

These covenants were retyped in 2002 for ease of reading. Any misspellings and typographical errors were corrected at that time. In 2004 this paragraph was amended to add 'all' covenant filing dates. The following covenants, being those currently in effect for Alpine Lakes Ranch Property Owners Association, were recorded as #1994003532 on May 18, 1994; #1994004066 on June 10, 1994; and #1995006636 on September 21, 1995; and #97005034 on August 6, 1997; and #20404279 on May 17, 2004 of the real property records of the Archuleta County Clerk and Recorder in Colorado.

AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS FOR ALPINE LAKES RANCH, INC.

The undersigned, being the owner of real property in Archuleta County described in the Declaration of Protective Covenants for Alpine Ranch recorded at Reception #1994003532, on May 18, 1994, of the records of Archuleta County, desire to amend said Protective Covenants in Section XVII. The undersigned republish and redeclare the Declaration of Protective Covenants in their present form as set forth below.

Alpine Lakes Ranch, Inc., the owner of real property situation in the County of Archuleta and State of Colorado, known as Alpine Lakes Ranch and legally described on Exhibit A attached hereto, in order to protect the living environment and preserve the values in Alpine Lakes Ranch, does hereby declare that the land shall be held, leased, sold and conveyed, subject to the covenants, restrictions and provisions hereinafter set forth, and that each covenant restriction and provision shall insure to and run with the land and shall apply to and bind the successors and assigns of the present owners. The property composing the above mentioned land is made specifically subject to the following described covenants.

I. INTENT: It is the intent of these covenants to protect and enhance the value, desirability and attractiveness of said property, and to prevent the construction of improper or unsuitable improvements. Restrictions are kept to a minimum while keeping in constant focus the right of property owners to enjoy their property in attractive surroundings free of nuisance, undue noise, and danger. Further, it is intended that the natural environment be disturbed as little as possible.

II. PROPERTY OWNERS ASSOCIATION: The Alpine Lakes Ranch Property Owners Association will be operated as per the bylaws of the Association. MEMBERS: Every property owner will automatically be a member of the Property Owners Association.

PURPOSE: The purpose of the Association is to use its authority as given in the bylaws:

- To enforce these protective covenants.

- To assess property owners yearly dues. Should any property owner fail to pay assessments when due, the Property Owners Association may file a lien against the owner for collection purposes.

- To provide upkeep and improvements to all non-county roads in Alpine Lakes Ranch.

- To represent all property owners in matters of mutual interest.

- To administer and lease grazing rights.

III. DWELLINGS:

No permanent structure shall be built on Alpine Lakes Ranch unless such structure is given prior approval from the Property Owners Association Board. All primary dwellings shall consist of not less than 1,000 square feet of living space.

No commercial activity shall be permitted unless approved by the Property Owners Association Board.

IV. SETBACKS:

No structure may be erected within one hundred feet of the right-of-way line of any road within Alpine Lakes Ranch, not within fifty feet of any side or rear line of any parcel unless approved by the Property Owners Association Board.

V. TRASH AND RUBBISH:

Rubbish, garbage or other waste shall be kept and disposed of in a sanitary manner, and all containers shall be kept in a clean sanitary condition.

VI. UTILITY EASEMENTS:

A ten (10) foot utility easement is hereby set aside on each side of all side and common rear lot lines and a twenty (20) foot utility easement is hereby set aside on the interior side of all exterior lot lines. All future electric and phone lines shall be extended underground, excepting that the Property Owners Association Board may approve overhead lines where the terrain would make the placement of underground lines difficult.

VII. NUISANCES:

No owner shall cause or allow the origination of excessive odors or sounds from his parcel. No owner shall cause or allow any other nuisances of any kind whatsoever to exist on his parcel. In case of a dispute, at the request of an owner, the Property Owners Association Board shall make the final determination of what constitutes a nuisance.

ALRPOA Covenants.rtf Page 1 of 3 Rev. November 2004 A. Brodner – Secretary ALRPOA

VIII. ANIMALS:

Animals will be allowed on Alpine Lakes Ranch for personal use of parcel owners. Any animals raised for commercial activity must be approved by the Property Owners Association. Commercial feed lots and swine shall be prohibited from Alpine Lakes Ranch.

IX. MOTOR VEHICLES:

No motorized vehicle which is either non-operational or non-licensed shall be kept or stored on any parcel, unless said vehicle is kept or stored in a fully enclosed building.

X. TEMPORARY RESIDENCES:

No structure of temporary character, recreational vehicle, camper unit, trailer, basement, tent or accessory building shall be used on any parcel as a residence.

Recreational vehicles, camper units, and tents may be used for vacation camping for periods not to exceed ninety (90) days in any calendar year.

XI. MOBILE AND MODULAR HOMES:

Mobile and modular homes shall not be permitted on any parcel within Alpine Lakes Ranch.

