DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR FORBES PARK, COSTILLA COUNTY, COLORADO

THIS DECLARATION, made and executed this 11th day of March, 1976, by Sangre de Cristo Ranches Inc., a corporation incorporated under the laws of the State of Colorado, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property described in Exhibit A attached hereto and made a part hereof, hereinafter referred to as "Forbes Park", and

WHEREAS, Declarant desires to create thereon a subdivision for the employment and convenience of the persons who wish to live in Forbes Park with (a) access to it reserved for and restricted to those parties designated in Article IV; (b) limited commercial areas; and (c) the Common Areas for the use, enjoyment and recreation of those parties designated in Article IV hereof; and

WHEREAS, Forbes Park is a staged development subdivision to be developed over a period of time, and

WHEREAS, Declarant desires to reserve the right to add to Forbes park part or all of the real property described in Exhibit B attached hereto and made a part hereof; and

WHEREAS, Declarant desires to insure the attractiveness of Forbes Park, to prevent nuisances, to preserve, protect and enhance the values and amenities of Forbes Park and to provide for the maintenance of the Common Areas therein. To accomplish these purposes, Declarant (a) desires to subject the real property described in Exhibit A, together with such additions as may hereafter be made thereto, to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said real property and each Owner thereof; (b) has caused to be incorporated Forbes Park Land Owners Association (hereinafter referred to as "Association"), as a non-profit corporation under the laws of the State of Colorado for the purpose of exercising the powers and functions granted to it by this Declaration and by its Articles of Incorporation and Bylaws, and (c) desires that an Environmental Control Committee be created; and

WHEREAS, Declarant desires to grant to the Association an easement for recreational use and enjoyment as set forth in Exhibit C attached hereto and made a part hereof.

NOW, THEREFORE, Declarant hereby declares that the real property described in Exhibit A, attached hereto, and such additions thereto as may hereafter be made, shall be held, transferred, sold, conveyed, improved and occupied subject to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, which shall run with the real property in Forbes Park and all additions thereto and be binding on all parties having any right, title or interest in Forbes Park or any additions thereto or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof; and Declarant hereby further declares that the real property described in Exhibit C attached hereto and such additions thereto as may hereafter be made, shall be owned by Declarant but dedicated and set aside for the common use, enjoyment and recreation of Owners, pursuant and subject to the nonexclusive perpetual easement described in Exhibit C attached hereto. Declarant may, at any time and from time to time, convert all or portions of the Exhibit C properties to Association Property by conveying all or portions of Exhibit C properties to the Association in fee simple.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Forbes Park Land Owners Association, its successors and assigns.

Section 2. "Association Property" shall mean all real property described in Exhibit D attached hereto and all real property and personal property and improvements hereafter conveyed or leased to the association. Association Property shall not include the real property described in attached Exhibit C until all or portions of the Exhibit C properties are later added to Exhibit D by Declarant.

Section 3. "Board" shall mean and refer to the Board of Directors of the Association.

Section 4. "Commercial Lot" shall mean and refer to any Lot in a Unit which is designated a Commercial Lot by Declarant prior to the time any Lot in such Unit is sold.

Section 5. "Committee" shall mean and refer to the Environmental Control Committee.

Section 6. "Common Areas" shall collectively mean and refer to (a) all Association Property; (b) the easement described in Exhibit C and such additions thereto as may hereafter be made; and (c) such other real property

and improvements as may hereafter be conveyed or leased to the Association for the common use and enjoyment of the Owners, Declarant and Forbes.
Section 7. Condominium Unit" shall mean only a residential condominium unit as defined in C.R.S. 38-33-103, as amended.
Section 8. "Contractor" shall mean and refer to each person who has been selected by an Owner to provide goods, materials or services of any kind for such Owner and who has been authorized by the Committee to enter Forbes Park for any such purpose.
Section 9. "Declarant" shall mean and refer to Sangre de Cristo Ranches Inc. its successors and assigns. Declarant shall be a Member of the Association but not an Owner.
Section 10. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions, as it may be amended from time to time, applicable to Forbes Park and recorded in the Office of the Clerk and Recorder of Costilla County, Colorado.
Section 11. "Dependent" shall mean and refer to a family member of an Owner or tenant of Owner who resides in such Owner's or tenant's primary residence and who is primarily dependent on such Owner or tenant for financial support.
Section 12. "Fiscal Year" shall mean and refer to the period from October 1 to September 30, inclusive.
Section 13. "Forbes" shall mean and refer to Forbes Trinchera Inc.
Section 14. "Forbes Park" shall mean and refer to that certain real property described in Exhibit A, the real property subject to the easement described in Exhibit C and Association Property and such additional lands as may hereafter be added thereto by Declarant in accordance with the provisions hereof and subjected to this Declaration by Declarant.
Section 15. "Guest" shall mean and refer to any person who is a visitor or invitee and who is accompanied by an Owner, Dependent, the Declarant or a tenant.
Section 16. "Improvement" shall mean every structure and all appurtenances thereto to every type and kind, including but not limited to buildings, outbuildings, patios, tennis courts, swimming pools, antennas, exterior lights, roads, driveways, parking areas, fences, screening walls, retaining walls, landscaping, plantings, signs, and poles, tanks, reservoirs, pipes, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.
Section 17. "Lot" shall mean and refer to any plot of land shown as a numbered lot upon any recorded subdivision plat of Forbes Park, including a Commercial Lot.
Section 18. "Member" shall mean and refer to every Owner and Declarant.
Section 19. "Owner" shall mean (a) the person or persons holding a fee simple title interest in a Lot or a Condominium Unit, or, as the case may be, (b) the purchaser or purchasers of a fee simple interest in a Lot or a Condominium Unit under an installment sales contract. Declarant shall not be an Owner.
Section 20. "Person" shall mean a natural individual or any other entity having the legal right to hold title to real property.
Section 21. "Plans and Specifications" shall mean any and all documents designed to guide or control the improvement or other proposal in question, including but not limited to those indicating size, shape, configuration or materials, all site plans, excavation and grading plans, drainage plans, elevation drawings, samples of exterior colors, building products and materials, plans for utility services and all other documentation or information relevant to the improvement or proposal in question.
Section 22. "Repairman" shall mean and refer to each person who has been selected by an Owner to provide goods, materials or services of any kind for such Owner and who has not been authorized by the Committee to enter Forbes park for any such purpose.
Section 23 "Unaccompanied Guest" shall mean and refer to any visitor or invitee in Forbes park who is not accompanied by an Owner. Dependent, the Declarant, or a tenant.
Section 24. "Unit" shall mean and refer to a subdivided area of Forbes Park which is designated as a Unit on a subdivision plat map.
Section 25 ""Voting Member" shall mean and refer to any Member of the Association with respect to whose Lot or Condominium Unit all assessments due the Association have been paid.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION

