such Owner's failure to comply with this Declaration, the Articles of Incorporation and Bylaws of the Association, the Rules and Regulations of the Association or with decisions of the Board of Directors which are made pursuant thereto. Owners shall have a similar right of action against the Association.

13.2 Successors and Assigns. This Declaration shall be binding upon and shall inure to the benefit of the Association and each Owner and their heirs, personal representatives, successors and assigns.

13.3 Severability. Any portion of this Declaration invalidated in any manner whatsoever shall not be deemed to affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

13.4 No Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

13.5 Registration by Owner of Mailing Address. Each Owner shall register his or her mailing address with the Association, and except for monthly statements and other routine notices, which shall be personally delivered or sent by regular mail, all other notices or demands intended to be served upon an Owner shall be delivered personally or sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address.

All notices, demands or other notices intended to be served upon the Board of Directors of the Association or the Association shall be sent by certified mail, postage prepaid, to Don R. Mansfield, 2221 Arapaho Rd., Estes Park, CO 80517, Registered Agent for the Association until the Registered Agent is changed by a notice duly filed with the Office of the Secretary of State of Colorado (Change of Registered Agent).

13.6 Conflict. The Project Documents are intended to comply with the requirements of the Act and the Colorado Nonprofit Corporation Act. If there is any conflict between the Project Documents and the provisions of the statutes, the provisions of the statutes shall control. In the event of any conflict between this Declaration and any other Project Documents, this Declaration shall control.

13.7 Mergers. The Planned Community may be merged or consolidated with another planned community of the same form of ownership by complying with § 38-33.3-221 of the Act.

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13.8 Arbitration/Attorney's Fees. Except for matters requiring injunctive relief and matters concerning the collection of Assessments, all matters regarding the interpretation, application and enforcement of this Declaration shall be resolved by binding arbitration in accordance with the Colorado Arbitration proceeding consistent with the Rules of the American Arbitration Association. The parties to such dispute shall agree upon a single arbitrator who shall be an experienced professional property manager of a homeowners association. In the event the parties are unable to agree upon an arbitrator within 30 days after written notice, the presiding judge of the County's District Court shall appoint an arbitrator qualified as set forth above upon application of a party.

Judgment upon the determination of the arbitrator shall be entered and enforced by the County's District Court.

The arbitrator shall have authority, in the sound exercise of discretion, to award the prevailing party such party's costs and expenses, including reasonable attorney's fees.

13.9 Captions. The captions and headings in this Declaration are for Convenience only, and shall not be considered in construing any provision of this Declaration.

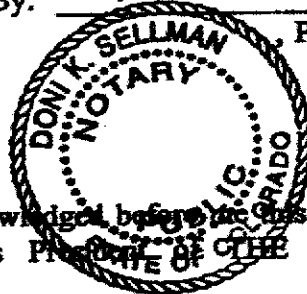
13.10 Numbers and Genders. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, plural the singular, and the use of any gender shall include all genders.

IN WITNESS WHEREOF, the undersigned have caused this Declaration to be executed as of this 21st day of November, 1998.

ARAPAHO MEADOWS HOMEOWNERS
ASSOCIATION

By: TL Gore, President

STATE OF COLORADO)
) SS.
COUNTY OF LARIMER)



The foregoing instrument was acknowledged before me this 21 day of November, 1998 by TL Gore as President of THE ARAPAHO MEADOWS HOMEOWNERS ASSOCIATION.

My commission expires: My Commission Expires 07/18/2001

WITNESS my hand and official seal.

