

**AMENDED AND RESTATED
DECLARATION
OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
SANTA FE TRAIL RANCH**

UPDATED BY MEMBER VOTE 21 APR 07

THIS AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR SANTA FE TRAIL RANCH, hereinafter referred to as the "Amended and Restated Declaration" which amends and restates the original Declaration of Protective Covenants, Conditions and Restrictions for Santa Fe Trail Ranch, as filed by Raton-West Baldwin LTD, hereinafter the "Declaration", and which is duly agreed to and adopted this 21st day of April, 2007, by SANTA FE TRAIL RANCH PROPERTY OWNERS ASSOCIATION, a Colorado non-profit corporation, hereinafter referred to as the "Association".

Witnesseth:

WHEREAS, Declarant, on August 30, 1990, caused to be filed in the office of the Clerk and Recorder for Las Animas County, Colorado, a Declaration of Protective Covenants, Conditions and Restrictions for Santa Fe Trail Ranch, hereinafter the "Declaration", which document is recorded in Book 873 at Page 261, under Reception No. 588333 (Unit 1) and re-recorded September 24, 1990, in Book 875 at Page 823 under Reception No. 589936 (Unit 2), May 3, 1991, in Book 879 at Page 798 under Reception No. 592103 (Unit 3), February 26, 1992, in Book 885 at Page 426 under Reception NO. 595157 (Unit 4), October 27, 1992, in Book 890 at Page 946 under Reception No. 598133, and November 4, 1992 in Book 891 at Page 203 under Reception No. 598260 (Unit 5), October 27, 1992, in Book 890 at Page 967 under Reception No. 598136 (Unit 6), July 8, 1993, in Book 896 at Page 403 under Reception No. 601285 (Unit 7A), July 8, 1993, in Book 896 at Page 425 under Reception No. 601289 (Unit 7B), December 7, 1993, in Book 900 at Page 313 under Reception No. 449 and April 26, 1994, in Book 903 at page 575 under Reception No. 605371 (Unit 8), December 7th, 1993, in Book 900 at Page 315 under Reception No. 603450 and September 21, 1994, in Book 908 at Page 325 under Reception No. 607969 (Unit 9), December 30, 1994, in Book 911 at Page 570 under Reception No. 609522 (Unit 10), December 40, 1994, in Book 911 at Page 570 under Reception No. 609525 and July 5, 1995, in Book 917 at Page 932 under Reception No. 612723.

WHEREAS, Declarant was the owner of all and remains the owner of part of that certain real property commonly known as Santa Fe Trail Ranch, hereinafter, the "Ranch";

WHEREAS, Declarant has divided the Ranch into "Units" and "Lots" hereinafter defined, and has sold Lots to third parties, hereinafter referred to in the singular as "Owner" and

collectively as the "Owners". The portions of the Ranch which have been sold to Owners by Declarant or have been platted into Lots and recorded in the Clerk and Recorder's Office for Las Animas County, Colorado, as of the date of the Amended and Restated Declaration are more particularly described on EXHIBIT A attached hereto and hereby made a part hereof, and are hereinafter referred to as the "Properties".

WHEREAS, all of the Properties described in EXHIBIT A were sold and are held, sold and conveyed subject to the easements, restrictions, covenants and conditions set forth in the Declaration for the purpose of protecting the values and desirability of the Properties, and which easements, restrictions, covenants and conditions run with the land and are binding on all parties having any rights, title or interest in the Properties or any part thereof, their heirs, successors, personal representatives and assigns, and do and shall inure to the benefit of each Owner thereof;

WHEREAS, changes in circumstances and cooperative consultation between and among Declarant, the Owners and the "Association", hereinafter defined, have caused the parties to determine that parts of the Declaration need to be amended and/or restated for the purpose of clarification and other reasons in furtherance of the stated purposes of the Declaration and that it would be mutually advantageous to amend and restate the Declaration in this Amended and Restated Declaration.

WHEREAS the declaration in ARTICLE VII thereof, provides procedures in amending the Declaration by a stated number of affirmative votes of Owners of the properties.

NOW, THEREFORE, in consideration of the mutual benefits herein contained and in keeping and performance of those covenants, conditions and restrictions contained in the Declaration and the purposes thereof, the following Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions of Santa Fe Trail Ranch are hereby adopted.

ARTICLE I DEFINITIONS

1.1 Association. "Association" shall mean and refer to the Santa Fe Trail Ranch Property Owners Association, a Colorado non-profit corporation, also known as "Santa Fe Trail Ranch P.O.A.", and the "P.O.A." The Association shall act by and through its elected Board of Directors and its elected or appointed officers.