Section 1. **Existing Property**. The real property which initially is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration is the real property described in Exhibit A attached hereto, the easement described in Exhibit C and the real property described in Exhibit D.
Section 2. **Planned Future Additions**. Additional real property within the area described in Exhibit B may be added to Forbes Park by Declarant without the consent of the Members within ten (10) years of the date of this Declaration provided that such addition is in accord with the general plan of development of Forbes Park.

Section 3. **Other Additions**. Real property not described in Exhibit B may be added to Forbes Park by the affirmative vote of not less than two-thirds (2/3) of each class of Voting Members of the Association.
Section 4. **Additions: Effect**. The additions herein described may be made by the execution and recording of a supplemental declaration describing the real property constituting the addition and containing an appropriate reference to this Declaration, whereupon, the provisions of this Declaration shall become applicable to such real property in all respects as if this Declaration had included such real property from the beginning, provided, however, that nothing herein contained shall subject such additional real property in assessments for the years prior to the year of addition.

ARTICLE III
FORBES PARK LAND OWNERS ASSOCIATION

Section 1. **Organization**. The Forbes Park Land Owners Association is a Colorado nonprofit corporation created for the purposes, charged with the duties and invested with the powers prescribed by law or set forth in its Articles of Incorporation, Bylaws and in this Declaration. Neither the Articles nor Bylaws shall for any reason be amended or otherwise changed or interpreted except in accordance with this Declaration.
Section 2. **Duties of the Association**. The Association shall have and perform each of the following duties for the benefit of its Members.

(a) To accept, own, operate and maintain all Association Property, which may be conveyed or leased to it by Declarant or Forbes, together with all improvements of whatever kind and for whatever purpose which may be located thereon.
(b) To pay over or convey, upon dissolution of the Association, the assets of the Association to one or more exempt organizations of the kind described in Section 501(c) of the Internal Revenue Code of 1954, as amended from time to time.
(c) To maintain in good repair and condition the Common Areas and all improvements and facilities now or hereafter located thereon and all interior and access roads and railroad grade crossings and culverts on such roads, unless such access roads, railroad grade crossings, and culverts are maintained by a governmental authority.
(d) To pay all real and personal property taxes and other taxes and assessments levied upon or with respect to Association Property. The Association shall have all rights granted by law to contest the legality and the amount of such taxes and assessments.
(e) To obtain and maintain in effect policies of insurance adequate, in the opinion of the Board, in kind and amount. Without limiting the generality of the preceding sentence, such policies of insurance shall include fire and extended coverage insurance on all improvements, bodily injury and property damage liability insurance, workmen's compensation insurance and such other insurance, including indemnity and other bonds, as the Board shall deem necessary.
(f) To make, establish, promulgate, and in its discretion to amend or repeal and reenact, such rules and regulations, not in contradiction of this Declaration, as it deems proper covering any and all aspects of its functions, including the use and occupancy of the Common Areas. Each Member shall be entitled to examine such rules and regulations at any time during normal working hours at the principal office of the Association.
(g) To appoint and remove members of the Environmental Control Committee as provided in Article VII hereof, and to insure that at all reasonable times there is available a duly constituted and appointed Environmental Control Committee.
(h) To enforce, in its own behalf and in behalf of all Owners, all of the covenants, conditions and restrictions set forth in this Declaration and to perform all other acts, whether or not anywhere expressly authorized, as may be reasonably necessary to enforce any of the provisions of the Environmental Control Committee and the Articles of Incorporation and the Bylaws of the Association.
(i) To provide an annual audit of the accounts of the Association and to make a copy of such audit available to each Member during normal business hours at the principal office of the association. Any Member may at any time and at his own expense, cause an audit or inspection to be made of the books and records of the association by a certified public accountant provided that such audit or inspection is made during normal business hours and without unnecessary interference with the operations of the Association.

