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 Denver, CO
 Registration No. **415613**

By *Joanne M. Poltinger* Deputy
Joanne M. Poltinger Deputy

DECLARATION OF PROTECTIVE COVENANTS
 ROARING JUDY RANCH

Nicholas J. Lypps and Mary E. Frame, the owners of Roaring Judy Ranch in Gunnison County, Colorado hereby declare the following covenants, limitations, conditions, restrictions and uses upon said subdivision under the terms and conditions hereafter set forth.

1. PURPOSES. This Declaration of Protective Covenants is made for the purpose of preserving the agricultural character of the Roaring Judy Ranch and allowing the subdivision thereof, providing for the orderly manner of use of the property, and providing for the mutual benefit and protection of the owners of real property within the subdivision and the owners of other property in the vicinity.

2. PROPERTY AFFECTED. These protective covenants shall apply to and be binding upon Roaring Judy Ranch, which is more particularly described on Exhibit A attached hereto.

3. TRACT USE. All tracts within the subdivision shall be used exclusively for single family residential purposes.

4. PARTITION. No tract may be divided, re-subdivided, or partitioned into a smaller tract of land; provided, however, that adjoining tract owners may exchange adjoining property to accomplish a relocation of boundary lines between adjoining tracts so long as such exchange shall not decrease the size of any tract within the subdivision to less than 35 acres.

5. MINING/TIMBERING. No tract shall be used for the purpose of mining, quarrying, drilling, boring, exploring for or removing oil, gas, other hydrocarbons, minerals, rocks, stones, gravel or soil, nor may any tract be used for commercial logging of any nature.

6. MOBILE HOMES, TRAILERS OR TEMPORARY BUILDINGS. No mobile homes, house trailers or temporary buildings shall be permitted upon any tract, whether for use as a dwelling, for storage or otherwise, except during construction of a permanent dwelling upon a tract, but in no event in excess of one year from the date of commencement of construction.

7. FENCES. No tract owner shall fence in excess of a total of five acres of his tract. The remainder thereof shall remain unfenced, except only any fences existing upon the date

hereof which form the boundary of the subdivision. The same may be maintained, repaired, replaced, or eliminated only by the record owner of that portion of the real property described on Exhibit B attached hereto not included within the subdivision, or such owner's authorized agents and employees.

8. DOMESTIC ANIMALS. Any domestic animals maintained upon any tract shall not be allowed to run at large, and shall be kept within the permissible fenced area of the tract.

9. RANCHING OPERATIONS. In order to preserve the nature of the real property described on Exhibit B attached hereto as a working ranch, the owner of that portion of the real property described on Exhibit B attached hereto shall for a period of five years from the date hereof, and thereafter upon the written consent of the homeowners association formed pursuant to Paragraph 11 hereof, have the right to continue agricultural operations within the subdivision, except only the permissible five acre fenced area within each tract. Such agricultural operations may include, without limitation, the grazing of livestock, herding and driving livestock across or through the subdivision and the roads therein, erecting and maintaining those fences in existence upon the date of adoption of these protective covenants forming the boundary of the subdivision. Said owner shall have the right in perpetuity to use, maintain, and repair ditches and other facilities for decreed water rights, and any fences on exterior boundaries of the subdivision.

10. ROAD AND UTILITY MAINTENANCE. All costs of maintenance and repair of the platted roads within the subdivision and snow plowing thereof, and all costs of maintenance and repair of common utilities not maintained and repaired by the utility supplier shall be maintained and repaired by the tract owners in equal shares.

11. FORMATION OF HOMEOWNERS ASSOCIATION. The declarants at any time at their option, or any two or more tract owners upon not less than seven of the tracts within the subdivision having been conveyed by the declarants to third persons, may form a homeowners association which shall be a Colorado non-profit corporation for the purpose of promoting the health, safety, and welfare of the owners and occupants of all tracts within the subdivision, enforcement and implementation of these protective covenants, and maintenance, repair, and snow plowing of all platted roads within the subdivision, and installation, maintenance and repair of common utilities within the subdivision.

12. MEMBERSHIP AND VOTING RIGHTS. Upon the formation of such homeowners association, each record owner of a tract within the subdivision shall automatically be a member of such homeowners association, and shall have one vote per tract owned.

13. POWERS. The Board of Directors of the homeowners association shall have the powers and duties necessary for the administration of the affairs of the homeowners association and may perform all acts in furtherance thereof consistent with the purposes and objects of the homeowners association and these protective covenants. Subject only to the limitations on the exercise of such powers and duties as are expressly set forth in its articles of incorporation, its bylaws, these protective covenants, or the Colorado Non-Profit Corporation Code, the homeowners association's powers and duties shall include but not necessarily be limited to the following:

13.1 Exercising all powers, duties and authorities vested in or delegated to the homeowners Association under these protective covenants or the articles and bylaws of the Homeowners Association.