1.2 Board. "Board" shall mean and refer to the Board of Directors of the Association.

1.3 Owner. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, excluding those having such interest merely as security for the performance of any obligation. When a person who is an owner conveys or otherwise assigns of record such person's fee simple title interest to a lot then, retroactive to the date of such conveyance or assignment, such person shall thereafter cease to be an owner; provided however that the foregoing shall not in any way extinguish or otherwise void any unsatisfied obligation of such person which existed or arose at the time of such conveyance or assignment, specifically including without limiting the generality of the foregoing, any of a fee simple title to any lot which is a part of the Properties, excluding contract sellers, and excluding unsatisfied obligation to pay Association assessments.

1.4 Common Maintenance Areas. "Common Maintenance Areas" shall mean all of the common area.

1.5 Common Area. "Common Area" shall mean all areas reserved by and for the Association (including improvements thereto) and all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association is described as follows: Rights of way for roads, and public areas as shown on plat maps recorded in the office of the Clerk and Recorder for Las Animas County, Colorado.

1.6 Properties. "Properties" shall mean and refer to that certain real property described on EXHIBIT A.

1.7 Platted Lots. "Platted" shall be defined as areas engineered and surveyed into lots and whose boundaries have been described and recorded in the Clerk and Recorder Office in Las Animas County, Colorado.

1.8 Clerk and Recorder Office. Shall mean Clerk and Recorders Office, Las Animas County, Trinidad, Colorado, 81082.

1.9 Unit. "Unit" is defined as a group of lots joined by a common roadway, engineered and surveyed into a platted map and recorded with Clerk and Recorder.

ARTICLE II PROPERTY RIGHTS

2.1 Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the common area which shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

(a) The right of the Association to suspend the voting rights and right of use of the recreational facilities by an Owner (1) for any period during which any assessment against his Lot remains unpaid; and (2) for a period determined by the Board for any infraction of the published rules and regulations of the Association;

(b) The right of the Association to dedicate or transfer all or any part of the Common area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Association and its Members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer is signed by eighty percent (80%) of the Members and is recorded in the office of the Clerk and Recorder for Las Animas County, Colorado;

(c) The right of the Association to limit the number of guests or invitees of each owner or occupant which may use the recreational or other facilities contained in the common area;

(d) The right of the Association to adopt, from time to time, any and all reasonable rules and regulations for the use of the Common Area and any facilities located thereon, including, without limitation, rules and regulations relating to vehicular traffic and travel upon, in and under the Common Area.

2.2 Rights of Ingress and Egress. Subject to the above conditions with respect to owner use and enjoyment, every owner and such owner's family members, guests and

licensees shall have an easement of ingress and egress over, across and upon the common areas for purposes of getting to and from such owner's individual lot and the public way for equestrian, pedestrian and vehicular travel.

2.3 Grazing Restriction. Owners agree to perpetuate the environment of the subject property as that of a working ranch for themselves and their successors in interest. All owners of the Properties shall have the right to the use and the quiet enjoyment of their lots as a working mountain ranch subject to the specific rights and obligations hereinafter set forth:

(a) An owner shall have the right to fence out livestock with a fence set back from the lot boundary and 15' utility easement along the roadway right of way. A fence can be situated on a lot line with an adjoining lot if an agreement is reached between the two lot owners, and a written copy of that agreement is provided the Covenant Committee.

(b) To preserve the ranching use and atmosphere the P.O.A. shall be granted a perpetual use and right to lease the grazing. All Lots shall be sold subject to this reservation. Funds received from agricultural leases shall be administered by the Board and shall be utilized for Common Area maintenance or improvement.

2.4 Easements. The Association, through the Board, may grant easements across, under and over the Common Area for utilities, water lines or similar or dissimilar purposes which do not unreasonably interfere with the easements for use of the Common Areas granted to the Owners by these covenants. All Owners shall take title subject to an easement hereby reserved to the Association, for purposes of installation and repair of the Common Maintenance Areas. These easements are to be identified on recorded plats in the Clerk and Recorder's Office. The Association also reserves for the sole benefit of all lot Owners and the Association a non-exclusive easement and right to install underground or overhead electrical lines, telephone lines, television cable, and underground water lines across any Lot or portion of the recorded plat, together with the right of ingress and egress for purposes of installing and maintaining said lines. There is a specific fifteen (15) foot wide easement along all roadway rights of way. Within a reasonable time after completion of any of such utilities, the Association shall cause a map showing the location of the same to be filed with the Clerk and Recorder.

2.5 Maintenance of Utility Service Line. The Association, shall grant the right to each owner of a lot, to use, install and repair service lines running from the primary distribution service systems across the Common Area to their lot for water, electricity, fuel, television and telephone service, and may grant to any public utility supplying such services, pursuant to an order of the Association, which shall be sufficient to establish the grant of the easement and any further grant or formal legal instrument shall be unnecessary. The Owner who is served shall, at his cost, cause the surface of the Common Area to be restored after any installation of a service line to the lot Owner's lot and any subsequent surface damage caused by repair, replacement or other causes.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

3.1 Membership. Every owner of a lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot.

3.2 Members. Members shall be all owners of record of lots, and each Owner shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be Members. The vote for any such multiple-owned lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any one (1) lot. If the Owners of such lot do not agree as to the manner in which their vote should be cast when called upon to vote, then they shall be treated as having abstained.