ARTICLE IV
PROPERTY RIGHTS

Section 1. **Right and Easement of Use and Enjoyment. Powers of Association and Board.** Declarant, Forbes and every Owner shall have a right and easement of ingress and egress and of use and enjoyment in and to the Common Areas including any improvements and recreational facilities thereon; provided, however,

that no improvements or recreational facilities of any kind shall be placed on the property described in Exhibit C except with the written consent of Declarant. Such right and easement shall be appurtenant to and shall pass with the title to every Lot or Condominium Unit, subject to the following authority and powers of the Association as hereinafter specified.

(a) The right and power of the Association to levy general and assessments against all Lots and Condominium Units in Forbes Park in accordance with the provision of Article VI of this Declaration.
(b) The right of the Association to suspend any Owner's right and easement of use and enjoyment of the Common Areas and any improvement or facility thereon (1) for any period during which an assessment against a Lot or Condominium Unit remains unpaid and (2) for a period not to exceed one hundred eighty (180) days for each infraction of the provisions of this Declaration or the rules and regulations of the association by Owner or an Owner's guest, agent, employee or servant.
(c) The right of the Association to charge reasonable admission and other fees for the use of Association Property and Improvements thereon except roads.
(d) The right of the Association, with Declarant's consent, to allow the general public, or certain segments thereof, to sue all or portions of the properties described in Exhibit C, and in the discretion of the Board, to charge use or other fees therfor.
(e) The right of the Association to make, establish, promulgate, and in its discretion to amend, repeal and reenact, such rules and regulations, not in contradiction of this Declaration, as it deems proper covering any and all aspects of its functions, including the use and occupancy of the Common Areas.
(f) The right of the Association to enter, without being liable to any Owner, upon any Lot or Commercial Lot or onto any Common Area, for the purpose of enforcing by peaceful means the provisions of this Declaration and the restrictions contained here in or for the purpose of maintaining or repairing any area, improvement or other facility, if for any reason whatsoever the Owner thereof fails to maintain or repair any such area as required by this Declaration.
(g) The right of the Association will respect to Association Property and the right of Declarant with respect to property owned by Declarant and which comprises part of the Common Areas, to use and reserve or to grant and convey to any person real property and interest therein including fee title, leasehold estate, easements, rights of way, mortgages and deeds of trusts, out of, in, on, over or under such property for the purpose of constructing, erecting, operating or maintaining thereon, therein or thereunder.
    (1) Parks, parkways or other recreational facilities;
    (2) Roads, streets, walks, driveways, trails and paths;
    (3) Lines, cables, wires, conduits, pipelines or other devices for utility purposes;
    (4) Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines; and
    (5) Any similar improvements or facilities.

    No transfer or dedication of Association properties or properties comprising any part of the Common Areas shall be made for any purposes other than those purposes stated above except with the approval of not less than two-thirds (2/3) of each class of Voting Members. The effect of any transfer or dedication for purposes other than those above-stated shall be the termination of the application of this Declaration to the property transferred.
(h) The right of the Association to provide watchmen, guards or police at points of entry onto Forbes Park and at such other places and for such other purposes at the Board shall determine.
(i) The right of the Association to construct, own, operate, maintain and repair improvements and all types of facilities for recreation on Association Properties.
(j) The right of the Association to indemnify any person who was or is a party or is threatened to be made a party to any action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a director, officer, employee, servant or agent of the Association against expenses (including attorneys' fees); judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Such determination shall be made (1) by the Board by a majority vote of a quorum consisting of directors who are not parties to such action, suit or proceedings, or (2) if such a quorum is not attainable, or, even if obtainable, a quorum of disinterested directors so direct, by independent legal counsel in a written opinion; provided, however, that if a director, officer, employee, servant or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to above, or in defense of any claim, issue or

matter therein, than, to the extent that the Association has elected to provide indemnification, he shall automatically be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith without the necessity of any such determination that he has met the applicable standard of conduct set forth above.

(k) The right of the Association, if necessary, to include in its annual assessments the cost of compensatory pumping of water to Trinchera Irrigation company pursuant to that certain Decree of the District Court in and for Water Division No. 3, State of Colorado, Case No. W-3312, recorded April 10, 1975 in the Costilla County records under Reception No 122836.

Section 2. **Unaccompanied Guests**. An Owner or Dependent or the person in charge of the entry gate to Forbes Park shall have the authority to issue permits to Unaccompanied Guests authorizing their entry to Forbes Park for the purpose of visiting a specific Lot or Lots in Forbes Park. An Owner or Dependent may authorize such visitation only to a Lot or Lots owned by such Owner. Such permits shall be dated and shall cover a period of not more than twenty-four (24) hours. Unaccompanied Guests shall use only those roads in Forbes Park which provide the most direct route from the entry gate to a specified Lot or dwelling.

Section 3. **Tenancies**. An Owner may lease or rent his Condominium Unit or Lot to one Person provided such Lot contains a dwelling house, and provided such tenancies are not created more frequently than once every two (2) weeks. A tenant shall have the same rights as an Owner to use of the Common Areas. The Association shall be given written notice of all tenancies.