Doni K. Sellman
Notary Public

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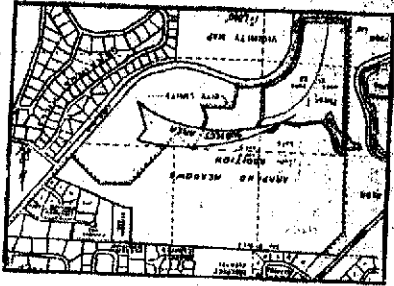
**EXHIBIT A
TO THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
OF
ARAPAHO MEADOWS**

**LEGAL DESCRIPTION OF THE REAL PROPERTY
SUBMITTED TO THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
ARAPAHO MEADOWS**

Lots 1 through 13, Block A,
Lots 1 through 5, Block B,
Lots 1 through 15, Block C,
Arapaho Meadows Phase I Subdivision, a P.U.D. of Tract 7 and a portion of Tract 5,
Arapaho Meadows Addition to the Town of Estes Park, a subdivision in the County of
Larimer, State of Colorado.

APPROVED FOR RECORD
 COUNTY OF LARIMER
 JAN 11 1967
 10:00 AM

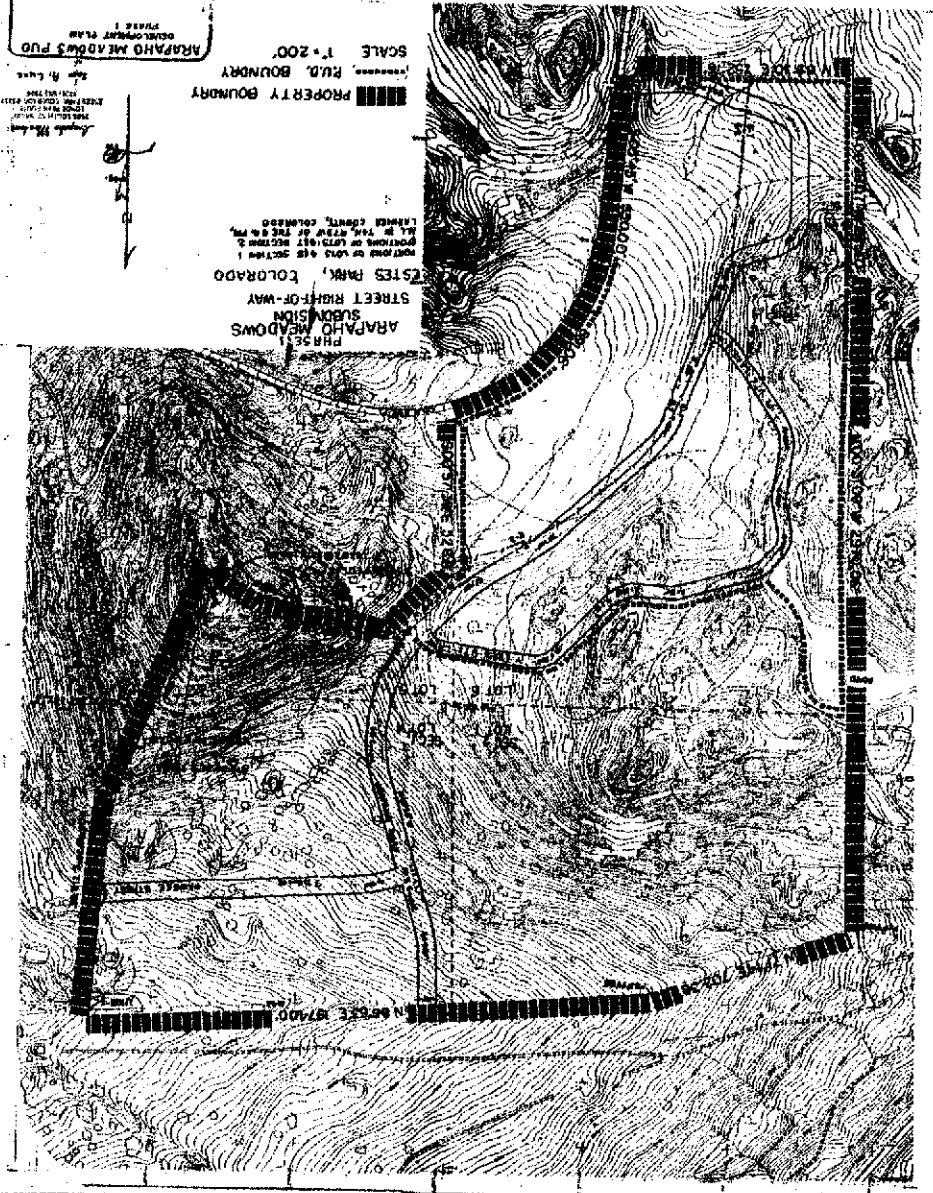
ARAPAHO MEADOWS
 PLANNED UNIT DEVELOPMENT
 STREET PLAN
 PHASE 1



ARAPAHO MEADOWS
 ESTES PARK, COLORADO
 PORTIONS OF LOT 5 SECTION 1,
 PORTIONS OF LOTS 6 & 2, SECTION 2,
 ALL IN T4N, R73W OF THE 6TH PM,
 LARIMER COUNTY, COLORADO

ARAPAHO MEADOWS PUB
 DEVELOPMENT PLAN
 STREET RIGHT-OF-WAY
 ZONING DISTRICT BOUNDARIES

SCALE 1"=200'
 PROPERTY BOUNDARY
 RUD. BOUNDARY
 ESTES PARK, COLORADO
 STREET RIGHT-OF-WAY
 ARAPAHO MEADOWS
 SUBDIVISION
 PHASE 1
 PORTIONS OF LOTS 6 & 2, SECTION 2,
 ALL IN T4N, R73W OF THE 6TH PM,
 LARIMER COUNTY, COLORADO



INDEX

[illegible]

7.01F 66 [LITFACD]

I am foregoing instrument was acknowledged before me this, 16th day of June, 1966, by Sam & Lynn.
My commission expires 12/19/68.

2005/01/06 2005/01/06

1. Gary Knight, being first duly sworn he testifies and says: that he is a registered land receiver under the laws of the State of Colorado; that the Service at Arlington Heights, Illinois (Solidification, a P.O.U.), from of which bank, (Colorado) was made by him or under his supervision; that the Service is presently represented on that date; and that the statements concerning the same were made by him and the bank and him of his own knowledge.