13.2 Enforcing these protective covenants.

13.3 Fixing, levying, collecting and enforcing all assessments as provided for herein.

13.4 Commencing and maintaining, in its own name, on its own behalf, or in the names and on behalf of tract owners who consent thereto, suits and actions to restrain and enjoin any breach or threatened breach of these protective covenants.

13.5 Exercising any and all powers granted to the Homeowners Association by the Colorado Non-Profit Corporation Code.

14. BOARD OF DIRECTORS. The Board of Directors of the Homeowners Association shall consist of three members, each being a tract owner whose election, term of office, method of replacement and specific powers and duties shall be as set forth in the Homeowners Association's articles of incorporation and bylaws.

15. ASSESSMENTS. The Homeowners Association, acting through its board of directors, is further charged with the responsibility for and is granted the authority to enact, adopt and enforce assessments for the reasonable cost of maintaining the Homeowners Association and performing its various functions and duties, including without limitation the following: (1) costs of maintenance, repair, and snow plowing of all platted roads within the subdivision; (2) costs of installation, maintenance and repair of all common utilities within the subdivision not installed, maintained and repaired by the utility supplier; (3) reasonable insurance coverage, including liability insurance for directors, agents and employees of the homeowners

association; (4) legal, accounting and audit fees incurred by the homeowners association; (5) reserves for future capital expenditures of the homeowners association; and (6) a reasonable reserve for contingencies. Written notice of all assessments shall be mailed to each tract owner at the same address as is utilized by the Gunnison County Treasurer for the mailing of tax notices. If an assessment is not paid when due, together with interest thereon at such rate as the board of directors of the homeowners association may direct, together with the homeowners association's reasonable attorney's fees incurred in collection thereof, shall be a lien upon all tracts owned by the defaulting tract owner.

16. LIEN STATEMENT. To evidence its lien, the homeowners association may prepare a written notice of such lien setting forth the amount thereof, the date the same became due, the amount remaining unpaid including the homeowners association's attorneys' fees and costs incurred in the preparation and recording of said notice of lien and a release thereof, a description of the tract encumbered by such statement of lien, and the name of the record owner of such tract if known. Such notice shall be signed on behalf of the homeowner's association by any director, officer, or the association's attorney, and shall be recorded in the office of the Gunnison County Clerk and Recorder. Such lien may be enforced by judicial foreclosure in the same manner in which mortgages upon real property may be foreclosed in Colorado, or in any other manner now or hereafter permitted by law. In any such foreclosure, the tract owner shall be required to pay the costs and expenses of such proceeding, the costs and expenses of the filing of the notice of assessment lien and a release thereof, and all reasonable attorney's fees and costs incurred by the homeowners association. All such fees and costs shall be secured by the lien being foreclosed. The tract owner shall also be required to pay to the homeowners association any assessments, including interest, against the tract which become due during the period of foreclosure. The homeowners association is expressly authorized to bid at any foreclosure sale or other legal sale, and to acquire, hold, convey, lease, rent, encumber, use, and otherwise deal with any tract acquired at such foreclosure sale in the same manner as a tract owner.

17. ASSESSMENT PERSONAL OBLIGATION. The amount of any assessment provided for herein shall be the personal obligation of the tract owner. Suit to recover a money judgment for such personal obligation, together with reasonable attorney's fees and costs incurred by the homeowners association, may be maintained by it without foreclosing or waiving the lien securing payment thereof. No tract owner may avoid or diminish such obligation by waiver of the use and enjoyment of his tract or by abandoning his tract.

18. ADDITIONAL REMEDIES. In addition to the penalties imposed above for failure to pay assessments when due, the homeowners association by its board of directors may suspend voting rights of any tract owner failing to pay assessments when due and owing and may preclude participation in any member or director meeting of the homeowners association.

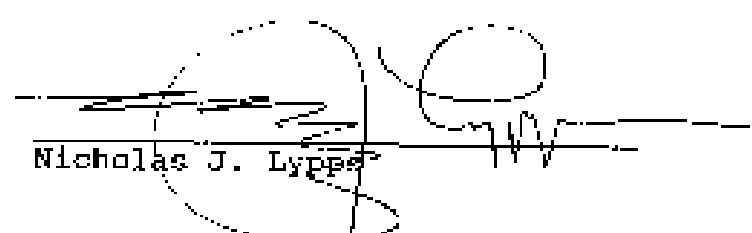
19. ENFORCEMENT. If any person shall violate or threaten to violate any of the provisions of these protective covenants, it shall be lawful for any tract owner, the declarants, or the homeowners association if formed to institute proceedings at law or in equity to enforce the provisions of this instrument, and to recover damages, actual and punitive, together with reasonable attorneys' fees and costs.