ARTICLE V
MEMBERSHIP AND VOTING RIGHTS

Section 1. **Membership**. Every Owner and Declarant shall be a Member of the Association. If any property interest is held jointly or in common, the owners of such interest shall, at the time of purchase, designate for the Association one address to which all notices to such joint or common owners shall be sent. No property interest may be initially acquired jointly or in common by more than four (4) persons and such four (4) persons shall not represent more than two (2) households.

Section 2. **Classes of Membership: Voting Rights**. The Association shall have Class A, Class B and Class C memberships as follows:

Class A.

Each Owner of a Lot, Commercial Unit other than Declarant, shall be a Class A Member and shall be entitled to one (1) vote for each Lot owned and one (1) vote for each Condominium Unit owned on a Commercial Lot, on which all assessments due the Association have been paid.

Class B.

Declarant shall be a Class B Member and shall be entitled to one (1) vote for each Lot owned. Declarant's Class B membership shall cease and be converted to Class C membership as to all Lots then owned by Declarant on the occurrence of either of the following events:

(a) When the total votes of the Class A Members in all Units equals or exceeds seventy-five (75%) percent of the total aggregate votes of the Class A and Class B Members in all Units regardless of voting eligibility; or

(b) Ten (10) years from the date of this Declaration.

Class C.

Declarant shall become a Class C Member upon the occurrence of (a) or (b) above and shall be entitled to one (1) vote for each Lot owned only with respect to any vote to amend those provisions of Articles V or VI of this Declaration which affect Class C membership. Upon the sale of a Lot subject to Class C membership to an Owner either by fee simple conveyance or by installment sales agreement, the class C membership for such Lot shall cease and such Owner shall become a Class A Member subject to all the provisions of Class A membership. Once Declarant's Class B membership has been converted to Class C membership, it shall continue to be Class C regardless of any future subdividing of Forbes Park by Declarant or any other event affecting Declarant'' ownership of Lots or Condominium Units in Forbes Park.

Section 3. **Joint or Common Ownership**. If any property interest is held jointly or in common by more than one (1) person the vote for such Lot or Condominium Unit shall be cast as a unit and neither fractional votes nor split votes shall be allowed. Any joint or common Owner shall be entitled to cast the vote or votes belonging to the joint or common Owners unless another joint or common Owner shall have delivered to the Secretary of the Association prior to the election a written statement to the effect that the Owner wishing to cast the vote has not

been authorized to do so by the other joint or common Owner or Owners. In the event that such joint or common Owners are unable to agree among themselves as to how their vote or votes shall be cast as a unit, they shall lose their right to cast their vote or votes on the matter in question.
Section 4. **Proxies**. A Member may cast an eligible vote in person or by proxy at any meeting of the Members.
Section 5. **Cumulative Voting**. The cumulative system of voting shall not be used for any purpose.

ARTICLE VI
ASSESSMENTS

Section 1. **Levy of Assessments and Lien**. The Association shall have the right to levy and collect general and special assessments in accordance with the provisions of this Article VI against all Condominium Units and against all Lots in a Unit in which one or more of the Lots in such Unit is owned under a Class A membership; provided, however, that no general or special assessment shall be levied against any Lot which is owned by Declarant under a Class C membership. No person shall be personally liable for any assessment, however, the annual and special assessments, together with interest, costs of collecting the same, and reasonable legal fees, shall be a charge on each Lot or on each condominium Unit and shall be a continuing lien on each such Lot or Condominium Unit upon which each such assessment is made. Such lien shall be prior to any declaration of homestead. However, the obligation for prior or delinquent assessments shall not pass to Declarant if Declarant regains possession of a Lot previously sold by installment sales agreement. If Declarant regains possession of such Lot, all prior assessments and/or liens shall immediately cease and be extinguished.
Section 2. **Purpose of Assessment**. All amounts realized from assessments levied by the Association shall be used as determined by the Board for any lawful purpose consistent with this Declaration and the Articles of Incorporation and Bylaws of the Association, including, but not by way of limitation, the following (a) to promote the recreation, health, safety, and welfare of the Members;(b) for the restoration, improvement, and maintenance of the common Areas; (c) for all

services, equipment, and facilities relating to the use and enjoyment thereof, including the operation of an entrance gate; and (d) for the payment of taxes, insurance and other costs and expenses on Association Properties.
Section 3. **Maximum Annual Assessment**. Until October 1, 1977, the maximum annual assessment shall be $50.00 per Lot and $50.00 per Condominium Unit. Thereafter such annual assessments may be increased or decreased as follows:

(a) From and after October 1, 1977, the maximum annual assessment may be increased or decreased once each Fiscal Year by not more than ten (10%) percent above or below the assessment for the preceding Fiscal Year by action of the Board and without a vote of the membership.
(b) From and after October 1, 1977, the maximum annual assessment may be increased or decreased annually by more than ten (10%) percent above or below the assessment for the preceding Fiscal Year by the affirmative vote of not less than two-thirds (2/3) of the eligible votes of each of the Class A and Class B Members voting in person or by proxy at the annual meeting or at a special meeting called for that purpose.
(c) Neither the Association nor its Board may increase or decrease the annual assessment except as provided above.