5. **Value of Evidence**

The foregoing was certified and sworn to before me this 15th day of June, 1906 by Wm. A. Smith, Attorney at Law and District Judge.

[illegible]

Approved by the Chief Engineer of the Coast and Geodetic Survey, (Chicago, this 14th day of May, 1961.

RESEARCH IN TOXICOLOGY PERMANENT

Approved and accepted for the Board of Trustees of the Town of Indian Park, Colorado, this 29th day of July, 1996.

Teresa D'Conce John J. Daniels

DEATHS: 10/11/19

[illegible]

Block A: lots 1, 4, 8, 9, 10, 11, 12, which have 10' side setback.
Block B: lots 1, 2, 3, 12, which have 50' setback on their southeast property lines.
Block C: lots 4 & 12, which have 10' side setback (see Development Plan).

"A" represents a good all-rod line, for construction and maintenance of public utilities and drainage work. Standard maintenance is required across all of Collet B.

QUESTIONS A THROUGH J. THERE ARE COMPLETION, CHOICE, AND TRUE/FALSE

1. The date, time and place of the meeting. 2. The subject of the meeting. 3. The purpose of the meeting. 4. The agenda of the meeting. 5. The minutes of the meeting. 6. The action items of the meeting. 7. The date, time and place of the next meeting. 8. The name of the person who called the meeting. 9. The name of the person who took the minutes. 10. The name of the person who distributed the minutes.

64A

55/39

**EXHIBIT B
TO THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
OF
ARAPAHO MEADOWS**

**LEGAL DESCRIPTION OF THE COMMON AREAS
SUBMITTED TO THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
ARAPAHO MEADOWS**

Outlots A, B, C and D,
Arapaho Meadows Phase I Subdivision, a P.U.D. of Tract 7 and a portion of Tract 5,
Arapaho Meadows Addition to the Town of Estes Park, a subdivision in the County of
Larimer, State of Colorado.