3.2.1 Voting. Absentee ballots will be acceptable for all votes and such forms will be made available by the Association. All Board Member elections will be by secret ballot. The tallying of votes must always include the participation by at least two non-Board members from the Member Pool. The Association has the right to reject a vote which it has reasonable, good faith basis, to doubt.

3.3 Owner's Address for Notices. Unless an owner shall have notified the Association by registered or certified mail of a different address, any notice required to be given, or otherwise given by the Association under this declaration to any owner or any other written instrument to be given to any owner may be mailed to such owner in a postage prepaid envelope and mailed by first class, registered or certified mail to the address of the individual lot shown upon the Association's records as being owned by such owner, if more than one owner owns a particular individual lot, then any notice or other written instrument may be addressed to all of such owners and may be mailed in one envelope in accordance with the foregoing. Any notice or other written instrument given by the Association in accordance with the foregoing will be deemed to have been given on the date that it is mailed.

ARTICLE IV COVENANT FOR ASSESSMENTS

4.1 Creation of the Lien and Personal Obligations of Assessments. The Association, for each lot owned within the Properties, hereby covenants, and each owner of any lot by acceptance of a Deed therefore, whether or not it shall be so expressed in such Deed, is deemed to covenant and agree to pay to the Association:

- (1) Annual Assessment for general operations of the Association, and
- (2) Special Assessments for capital improvements and repairs, such assessments to be established and collected as hereinafter provided. The Annual and Special Assessments together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation for delinquent

assessments and shall pass to the successors in title. In addition to the foregoing, each owner shall also have the obligation to pay real property taxes imposed by the Colorado Governmental Taxing Authorities. An Owner's obligation for payment of taxes and insurance may be contractually delegated through the Owner's respective mortgage document.

4.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Properties and for the improvement and maintenance of the common areas including but not by way of limitation:

- (a) repairing, replacing and maintaining the common area;
- (b) installing, maintaining and repairing all roads and utilities upon, across, over and under any part of the properties;
- (c) furnishing garbage and trash pickup and water and electrical services to the properties;
- (d) establishing and maintaining adequate reserves for repairs, maintenance, taxes, capital improvements and other purposes;
- (e) carrying out all other powers, rights, and duties of the Association
- (f) generally for any other purposes and uses that the Association shall determine to be necessary to meet the primary purposes of the Association
- (g) Obtaining liability and property damage insurance in a sufficient amount to insure that the P.O.A. is fully covered for all potential claims.

4.3 Annual Assessment. Beginning January 1, of the year following purchase of a lot, the Owner shall be assessed annual Association fees, as approved by a vote of the membership, or as adjusted by the Board under the conditions set forth below. As of January 1, 2007, the annual dues on all lots will be a base amount of \$619.00. This does not include a possible CPI adjustment.

The amount of any increase in the Annual Assessment shall be set by the Board of Directors, but such increase, without Membership approval as set forth below, is limited to the increase in the Consumer Price Index, as defined below, for the period ending the month prior to the date of the meeting at which the Annual Assessment is set (hereinafter, the "Adjustment Date"). Only upon an affirmative vote of fifty one percent (51%) of the Members who are voting in person or by proxy may the Annual Assessment be increased more than the increase in the Consumer Price Index over the previous year.

The base for computing any automatic increase is the Consumer Price Index for all Urban Consumers, U.S. City Average, All Items (1982-1984-100), published by the United States Department of Labor, Bureau of Statistics, (hereinafter the "Index"), which was published for the month of October, 1992 (hereinafter, the "Beginning Index"). If the Index published for the month immediately preceding the month in which the Annual Assessment is set (hereinafter, the "Extension Index") has increased over the Beginning Index, the Annual Assessment for the following year shall be set by multiplying the previous Annual Assessment by a fraction, of which the numerator of which is the Extension Index and the denominator of which is the Beginning Index. In no case shall an Annual Assessment be less than the Previous Assessment. If the Index is changed

so the base year differs from that used as of October 1992, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor Statistics. If the Index is discontinued or revised during the term of the Amended and Restated Declaration (or any extension thereof), such other governmental index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index has not been discontinued or revised. In the event that the figures necessary for the calculation of the increase in Annual Assessments are not available on the Adjustment Date, the Annual Assessment shall be billed, unchanged from the previous year, and when such figures are available, the Annual Assessment shall be recalculated according to the provisions and any adjustment shall be billed in the next regular billing cycle.