Section 4. **Special Assessments**. In addition to the annual assessments authorized above, the Association may levy, in any Fiscal Year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of improvements on Association Properties, including fixtures and personal property related thereto, provided, however, that all special assessments shall be approved by the affirmative vote of not less than two-thirds (2/3) of the votes of each of the Class A and Class B Voting Members voting in person or by proxy at the annual meeting or at a meeting called for that purpose.
Section 5. **Notice and Quorum for Any Action Authorized Under Sections 3 and 4**. Written notice of the time and location of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 of this Article shall be sent not less than thirty (30) days nor more than sixty (60) days in advance of the meeting to all class A and Class B Voting Members eligible to vote as of the date of the notice. At the first meeting called, Voting Members present in person or by proxy entitled to cast sixty (60%) percent of the votes of each of the Class a and Class B Members 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 (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60 days following the preceding meeting.

Section 6. **Uniform Rate of Assessment**. Both annual and special assessments shall be fixed at the same amount for each Lot and Condominium Unit subject to assessment regardless of Lot or Condominium Unit size, price or value. Annual assessments and special assessments, if any, may be collected on a semi-annual or annual basis as set by the Board.

Section 7. **Date of Commencement of Annual Assessments: Due Dates**. The annual assessment for all Lots in a Unit shall commence on the first day of October following the sale of the first Lot in such Unit to a Class A Member, either by fee simple conveyance or installment sales agreement; however, the assessment for the first full Fiscal Year following the date of sale of a Lot to a Class A Member shall be paid by Declarant. Assessments for subsequent years shall be paid by the Owner of such Lot. Declarant shall pay the assessments on all Lots which it owns as a Class B Member. For each Condominium Unit owned by a Class A Member the annual assessment shall commence on the first day of October following the recording of the Declaration for such Condominium in the real property records of Costilla County, Colorado, and shall be paid by Owner.

The annual assessment shall be paid in advance. The Board shall fix the amount of the annual assessment on each Lot or Condominium Unit for the next Fiscal Year at the annual meeting. The due date for the annual assessment shall be October 1 of the Fiscal Year for which the assessment is made unless the Board determines that such annual assessment shall be collected on a semi-annual basis, in which event the due dates shall be set by the Board.

Written notice of the amount of the annual assessment shall be sent to every member subject thereto. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot or Condominium Unit have been paid.

Section 8. **Date of Commencement of Special Assessments**. Any special assessments under Section 4 of this Article VI shall be applicable only to those Lots and Condominium Units subject to the obligation for annual assessments on the first day of October of the Fiscal Year in which such special assessment is levied. The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such special assessment.

Section 9. **Effect of Nonpayment of Assessments: Remedies of the Association**. Any assessment not paid within sixty (60) days after the due date shall be delinquent and shall bear interest from the due date at the rate of ten (10%) percent per annum. The Association may, if any assessment remains delinquent for ninety (90) days, foreclose the lien against the property in the same manner as is provided in the laws of Colorado for the foreclosure of mortgages on real property. No Lot or Condominium Unit shall be exempt from liability for the assessments provided for herein because of a Member's non-use of the Common Areas.

Section 10. **Mortgagee Protection**. Notwithstanding any other provisions of this Declaration, no lien created under this Article VI or under any other article of this Declaration, nor any lien arising by reason of any breach of this Declaration, nor the enforcement of any provision of this Declaration or of any supplemental declaration shall defeat or render invalid the rights of the beneficiary under any recorded mortgage or deed of trust of first and senior priority now or hereafter upon a Lot or Condominium Unit made in good faith and for value. However, after the foreclosure of any such mortgage or deed of trust or after any conveyance in lieu of foreclosure, such Lot or Condominium Unit shall remain subject to this Declaration and shall be liable for all regular annual assessments and all special assessments levied subsequent to completion of such foreclosure or delivery of such conveyance in lieu of foreclosure, and to all installments of all regular annual and special assessments levied prior to completion of such foreclosure or delivery of such conveyance, but falling due after such completion or such delivery. Sale or transfer of any Lot or Condominium Unit will not affect or extinguish the assessment lien; however, the repossession of any Lot pursuant to delinquency or default under an installment sales agreement with Declarant shall extinguish the lien of such assessments as to payments, penalties or interest which became due prior to such repossession. No such repossession shall relieve such Lot from liability for any assessments thereafter becoming due on the next October 1 assessment date or the lien thereof unless such Lot has become subject to a Class C membership.

No amendment of this Section 10 shall affect the rights of any mortgagee or beneficiary of any deed of trust or mortgage whose mortgage or deed of trust has the first and senior priority as above provided and who does not join in the execution of any such amendment, provided that his mortgage or deed of trust is recorded in the real property records of Costilla County, Colorado, prior to the recordation of such amendment, provided, however, that after foreclosure or conveyance in lieu of foreclosure, the property which was subject to such mortgage or deed of trust shall be subject to such amendment.

Section 11. **Subordination** By subordination agreements executed by the Association, the benefits of preceding Section 10 may, in the sole and absolute discretion of the Board, be extended to beneficiaries not otherwise entitled thereto.

ARTICLE VII
ENVIRONMENTAL CONTROL COMMITTEE

Section 1. **Creation of Environmental Control Committee**. There shall be an Environmental Control Committee consisting of three (3) persons appointed by the Board to exercise the controls and powers assigned it in this Declaration.