Arapaho Meadows Homeowners Association

Amendment to Article 7.13 of the Declaration of Covenants. (Page 22).

AMENDMENT OF DECLARATION

After the last sentence ending: "approved by the committee.",
insert the following:

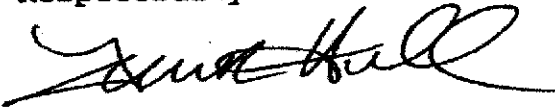
"The location of any such pet enclosure must be approved
by the Covenant Control Committee before installation.
The Committee may require screening the enclosure from
view from the streets and/or adjacent lots by tall
shrubs or other means of screening."

The amendment was officially approved by members of the Homeowners
Association by a vote of: 24 Yes

0 No

9 Did not vote

Respectfully Submitted:



Tim R. Hull
Secretary / Treasure

October 15, 1999

OFFICIAL NOTARY OF COLORADO
LARIMER COUNTY:

S. Angel Scott



My Commission Expires
August 30, 2003

ARAPAHO MEADOWS HOMEOWNERS ASSOCIATION

Amendment of Article 7.3 of the Declaration of Covenants. (Page 20).

AMENDMENT OF DECLARATION

Replace Article 7.3 with the following:

7.3 Rental Restrictions. No Dwelling shall be rented to a nonowner except as part of the sale of property for a period not to exceed thirty (30) days with board notification before rental begins. Rental of a portion of a home while the Owner remains in residence is prohibited.

The amendment was officially approved by members of the Homeowners Association by a vote of:

26 Approved

2 Did not approve

5 Did not vote

Certified By:

Wayne Otto
President

OFFICIAL NOTARY OF COLORADO
LARIMER COUNTY:

Date:

Resinded and
Repealed
17 Feb 2012
Replaced with
Article 7 section
7.3
Amendment
dtd 17 Feb 2012

**CERTIFICATE OF THE SECRETARY OF ARAPAHO MEADOWS
HOMEOWNERS ASSOCIATION, A COLORADO NONPROFIT
CORPORATION, OF APPROVAL OF AMENDMENTS TO DECLARATION**

RECITALS

1. The Declaration of Protective Covenants for Arapaho Meadows ("Original Declaration") was recorded on June 29, 1993, at Reception No. 93043503 of the Larimer County, Colorado records.

2. Thereafter, the Amendment and Restatement of the Declaration of Covenants, Conditions, and Restrictions of Arapaho Meadows ("Restated Declaration"), was recorded November 23, 1998, at Reception No. 98102555 of the Larimer County, Colorado records.

3. Under the Original Declaration and the Restated Declaration, the following real property was submitted and declared to be held and conveyed subject to the covenants, conditions and restrictions, set forth in the Original Declaration and the Restated Declaration:

Arapaho Meadows Phase I Subdivision, a P.U.D. of Tract 7 and a portion of Tract 5, Arapaho Meadows Addition to the Town of Estes Park, a subdivision in the County of Larimer, State of Colorado,

Lots 1 through 13, Block A,
Lots 1 through 5, Block B,
Lots 1 through 15, Block C, and
Outlots A, B, C and D

4. Article Twelve, Paragraph 12.2 of the Restated Declaration provides that the Restated Declaration may be amended by a written agreement by Owners to which at least sixty-seven percent of the votes in the Arapaho Meadows Homeowners Association, a Colorado nonprofit corporation ("Association") are allocated. Any such amendment is effective upon the recording of the amendment together with a notarized Certificate of the Secretary of the Association certifying that the requisite number of Owners and Eligible Mortgagees, if required, have given their written consent to the amendment. The Secretary is to certify that originals of such written consents by Owners and Eligible Mortgagees, as applicable, along with the recorded amendment, are in the records of the Association and available for inspection.