4.4 Special Assessment for Repairs. In addition to the Annual Assessments authorized above, the Association may levy, for the purpose of defraying, in whole or in part, the cost of any reconstruction, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto, provided that any such assessment must have the assent of at least fifty one percent (51%) of the Members who are voting in person or by absentee ballot at a meeting duly called for this purpose.

4.5 Special Assessment for Capitol Improvements. In addition to Annual Assessments and Repair Assessments authorized above, the association may collect and administer fees for improvements such as water distribution system, electric power distribution (backbone) systems, and telephone distribution systems. The fees, costs and capitol assessments, together with the terms and conditions are to be fully set forth in the owners (purchasers) contract to purchase. The P.O.A. Board shall collect, administer and contract for these services and shall be authorized to act as the following but not limited to:

- (a) Establish fees for hookups to transmission systems (if any) and set rates if applicable for services provided,
- (b) Withhold services for non-payment of fees,
- (c) Pledge promissory notes of owners securing payment of capital improvements for bank loans or to utility companies to bond or insure payment on utility or capital improvements, and
- (d) Use Annual Maintenance Fees to pay for Capital Improvements whenever in the sole discretion of the Board, it is necessary.

4.6 Notice and Quorum for Any Vote of the Members Written notice of any meeting called for the purpose of taking any action authorized by the Declaration shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At any such meeting called, the presence of members or of absentee ballots representing 10% of all the votes of membership shall constitute a quorum.

4.7 Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform and equitable rate for each lot. Different rates may apply when an owner constructs more than one single family detached home on one lot.

4.8 Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence on each lot and become due in January of the year following the recording of the deed to an owner. The Board of

Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors and will allow a reasonable amount of time for members to pay fees before becoming delinquent. As an option, quarterly payments can be arranged.

4.9 Effect of Nonpayment of Assessments: Remedies of the Association. Any Assessment, whether an Annual Assessment under Section 4.3, a Special Assessment for Repairs under Section 4.4, or a Special Assessment for Capitol Improvements under Section 4.5, not paid within thirty (30) days after the due date shall be deemed delinquent and shall bear interest from the due date at a rate of eighteen percent (18%) per annum, unless that rate is adjusted by the Board. If an Assessment becomes delinquent, the Association, acting through the Board, in its sole discretion, may take any or all of the following actions:

- (a) Assess a late charge for each delinquency in such amount, as the Board deems appropriate;
- (b) Suspend the voting rights, provision of or access to POA services, and the right of use of the Common Area (except access roads) by the Owner during any period of delinquency;
- (c) Bring an action at law against any Owner personally obligated to pay the delinquent Assessment;
- (d) Take steps to assign the debt to the County tax rolls.
- (e) File a statement of lien with respect to the Lot and proceed with foreclosure as set forth in more detail below:
- (f) Notify the mortgage holder, if any, and request payment of the debt.
- (g) Publicly post a list of accounts in arrears.
- (h) Assessments chargeable to any Lot, as set forth in Section 4.1, shall constitute a continuing lien on such Lot, including all improvements thereon. To evidence a lien created under this Article IV, the Board may, but shall not be obligated to, prepare a written Notice of Lien (hereinafter, "Notice") setting forth (i) the address of the Association, (ii) the amount of such unpaid indebtedness, (iii) the amount of accrued interest on the indebtedness, (iv) the name of the Owner of the Lot, and (v) a description of the Lot. The Notice shall be signed by the President or the Vice President of the Association and the Association shall serve the Notice on the Owner by mail as set forth in Section 3.3. Not less than ten (10) calendar days after the date on which such Notice is mailed to the Owner, the Association may record the same in the office of the Clerk and Recorder of Las Animas County, Colorado. Such lien for Assessments shall attach from the date due of the Assessment. Thirty (30) days following the date the Association mails the Notice to the Owner, the Association may institute foreclosure proceedings against the delinquent Owner's Lot in the manner of foreclosing a mortgage on real property under the laws of the State of Colorado. In the event of such foreclosure, the Owner shall be liable for the amount of unpaid Assessments, any late charges and interest thereon, the cost and expenses of such proceedings, the cost and expenses for filing the Notice of claim and the lien, and all reasonable attorney fees incurred in connection with the enforcement of the lien.

4.10 Lien a Personal Obligation to Owner. The amount of any Assessment chargeable against any lot shall be a personal and individual debt of the Owner of the same. No Owner may exempt himself from liability for the Assessment by abandonment of his lot or by waiver of the use and enjoyment of all or any part of the Common Area. Suit to recover a money judgment for unpaid Assessments, any penalties and interest thereon, the costs and expenses of such proceedings, and all reasonable attorneys fees in connection therewith shall be maintainable without foreclosing or waiving the Assessment lien provided in this Declaration.