Section 2. **Committee Control of Plans and Specifications**. Excepting any prior or future construction by Declarant or Forbes, no improvements shall be commenced, installed, built or erected upon a Lot nor shall any exterior addition to or change or alteration thereon be made until all Plans and Specifications shall have been submitted to and approved by the Committee. The Committee shall consider and act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration, and perform such other duties assigned to it by this Declaration or as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with Plans and Specifications approved by the Committee. The Committee shall approve Plans and Specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the surrounding area or Forbes Park as a whole, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures. The Committee may condition its approval of Plans and Specifications on such changes therein as it deems appropriate and may require submission of additional Plans and Specifications or other information prior to approving or disapproving the materials submitted. The Committee may also issue rules or guidelines regarding anything relevant to its function, including but not limited to minimum standards and procedures for the submission of Plans and Specifications for approval. The Committee may require such detail in Plans and Specifications submitted for its review and such other information as it deems proper. Until receipt by the Committee of all required Plans and Specifications and other information, the Committee may postpone review of anything submitted for approval. In the event the Committee fails to notify a Member of its approval or disapproval of such plans and specifications in writing by certified mail within sixty (60) days after all Plans and Specifications and any other required information has been submitted to it, either in person or by certified mail, approval of the Committee shall be deemed to have been fully obtained.

Section 3. **No Waiver of Future Approval**. The approval or consent of the Committee to any Plans or Specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any Plans or Specifications or other matter whatever subsequently or additionally submitted for approval or consent by the same or a different Owner.

Section 4. **Reimbursement of Member**. The members of the Committee shall be entitled to reimbursement for expenses incurred by them in the performance of their duties hereunder.

Section 5. **Meetings of the Committee**. The Committee shall meet from time to time as necessary to perform its duties hereunder. The Committee may from time to time by resolution unanimously adopted in writing designate one of its members to take any action or perform any duties for and on behalf of the Committee, except the granting of variances. In the absence of such designation, the vote of a majority of all of the members of the Committee, or the written consent of a majority of all of the members of the Committee taken without a meeting, shall constitute an act of the Committee.

Section 6. **Inspection of Work**. Upon the completion of any Improvement for which approved Plans or Specifications are required under this Declaration, the Owner shall give written notice of completion to the Committee. Within such reasonable time as the Committee may set in its rules, but not to exceed (15) days thereafter, the Committee or its duly authorized representative may inspect such improvement. If the Committee finds that such work was not done in strict compliance with all approved Plans and Specifications submitted or required to be submitted for its prior approval, it shall notify the Owner in writing of such noncompliance within such period, specifying in reasonable detail the particulars of noncompliance and shall require the Owner to remedy the same. If upon the expiration of thirty (30) days from the date of such notification the Owner shall have failed to remedy such noncompliance, the Committee shall notify the Board in writing of such failure. Upon notice and hearing, the Board shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If noncompliance exists, the Owner shall remedy or remove the same within a period of not more than forth-five (45) days from the date of announcement of the Board's ruling. If the Owner does not comply with the Board's ruling within

such period, the Board, at its option, may either remove the noncomplying improvement or remedy the noncompliance, and the Owner shall reimburse the Association upon demand for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the Owner to the Association, the Board shall levy an assessment against such Owner and the improvement in question and the land on which the same is situated for reimbursement and the same shall constitute a lien upon such land and improvement and be enforced as in this Declaration provided. The Committee may inspect all work in progress and give notice of noncompliance as provided above. If the Owner denies that such noncompliance exists, the procedures set out above shall be followed, except that no further work shall be done, pending resolution of the dispute, which would hamper correction of the noncompliance if the Board shall find that such noncompliance exists.

Section 7. **Non-Liability of Committee Members**. Neither the Committee nor any member thereof nor the Board nor any member thereof shall be liable to the Association or to any owner or to any other person for any loss, damage or injury arising out of or in any way connected with the performance of the Committee's or the Board's respective duties under this Declaration unless due to the willful misconduct or bad faith of the Committee or its member or the Board or its member as the case may be. Except insofar as it duties may be extended with respect to a particular area by the Association, the Committee shall review and approve or disapprove all Plans and Specifications submitted to it for any proposed improvement, including the construction, alteration or addition thereof or thereto, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the surrounding area and Forbes Park generally. The Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any Plans and Specifications be deemed approval thereof from the standpoint of structural safety, engineering soundness or conformance with building or other codes.

Section 8. **Variances**. The Committee may authorize variances from compliance with any of the architectural provisions of this Declaration, including restrictions upon height, bulk, size, shape, floor area, land area, placement of structures, setbacks, colors, materials or similar restrictions when circumstances such as topography, natural obstructions, hardship or aesthetic or environmental consideration may, in its sole and absolute discretion, warrant. Such variances must be evidenced in writing and must be signed by at least a majority of all of the members of the Committee. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular property and particular provision and in the particular instance covered by the variance.

Section 9. **Obligations with Respect to Zoning and Subdivisions**. The Committee shall require all persons to comply fully with the zoning ordinances and subdivision regulations, if any, of Costilla County, Colorado, insofar as the same are applicable and as they may hereafter be amended.