XII. LAND USE:

Commercial wood harvesting, mining (including the removal of soil, gravel or rock) and oil or gas production is prohibited. Further subdivision of less than thirty-five acres is prohibited. Any subdivided parcel will be covered by these Covenants and become an automatic member of the Alpine Lakes Ranch Property Owners Association.

XIII. ENFORCEMENT:

Enforcement shall be by proceedings at law or in equity against the person or persons violating or attempting to violate any covenant.

XIV. TERMS OF COVENANTS:

These covenants and restrictions are to run with the land and shall remain in full force and effect for ten years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten years, unless an instrument signed by not less than two-thirds majority of the land owners of the parcels has been recorded, changing said covenants in whole or part.

XV. SEVERABILITY:

Invalidation of any of these covenants or any part thereof by judgment or court order shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

XVI. COUNTY REGULATIONS:

To the extent that the applicable county or other governmental regulations, rules, codes, ordinances or laws are more restrictive in their allowable land utilization than these covenants, they shall supersede these covenants and govern at all times.

XVII. COUNTER PARTS:

This instrument may be executed in a number of counter parts any one of which may be considered an original.

XVIII. FEES AND ENFORCEMENT:

All parcels within Alpine Lakes Ranch shall be subject to assessment for Property Owners Association fees in an amount to be determined by the Association. Assessments may be increased only by majority vote of members of the Association. In no event shall assessments exceed \$295.00 per year except that this amount may be increased by the greater of 12% per annum or the percentage increase, if any, in the "Consumer Price Index All Urban Consumers" for Denver, Colorado, between January 1 of the year in question and of the preceding year.

Any increase in Association dues will also require written assurance that any such increase will not cause additional regulatory or other requirements to be imposed upon the Association Declarant or any property owner.

Assessments for fees will commence upon conveyance at the date of closing. Whenever the obligation to pay fees arises after the start of the calendar year, the first year's fees will be prorated to the commencement date for the parcel involved.

Fees shall be payable in advance in January of each year. Each property owner shall be responsible for payment of all fees and any costs (including attorney fees) necessary to enforce any violation of these covenants affecting his or her parcel.

Failure to pay fees shall be deemed a violation of these covenants. Unpaid fees and costs shall also be a lien and may be foreclosed in the same manner as a mechanics lien.

Developer does not pay assessments but is responsible for contributing any necessary funds so that any obligation of the Association is met by the Developer until such time as the Developer transfers his interest in and control of the Association.

ALRPOA Covenants.rtf Page 2 of 3 Rev. November 2004 A. Brodner – Secretary ALRPOA

THIRD AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS FOR ALPINE LAKES RANCH, INC.

This Third Amendment to Declaration of Protective Covenants for Alpine Lakes Ranch, Inc. was adopted at a special meeting of the members of the Alpine Lakes Ranch Property Owners Association to be effective May 18, 2004. The original Declaration of Protective Covenants for Alpine Lakes Ranch was recorded on May 18, 1994, at Reception No. 1994003532, of the real property records of the Archuleta County Clerk and Recorder In Colorado. On June 10, 1994 the First Amendment to the Declaration of Protective Covenants was filed at Reception No. 1994004066, and the Second Amendment to the Declaration of Protective Covenants was filed on September 21, 1995, at reception No. 1995006636.

The Declaration of Protective Covenants for Alpine Lakes Ranch, Inc. is hereby amended effective May 18, 2004, to add the following additional covenant to be designated as Article XI(A). The new amendment as adopted, reads as follows:

ARTICLE XI((A). OCCUPANCY DURING BUILDING PERMIT PROCESS:

No temporary residential use of any type of recreational vehicle, camping unit, trailer, tent, yurt, or other building or unit that does not have a permanent

foundation shall be allowed on any vacant parcel, except as found In Article X. Upon Property Owners Association Board approval, and upon the issuance of a building permit from Archuleta County Building Department, a temporary unit, recreational vehicle, camper unit, trailer, tent, yurt or other structure not attached to a foundation may be housed on the said parcel within Alpine during the building process. However, upon expiration of twelve (12) months from issuance of the building permit and approval by the Board of Officers/Directors of Alpine Lakes Ranch property Owners Association, Inc., any temporary structure, recreational vehicle, camper unit, trailer, tent, yurt, or other type of temporary unit not attached to a permanent foundation shall be removed after said year period, unless extended by the Board of Officers/Directors for up to six (6) additional months. In that event, no structure shall remain for a period of more than eighteen (18) months. Property owners who have completed a permanent residence will be allowed to keep recreational vehicles and travel trailers on their property as long as they are not used by anyone as a permanent residence as stated in Article X of these covenants.

ALRPOA Covenants.rtf Page 3 of 3 Rev. November 2004 A. Brodner – Secretary ALRPOA