4.11 Successor's Liability for Assessment. In addition to the personal obligation of each Owner to pay all Assessments and the Association's continuing lien for such Assessment, all successors to the fee simple title of a lot, except as provided in Section 4.12, below shall be jointly and severally liable with the prior Owner thereof for any and all unpaid Assessments, late charges, costs, expenses and attorneys fees against such lot without prejudice to any such successor's right to recover from any prior Owner any amounts paid by such successor. The liability of a successor shall not be personal and shall terminate upon termination of such successor's fee simple interest in the lot. In addition, such successor shall be entitled to rely on the Certificate of Status of Assessments by or on behalf of the Association under Section 4.13.

4.12 Subordination of Lien. The lien for Assessments provided for in this Declaration shall be subordinate to the lien of real estate taxes and special governmental assessments. The lien for Assessments shall be superior to and prior to the lien for all sums unpaid on a First Mortgage of record against such lot, including all unpaid obligatory advances as may be provided by such encumbrance, and any homestead exemption provided now or in the future by the laws of the State of Colorado. No sale or transfer shall release a lot from the lien of Assessments, except in the case of a sale or transfer of a lot pursuant to a decree of foreclosure, by a public trustee in foreclosure, or by any proceeding or deed in lieu of foreclosure for the purpose of enforcing a First Mortgage, which shall extinguish the lien of such Assessments as to installments which became due prior to such sale or transfer. No sale or transfer shall relieve the purchaser or transferee of a lot from liability for, or the lot from the lien of, any Assessments made after the sale or transfer as set forth herein.

4.13 Certificate of Status of Assessment. Upon request in writing by any legally interested person and payment of a reasonable charge therefore, the Association shall furnish a Certificate of Status of Assessments setting forth:

(a) the amount of any unpaid assessment, interest, late charges, costs, expenses and attorney's fees then existing against a particular lot;

(b) the amount of the current monthly or annual installment assessments and the date that the next installment is due and payable;

(c) the date of the payment of any installments of any Special Assessments then existing against the individual lot;

(d) any other information deemed proper by the Association Articles and Bylaws, books of account and financial statements together with a Certificate of Status of Assessments upon reasonable request in writing and payment of a reasonable charge therefore. Upon the issuance of such certificate signed by an Officer of the Association, the information contained therein shall be conclusive upon the Association as to the person

or persons to whom such a certificate is addressed and who may rely thereon in good faith.

4.14 Mortgagees May Pay Assessments and Cure Defaults. If any Assessment, or monthly installments thereof, for any individual Lot shall not be paid by the Owner thereof within thirty (30) days after the same is due, or if a default by any Owner of any provision of this Declaration shall not be cured within thirty (30) days after written notice thereof is given to such Owner, then the Association may thereafter send a notice thereof to any First Mortgagee thereof and may (but shall not be required to) send a notice thereof to any other Mortgagee thereof. Any Mortgagee may (but shall not be required to) pay any such Assessment, together with any other amount secured by the Association's lien created by this Article IV, and may (but shall not be required to) cure any such default.

ARTICLE V USE RESTRICTIONS

5.1 Permitted Structures. No permanent structure may be built or placed on any lot that does not comply with the building and zoning laws, regulations and ordinances of Las Animas County, Colorado. Mobile homes are only permitted as temporary residences during the construction period. Any structure that is built off-site and transported to its' location on the Ranch will require the approval of the Board prior to its' placement. All structures shall be built or transported only after the appropriate Building Permit(s) have been issued by the governmental entity having jurisdiction and issuance of an address by the Address Committee. No structure shall be placed within thirty feet (30') of any lot boundary line. No business use of any property is permitted if the business is of a nature that would attract the general public to that lot.

5.1.1 Address Assignment. Any new construction will be assigned an address by the Address Committee after receiving application from the lot owner. This application is to include a plot plan, showing clearly the location of the proposed structure on the lot. This address will be in keeping with Association, County and 911 system requirements. The new address can then be submitted to the County Planner along with the County permit application. The address must be posted at the opening of the driveway, in such a manner as to be visible upon approach from any direction, in reflective characters not less than two inches (2") wide and five inches (5") high, between five (5) and six (6) feet above the ground. Mounting on a pressure treated 4X4 post is recommended.

5.2 Conveyance of Lots, Subject to Covenants. All Lots within the Properties, whether or not the instrument of conveyance thereof shall refer to this Declaration, shall be conveyed subject to the covenants, conditions, restrictions, easements, reservations, rights-of-way and other provisions contained in this Declaration and any amendments thereto.

5.3 Use of Common Areas. All Owners, their families, guests, agents, employees and invitees shall use the Common Area subject to rules and regulations governing the same that may from time to time be adopted by the Board. There shall be no obstruction of the Common Area, nor shall anything be stored or constructed on or removed from the Common Area without the express written consent of the Board.