Section 10. **Committee Control of Contractors; Committee Power to Grant Temporary Ingress and Egress**. The Committee shall have the power to approve or disapprove any Contractor to be used for any of the purposes approved in Section 2 above, provided, however, that the Committee shall only disapprove a Contractor for a reasonable cause stated in writing.

The Committee shall approve or disapprove a Contractor in writing within seven (7) days of the time the Committee is informed of the contractor's identity.

The Committee shall have the power to grant temporary licenses permitting ingress and egress over specified roads in Forbes Park to a Contractor and shall only grant such licenses to a Contractor for a specific period of time. The Committee may withdraw such licenses at any time such Contractor (a) uses nonspecified roads, (b) does not diligently pursue the work to be done, or (c) violates any of the Protective Covenants hereinafter set forth.

Section 11. **Committee Control of Camping**. The Committee shall have the power to grant camping privileges on a Lot to an Owner or Dependent for nonconsecutive periods of time of up to three (3) weeks in length, provided the Owner or Dependent applies to the Committee either in writing or in person and satisfies the Committee that the Lot to be so used will not be left littered with trash or waste and that such camping will not create a fire hazard to such Lot or to Forbes Park as a whole.

Section 12. **Other Committee Powers**. The Committee shall have the power to approve, control, permit, license and regulate such other activities and matters as the Board may from time to time determine.

ARTICLE VIII
PROTECTIVE COVENANTS

The following restrictions, conditions and covenants, collectively called "Protective Covenants", are imposed upon all the Lots, Condominium Units where applicable, and Common Areas without limiting or altering the provisions of Article VII:

(a) Any tank for the storage of gas or liquid shall be hidden from the view of other Lots and the Common Area.
(b) No kennel or other facility for raising or boarding dogs or other animals for commercial purposes shall be kept in Forbes Park. No animals of any kind shall be raised, bred or kept in Forbes Park except reasonable numbers of dogs, cats or other ordinary household pets. No poultry may be kept in Forbes Park. No dog shall be allowed to run loose except when accompanied by a person capable of keeping such dog under surveillance and control.
(c) All refuse, rubbish, trash, garbage or waste shall be kept, disposed of or removed in a sanitary manner. All household refuse and rubbish, trash, garbage or waste shall be kept in closed containers inside a building or other approved enclosure until taken to a disposal place operated or licensed by the proper public authority for such disposal. Nonhousehold refuse, rubbish, trash, garbage or waste, other than dead leaves and fallen limbs shall not be permitted to remain exposed on a Lot.
(d) Any vehicle, whether selfpropelled or not, permitted to remain on any Lot or Common Area shall be kept in a licensed and operable condition. Any vehicle, whether selfpropelled or not, shall be parked in such a manner that it is not a nuisance, aesthetically or otherwise, to other Members. A truck larger than three-quarter (3/4) ton rating shall only be kept on a Lot inside an approved building except during any period of authorized construction. A vehicle shall not be parked on that part of any road normally used by vehicles being driven on such road. The provisions of this paragraph shall not apply to Declarant during time of construction of roads.
(e) Noxious, obnoxious, noisy, unsightly or otherwise offensive objects or activities, specifically including vehicle repairs, barking dogs and littering shall not be permitted nor shall anything be permitted that may be an unreasonable annoyance or nuisance to other Owners.
(f) A professional quality sign of not more than four (4) square feet in area shall be allowed to be displayed on a lot for any purpose and one)1) additional sign of not more than four (4) square feet in area shall be allowed to be displayed for advertising such Lot or improvement thereon for sale, lease or rent.
(g) A structure of a temporary or mobile nature, motorhome, mobile home, camper truck, travel trailer, camping trailer, other vehicle used or designed for camping or tent, shall not be placed on a Lot for more than three (3) consecutive nights and days more than once each calendar month except that the Committee may grant a permit (1) for any of the above to be placed on a Lot and used for longer periods of time during construction of a dwelling, diligently pursued, or, (2) for vacation camping under the conditions and procedures provided in Article VII hereof. Subject to the prior written approval of Declarant, with respect to the real property described in Exhibit C, the Board may designate a part of the Common Area as a storage area for all vehicles that are prohibited from being placed on a Lot.
(h) All septic systems operated with water from wells drilled under permits obtained pursuant to the Decree of the District Court in and for Water Division No. 3, State of Colorado, Case No. W-3312, shall be limited to sewage disposed of by septic tank and absorption fields, the effluent of which shall return to groundwater in the drainage basins in which such wells are located. Said absorption fields and septic tank installations shall be constructed in conformance with the standards and requirements of state and county health authorities. Notwithstanding the foregoing requirements, the Committee may approve an evaporative field septic system if the construction of a septic tank and absorption field would cause a hardship in any particular situation and if the Committee is permitted to do so under a modification of the Decree in Case No. W-3312.
(i) An outdoor fire shall be made in a facility or a receptacle having a properly operating spark screen. All fireplaces whether inside a building or outdoors shall have an operational approved spark screen covering the top of the chimney. Any condition which creates a fire hazard shall not be permitted on a Lot.
(j) No single-family residence or Condominium Unit, exclusive of open porches, garages and carports, shall be less than six hundred (600) square feet in main floor area. No more than one (1) single-family residence plus appropriate ancillary buildings may be erected on a Lot not designated a Commercial Lot. No commune, cooperative or similar type living arrangement shall be permitted anywhere in Forbes Park.
(k) All water derived from wells permitted by the State Engineer of the State of Colorado pursuant to the provisions of the Decree of the District Court in and for Water Division No. 3, State of Colorado, in Case No. W-3312, shall be used for domestic in-house use only.
(l) No commercial enterprise shall be operated other than on a Commercial Lot.
(m) Building materials shall not be placed on a Lot nor shall foundation work be started for any Improvement unless such Improvement has previously been approved by the Committee. Once approval is obtained, such Improvement must be completed within twelve (12) months after building materials are first placed on such Lot or foundation work is begun.
(n) A wire fence shall not be permitted on a Lot except one such fence enclosing not more than 1600square feet for the purpose of enclosing household pets.
(o) Hunting shall not be permitted.