5. On or about October 15, 1999, the Owners of the Association approved the following amendment ("1999 Amendment") to Article Seven, Section 7.13 of the Restated Declaration:

✓ **HASLER, FONFARA AND GODDARD LLP**
125 SOUTH HOWES, 6TH FLOOR
POST OFFICE BOX 2267
FORT COLLINS, CO 80522

Board prior to entering into any lease and of any amendment prior to amending the lease.

A true and correct copy of the 2012 Amendment is attached hereto (without the exhibits attached thereto, which are the recorded documents referenced in the 2012 Amendment) and incorporated by reference. Twenty-six of the Owners approved the 2012 Amendment, zero Owners voted not to approve the 2012 Amendment, and seven Owners did not vote.

NOW THEREFORE, I, as the Secretary of the Association, hereby certify that the Owners of at least sixty-seven percent of the votes of the Association have given their written consent to the foregoing Amendments. I further certify that originals of such written consents by the Owners, along with the recorded Amendments, are maintained in the records of the Association and are available for inspection.

I further certify that there is no holder, insurer, or guarantor for security interests that has delivered a written request to the Association containing its name, address and legal description and the address of the lot encumbered by its first security interest, requesting that the Association notify them on any proposed action requiring the consent of the specified percentage of Eligible Mortgagees.

ARAPAHO MEADOWS HOMEOWNERS
ASSOCIATION,

a Colorado Nonprofit Corporation

By Sharon Grovert

Print Name: SHARON GROVERT, Secretary

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON

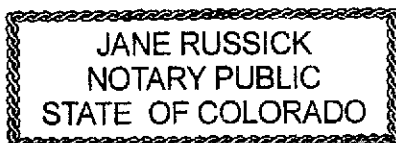
The foregoing instrument was acknowledged before me this 17th day of February, 2012, by SHARON GROVERT as Secretary of ARAPAHO MEADOWS HOMEOWNERS ASSOCIATION, a Colorado nonprofit corporation.

WITNESS my hand and official seal.

My commission expires: February 25, 2013

Jane Russick

Notary Public



comm. exp. 02/25/2013

2012 AMENDMENT

An amendment to:

A. Rescind and repeal the Amendment of Declaration attached hereto as Exhibit A, which was recorded, on November 17, 2005, at Reception No. 2005-0097801 ("2005 Amendment"), which was modified by the document attached hereto as Exhibit B, which was recorded on July 20, 2010 at Reception Number 20100041453, and certified by the Certificate of the Secretary of Arapaho Meadows Homeowners Association, A Colorado Corporation, Not For Profit, of Approval of Amendments to Declaration, attached hereto as Exhibit C, which was recorded December 22, 2010 at Reception No. 20100083133, all in the Larimer County records, which amended, or purported to amend, Article 7.3 of the Amendment and Restatement of the Declaration of Covenants, Conditions, and Restrictions of Arapaho Meadows ("Amended Declaration"), which was recorded on November 23, 1998, at Reception No. 98102555, which amended the Declaration of Protective Covenants for Arapaho Meadows recorded on June 29, 1993, at Reception No. 93043503, all in the Larimer County Records, and

B. Amend and Replace Article Seven, Section 7.3 of the Amended Declaration, with the following:

7.3 Rental Restrictions. Dwelling Units may be leased only subject to full compliance with all of the following conditions: (i) the term of the lease must be for a period not less than one year; (ii) the leasing Owner agrees to be responsible to assure that the leasing Owner's tenants fully comply with all covenants, rules and regulations of Association now existing or hereafter adopted; (iii) the leasing Owner shall be liable for any damages, acts or violations of the leasing Owner's tenants the same as if the leasing Owner caused the damages or committed the act or violation; and (iv) the leasing Owner must provide a copy of the lease to the Board prior to entering into any lease and of any amendment prior to amending the lease.