5.4 Prohibition of Increases in Insurable Risks and Certain Activities. Nothing shall be done or kept upon any individual lot or on the common areas, or any part thereof, which would result in the cancellation of any insurance carried by the Association, or any part thereof, or increase the rate of the insurance carried by the Association, without prior written approval of the Association.

5.5 Rules and Regulations. No owner shall violate the rules and regulations, as adopted from time to time by the Association, for the use of the common areas.

5.6 Temporary Residences - Construction Period. Temporary residences during the construction period are subject to the county zoning laws, regulations and ordinances, and must be permitted in writing by the Covenant Committee for the period of one year. Permits may be issued or extended by the Covenant Committee at its sole discretion. Any temporary residence cannot be situated within thirty feet (30') of any boundary line, and must be hidden from view if practical. The temporary residence must have self contained or otherwise sanitary services.

5.7 Temporary Residences - All Other Times. Temporary residences, such as motor homes, travel trailers and other recreational vehicles may be placed by an Owner on his Lot for his occasional use provided that such vehicle is not situated within thirty feet (30') of any lot boundary line and is hidden from view if practical. This does not intend any restriction against the parking of an unoccupied recreational vehicle on one's permanently occupied property.

5.8 Signs, Advertising. With the exception of those specifically allowed below, no signs, advertising, billboards or similar items calling attention to any lot or improvements thereon shall be placed on any lot without the express written consent of the Board, and shall be removed at the conclusion of the project. Permitted signs are as follows:

- (a) "For Sale" or "For Lease" signs not exceeding six (6) square feet.
- (b) "No Trespassing", "Posted", or similar signs that do not exceed two (2) square feet.
- (c) An Owner's "Name/Property Sign".
- (d) Contractor's signs that do not exceed six (6) square feet.
- (e) A temporary political sign placed no earlier than 45 days before, nor more than 7 days after the election. Signs are limited to one per political office or ballot issue and may be no larger than thirty-six (36) inches by forty-eight (48) inches.

5.9 Commercial Vehicles. No commercial vehicle or commercial trucks shall be parked on any road, driveway or parking area within the Properties except while the same is temporarily engaged in transport to or from or loading materials or other items on a Lot. For the purpose of this section, a one (1) ton or smaller vehicle shall not be deemed a commercial vehicle or truck. A commercial vehicle or truck may be parked on a lot, if the same is kept entirely within a structure (such as a garage) or is otherwise not visible from adjoining lots or the Common Area.

5.10 Nuisances. No noxious or offensive activity shall be carried on upon any part of the properties nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to any other owner.

5.11 Inoperative or "Junked" and Abandoned Vehicles/Equipment. No unused, stripped down, partially wrecked, or inoperative motor vehicle or equipment or part thereof shall be permitted to be parked or stored on any road, driveway, property, or part of the

Common Area in such a manner as to be visible at ground level from the Common Area or any lot owned by a different Owner. In the event that the Board shall determine that a "junked" vehicle or piece of equipment is visible at ground level from the Common Area or a lot owned by a different Owner, then a written notice describing the "junked" equipment or vehicle will be personally delivered to the owner thereof or will be placed conspicuously upon the unused vehicle or equipment. If the unused vehicle or equipment is not made invisible at ground level from the Common Area or any lot owned by a different Owner with thirty (30) days after posting or delivering such notice, the Board shall have the right to remove the unused vehicle or equipment at the sole expense of the owner thereof.

5.12 Subdivision. To further preserve the ranching use and atmosphere of Santa Fe Trail Ranch, all lots are presently platted in sizes of 35 acres or greater, and no lot shall be subdivided creating parcels less than 35 acres in size. In addition, no existing unplatted parcel of less than 35 acres shall be conveyed except in conjunction with, or to the Owner, of, an adjoining lot. Such parcels shall not be further subdivided. Also, it will not be allowed to combine adjoining lots into larger single lots for the purpose of escaping assessment obligations.

5.13 Building and Grounds Conditions. Each Owner shall maintain the exterior of his or her dwelling unit and all other improvements in good condition and shall cause them to be repaired as the effects of damage or deterioration become apparent. Each Owner shall, to the best of his or her ability, maintain his or her lot in good repair and appearance at all times.

5.14 Drainage, Culverts. It shall be the responsibility of the Owner of any lot, at the time such Owner designs and constructs a driveway from the Common Area roads into such lot, to procure the written design approval of the Road Committee.

5.15 Cisterns. No permanent residence shall be built on the Property that does not include, incorporate or have the sole use of a cistern for the storage of water with a minimum capacity of 1,500 gallons.