20. COVENANTS RUN WITH LAND. The conditions, restrictions, stipulations, agreements and covenants herein contained shall be for the benefit of and binding upon each tract within the subdivision and each owner thereof, and his or her successors, assigns, and invitees, and shall continue in full force and effect for 20 years after the date of recording of this instrument in Gunnison County, Colorado, at which time they shall be automatically extended for five successive terms of ten years each, unless amended in the manner hereafter provided.

21. AMENDMENT. The conditions, restrictions, stipulations, agreements and covenants contained herein shall not be waived, abandoned, terminated, amended, or enlarged except by an instrument setting forth the written consent of the record owners of 66 2/3 percent of the tracts within the subdivision.

22. SEVERABILITY. The invalidation of any one or more of the provisions of this instrument by any court shall in no way affect the validity of the remainder hereof, which shall remain in full force and effect.

IN WITNESS WHEREOF, this Declaration of Protective Covenants is executed by the declarants this 7th day of August, 1989.



Nicholas J. Lypps



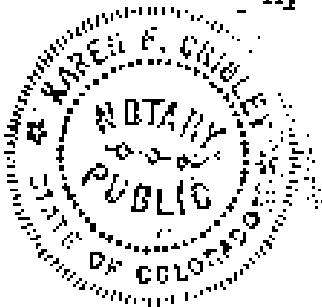
Mary E. Frame

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing was acknowledged before me this 30th
day of August, 1989 by Nicholas J. Lypps and Mary E. Frame.

Witness my hand and official seal.

My commission expires: September 23, 1990



Karen A. Cribbey
Notary Public

Address:
120 North Taylor
Gunnison, Colorado 81230
Telephone: (303) 641-3326

ROARING JUDY RANCH

A portion of Sections 12 & 13, T. 15 S., R. 85 W., 8th P.M. Also Lots 2, 3 & 4, Section 7, and a portion of Lots 1 & 2, Section 18, both T. 15 S., R. 84 W., 8th P.M., Gunnison County, State of Colorado, more particularly described as follows:

Commencing at the N.W. Corner of said Section 7, a U.S.G.L.O. brass cap monument in place, The True Point of Beginning;

Thence S 0° 02' 00" E, along the West line of the N.W. 1/4 said Section 7, 1333.48 feet to the N.W. Corner of said Lot 2, Section 7;

Thence S 88° 44' 28" E along the North line of said Lot 2, Section 7, 1344.85 feet to the N.E. Corner of said Lot 2, Section 7;

Thence S 1° 15' 17" E along the East line of said Lots 2, 3 & 4 of Section 7, 3932.81 feet to the S.E. Corner of said Lot 4, Section 7;

Thence S 0° 01' 28" W along the East line of said Lot 2, Section 13, 445.98 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence E 89° 40' 02" W 251.84 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence S 54° 48' 47" N 804.55 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence S 26° 13' 48" W 381.53 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence S 43° 52' 42" W 801.81 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence S 54° 05' 57" N 302.18 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence S 29° 38' 31" W 411.48 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 78° 05' 20" W 252.83 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 67° 50' 26" W 282.73 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 38° 24' 22" W 317.35 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 7° 02' 50" W 708.74 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 60° 23' 38" W 1309.80 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 8° 03' 48" E 1210.57 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 7° 17' 31" W 1054.12 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 7° 01' 12" W 212.89 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 7° 13' 29" W 982.38 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence S 79° 07' 21" W 298.72 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence W 10° 15' 04" E 371.25 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 16° 58' 07" E 381.75 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 3° 02' 42" W 419.91 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 4° 13' 54" W 452.81 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 24° 55' 30" E 344.33 feet to a point monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 11° 18' 36" W 731.81 feet to a point on the North line of said Section 12, monumented by an aluminum cap stamped P.L.S. 24861, in place;

Thence N 89° 33' 13" E along the North line of said Section 12, 2012.08 feet to the N.W. Corner of said Section 7, the True Point of Beginning, containing 607.82 acres, more or less. Bearings based on the West line of the N.W. 1/4, said Section 7, being N 0° 03' 00" W between U.S.G.L.O. brass cap monuments in place, for the West 1/4 corner and the N.W. corner of said Section 7.