(p) Firearms, explosives, fireworks or arrows shall not be used, shot or discharged except in such areas as may be designated by the Association for such use, shooting or discharging.
(q) Explosives shall not be used for construction purposes unless such use has been approved by the Committee.
(r) Excessively noisy vehicles of any kind, all-terrain vehicles, trail-bikes, helicopters, aircraft or motorcycles shall not be used anywhere in Forbes Park.
(s) Chain saws shall not be used without a proper spark arrester on the exhaust and chain saws or other noisy equipment shall not be operated before 8:00 A.M. or after 5:00 P.m.
(t) All telephone, electrical power, and other receiving or transmission lines shall be placed underground except that such lines on poles shall be permitted (1) in the case of major lines to areas of Forbes park as Declarant deems appropriate and (2) where the Committee determines underground lines are unreasonably expensive or otherwise impractical.
(u) Existing tree lines on all Lots and Commercial Lots shall not be disturbed or altered and, wherever practical, all improvements shall be placed a reasonable distance behind such tree lines as determined by the Committee.
(v) Any tree having a diameter at the base greater than four (4) inches shall not be cut down without prior approval of the Committee.
(w) A Lot shall not be subdivided or partially leased except a Commercial Lot owned by Declarant.
(x) Snowmobiles shall not be operated except in transit to or from such parts of the Common Areas as the Association and Declarant may from time to time designate as snowmobiling areas.
(y) Any vehicle requiring its operator to have a operator's license under the laws of the State of Colorado shall be operated only by a person having a valid operator's license.
(z) All improvements shall be maintained in such a manner that they do not become (1) unsightly, (2) in disrepair, (3) unsanitary or (4) a fire hazard.
(aa) No guest house, garage, carport or other outbuilding shall be constructed on any Lot until after commencement of construction of the dwelling house on the same lot.

ARTICLE IX
GENERAL PROVISIONS

Section 1. **Enforcement**. The Association, the Board or any Member at his own expense, shall have the right to enforce, by any proceeding at law or in equity, the following: (a) all restrictions, conditions, covenants, reservations, easements, liens and charges now or hereafter imposed by the provisions of this Declaration; and (b) all rights, conditions, and obligations of the easement for recreational use set forth in Exhibit C. Any monies received by any Member from any other Member or former Member on account of assessments levied by the Association, less all reasonable enforcement costs, shall be paid by such enforcing Member to the Association. Failure by the Association or by any Member to enforce any provisions herein contained shall in no event be deemed a waiver of the right to do so thereafter.
Section 2. **Violation a Nuisance**. Every act or omission whereby any provision of this Declaration or any rules and regulations promulgated by the Association or the Committee is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated by any Member, at his own expense, or by the Board.
Section 3. **Severability**. Invalidation of any one of the provisions of this Declaration by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.
Section 4. **Life of Declaration**. The covenants and restrictions of this Declaration, as they may be amended from time to time, shall run with and bind the property now or thereafter subjected to this Declaration for a term of ten (10) years from the date of this Declaration, after which time they shall be automatically extended for successive periods of ten (10) years, unless extinguished by a written instrument executed by at least three-fourths (3/4) of both the Class A and Class B Members of the Association and recorded in the Costilla County, Colorado, real property records.
Section 5. **Amendments**. This Declaration may be amended, except as it relates to the rights of a Class C Member as provided in Articles V and VI hereof, during the first ten-year period by an affirmative vote of not less than two-thirds (2/3) of the votes of each of the Class A Voting Members. This Declaration may be amended as it relates to the rights of a Class C Member in Articles V and VI by the affirmative vote of not less than two-thirds (2/3) of the votes of each of the Class A and Class B Voting Members and of the Class C Member. All amendments shall be recorded.
Section 6. **Notices**. Any notice permitted or required to be given by this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered on the third day (including Sundays or holidays) after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the person at the address given by such Person to the Association for the purpose of service of notices, or to the residence of such Person if no address has been

given to the Association. Such address may be changed from time to time, by notice in writing given by such Person to the Association.

Section 7. **Nondiscrimination Between Classes**. Except as to voting rights and assessments, there shall be no discrimination between classes of membership and no amendment shall alter this nondiscrimination provision.

(The remainder of this Declaration of Covenants, Conditions and Restrictions deals only with provisions relating to Declarant which are no longer relevant, Exhibits and certification of this Declaration.)