5.16 Firearms, Hunting. There shall be no hunting or discharge of firearms, including without limitation, the use of bows or crossbows, on the Common Area. Hunting is permitted on an Owner's lot and a lot or lots owned by another Owner or Owners only if such activity is carried on in a safe and responsible manner so that

(1) no projectile enters or crosses the Common Area or any adjoining lot owned by a different Owner,

(2) the Owner of the lot or an adult with written permission on his person is present at all times, and

(3) all such activity is carried on in strict compliance with all applicable laws and regulations of the State of Colorado.

5.17 Fires. All Owners shall, at all times, take reasonable precautions against fire. No "open ground" or "above ground" fire shall be permitted on any lot or on the Common Area unless the same

(1) is entirely contained within a below ground fire pit for camping or cooking;

(2) is within a grill or barbecue;

(3) is at all times attended or;

(4) is acknowledged and official permit obtained from the sheriff, and supervised by the fire department.

The forgoing shall not apply to fireplaces within a structure, but all chimneys shall be equipped with appropriate spark controls. All burning of any nature, shall comply with state and local laws, rules and regulations.

5.18 Animals.

(a) Domestic Pets

Domestic pets may be kept on any lot subject to the following regulations:

1. They may be quartered or maintained, provided they are controlled and not a nuisance or threat to any other Owner and/or wildlife.
2. The keeping of domestic pets shall be subject to, and in accordance with, all health and sanitation laws, to include rabies inoculation for dogs and cats.
3. All pets must be under the control of the owner at all times.
4. No household shall keep more than four (4) dogs.

(b) Livestock and Poultry

1. All corrals, stables or similar structures must be kept in clean and sanitary conditions and all animals must be quartered, maintained and controlled so as not to constitute a nuisance to any other Owner.
2. The keeping of livestock and poultry shall be subject to and in accordance with all health and sanitation laws.
3. All livestock and poultry must be under the control of the Owners at all times.

5.19 Exterior Lighting. No mercury vapor or high intensity light shall be placed on the exterior of any structure or any other part of a lot, unless the same is directed or focused onto the lot and in a manner that prevents such light from interfering unreasonably with the use and enjoyment of any other lot in the Property by the Owner thereof.

5.20 Mineral Development. No mineral development is permitted.

ARTICLE VI DAMAGE OR DESTRUCTION

6.1 Estimate of Damages or Destruction. As soon as practical after an event causing damage to or destruction of any part of the common areas, the Association shall, unless such damage or destruction shall be minor, obtain an estimate or estimates that it deems reliable and complete of the costs of repair and reconstruction of that part so damaged or destroyed. "Repair and Reconstruction" as used in this Article VI shall mean to bring the damaged or destroyed part of the properties to substantially the same condition in which it existed prior to the damage or destruction, with each individual lot and the common areas having substantially the same vertical and horizontal boundaries as before.

6.2 Repair and Reconstruction. As soon as practical after obtaining estimates, the Association shall diligently pursue to completion the repair and reconstruction of the part

of the common areas damaged or destroyed. As attorney-in-fact for the owners, the Association may take any and all necessary or appropriate action to effect repair and reconstruction and no consent or other action by any owner shall be necessary in connection therewith. Any repair after substantial losses must be in accordance with original plans and specifications unless 51% of all owners consent to deviation there from.

6.3 Funds for Repair and Reconstruction. The proceeds received by the Association from any hazard insurance shall be used for the purpose of repair, replacement and reconstruction. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair and reconstruction, the Association may levy, assess and collect in advance from all owners a special assessment sufficient to provide funds to pay such estimated or actual costs of repair and reconstruction, if they are made in compliance with Article (4.4) Assessments For Repair.

6.4 Coordination with Owners Repair and Reconstruction. In the event of damage or destruction to improvements upon an owner's lots, improvements shall be repaired or replaced within 12 months after the damage or destruction or at the owner's option, the ruins shall be removed from the subject property and the property restored to its natural pre-improvement conditions.

ARTICLE VII AMENDMENT TO THE DECLARATION

7.1 Amendment. (This provision modified by Court order 03 Jan 2006. Recorded by Las Animas County Clerk and Recorder, Book 1054, Page 1819-1820, 05 Jan 2006). The provisions of this Declaration may be amended or terminated, in whole or in part, at any time and from time to time, by an instrument (which instrument may be executed in identical counterparts, in which event all of such counterparts shall be taken as one and the instrument of amendment) approved by 51% of members who are voting in person or by absentee ballot at a meeting duly called for this purpose. Any action terminating this Declaration in full or any action to change the ownership of the common areas shall require the approval by 80% of members.

7.2 Recording of Amendments. All amendments to or termination of this Declaration must be recorded with the County Clerk and Recorder.

ARTICLE VIII GENERAL PROVISIONS

8.1 Enforcement. The Association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed waiver of the right to do so thereafter. In any such proceeding, the prevailing party shall be entitled to reasonable attorney's fees as one of the element of its damages.

8.2 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way effect any other provisions which shall remain in full force and effect.

8.3 Invalidation. Failure by the Association to record or file any of the required documentation or to complete any acts within the prescribed time shall not invalidate or cause any provision contain herein to be invalidated.

8.4 Annexation. Additional common area may be annexed to the properties with the consent of 51% of members.

8.5 Conflicts in Legal Documents. In case of conflicts between the provisions in this Declaration and the Articles of Incorporation of the Association or the By-Laws of the Association, this Declaration shall control. In case of conflicts in the provisions in the Articles of Incorporation of the Association and the By-Laws of the Association, the Articles of Incorporation shall control.

8.6 Association General Information.

(a) Board of Directors. The Association has established a Board of Directors' consisting of nine (9) people now serving as officers and directors of the Association. Additionally, five (5) officers, a President, two (2) Vice-Presidents, a Secretary, and a Treasurer have been elected by the Board. The directors are serving three (3) year terms and may be reelected. The officers are serving one (1) year terms and may be reelected.

(b) Bank Account. The Board has established a bank account, where all assessment fees shall be deposited in an interest bearing account. Funds are to be used only for designated purposes. Two signatures shall be required on all checks drawn on the account, the President, either Vice-President, or the Treasurer. Reserve funds will be placed in interest bearing accounts whenever practical. The account is subject to audit and each owner upon request may obtain copies of all checks written, all deposits made and account balance at the office of the Association upon payment of reasonable copy charges. Association records are available for inspection by any lot Owner in good standing at any time at the office of the Association.

(c) Director Conflict of Interest. A Board member must disclose that they have a conflict of interest in any action or contract that would financially benefit any Board member or any relative of that Board member.

(d) Owner Participation in Meetings. All Board meetings at which voting takes place are open meetings. Generally, every Owner is permitted to speak at an appropriate time before the Board takes formal action on an item under discussion. However, owners who are not Board members may not participate in any deliberation or discussion at a Board meeting unless authorized to do so by a vote of the Board. The board may place reasonable time limits on Owners speaking at a meeting, generally three (3) minutes. Meetings will be guided by Robert's Rules for Small Boards, as far as practical.

(e) Availability of Association Records. All Association records will be made reasonably available to owners for both inspection and copying, upon payment to the Association for the cost of the copies.

**ARTICLE IX
CONFLICTS BETWEEN DECLARATION AND
AMENDED AND RESTATED DECLARATION**

9.1 Conflicts between Declaration and Amended and Restated Declaration. The Amended and Restated Declaration has been duly adopted by the appropriate vote as set forth in the Declaration and is intended to replace in its entirety the original Declaration.

**ARTICLE X
INSURANCE**

10.1 Authority to Purchase. All insurance policies related to the Common Area and the activities of the Association and its Board shall be purchased by the Board or its authorized agent. This shall include property, general liability, Director and Officer professional liability and indemnification, and fidelity policies.

10.2 Notice to Owners. The Board shall promptly furnish to each Owner written notice of adverse changes in, or termination of, insurance coverage obtained on behalf of the Association under this Article.

**EXHIBIT A
MAP OR PLAT RECORDINGS**

UNIT	DATE RECORDED OR RE-RECORDED	BOOK	PAGE	RECEPTION NUMBER
1	April 30, 1990	873	261	588333
2	Sept. 24, 1990	875	823	589936
3	May 3, 1991	879	798	592103
4	Feb 26, 1992	885	426	595157
5	Oct. 27, 1992	890	946	598133
	Nov. 4, 1992	891	203	598260
6	Oct. 27, 1992	890	967	598136
7A	July 8, 1993	896	403	601285
7B	July 8, 1993	896	425	601289
8	Dec. 7, 1993	900	313	603449
	April 26, 1994	903	575	605371
9	Dec. 7, 1993	900	315	603450
	Sept. 21, 1994	908	351	607969
10	Dec. 30, 1994	911	550	609522

11	Dec. 30, 1994	911	570	609525
	July 5, 1995	917	932	612723
12	Oct. 6, 1995	921	932	614644
	Oct. 4, 1996	935	438	620794

THE UNDERSIGNED, as President and Secretary to the Board of Directors of the Santa Fe Trail Ranch Property Owners Association, hereby certify that the above stated Declaration of Covenants were duly amended by the required number of votes, in person and by absentee ballot, at the Special Membership Meeting of the Association, duly called by appropriate notice and held on April 21, 2007, and that this amended Declaration of Covenants accurately reflects the desires of the Association and its members.

Robert L. Scott
President
Santa Fe Trail Ranch
Property Owners Association

John Sanders
Secretary
Santa Fe Trail Ranch
Property Owners Association