#309131 Filed for record December 2, 1983 at 10:02 A.M. Lela Ann Bennett, REcorder

RIO GRANDE COUNTY
BOOK 385 PAGE 312

SECOND
AMENDED AND RESTATED
DECLARATION OF COVENANTS AND RESTRICTIONS
THE TOWN OF CORNWALL
RIO GRANDE COUNTY, COLORADO

THIS DECLARATION, made and executed this 11th day of November, 1983, by JASPER PROPERTIES, INC., a Colorado corporation (the "Declarant" herein),

WITNESSETH:

WHEREAS, the Declarant has previously recorded in the records of Rio Grande County, Colorado, a certain Declaration of Covenants and Restrictions affecting certain lots located in The Town of Cornwall, which Declaration was recorded May 19, 1981, in Book 369 at Page 485 of the records of said Rio Grande County, Colorado; and

WHEREAS, the Declarant has further recorded in the records of Rio Grande County, Colorado, a certain Amendment to said Declaration, which Amendment was recorded September 18 ,1981, in Book 371 at Page 724 of the records of said Rio Grande County, Colorado; and

WHEREAS, the Declarant has further recorded in the records of Rio Grande County, Colorado, an Amended and Restated Declaration of Covenants and Restrictions, which Amended and Restated Declaration was recorded August 3, 1982, in Book 376 at Page 828 of the records of said Rio Grande County, Colorado, and

WHEREAS, the Declarant is presently the owner of more than fifty percent (50%) of the Lots in the Development, excluding any lots comprising any Park Area (all as defined in said Declaration of Covenants and Restrictions) and as such is empowered to change, revoke, amend or modify the said Declaration of Covenants and Restrictions, the Amendment thereto, and the Amended and Restated Declaration of Covenants and Restrictions under the Effect and Tenure provisions thereof; and

WHEREAS, the Declarant desires to make certain additional amendments to said Amended and Restated Declaration of Covenants and Restrictions and further desires to restate all provisions thereof in their entirety, as heretofore or as hereby amended.

NOW, THEREFORE, the Declarant does hereby declare that the aforesaid Declaration of Covenants and Restrictions and the aforesaid Amendment thereto and the aforesaid Amended and Restated Declaration of Covenants thereof are all hereby superceeded, set aside, replaced in their entirety, altered, amended and changed to read in their entirety as hereinafter set forth, and the Declarant does hereby make, create, and declare the covenants, restrictions, limitations, uses, easements, charges, and liens upon the real property hereinafter described as restrictive and protective covenants, as benefits and obligations running with the property, and as binding upon the Declarant, its successors and assigns, and upon all parties claiming under the Declarant, and upon all future owners of any part of said property, so long as these restrictive and protective covenants shall remain in force and effect as now written or as hereinafter altered.

1. Property Affected. The provisions hereof are hereby made applicable to all property located in the Town of Cornwall, excepting Lots 12 through 19, Block 1, and excepting Lots 14, and 21 through 38, Block 20, according to the plat thereof recorded June 15, 1898, at No. 22052 of the records of Rio Grande County, Colorado, all of which property is referred to herein as the Development.

2. Definitions. As used herein, the following definitions shall apply:

"Association" shall mean THE JASPER ASSOCIATION, a non-profit Colorado corporation.

"Board" shall mean the Board of Directors of the Association.

"Bylaws" shall mean the Bylaws of the Association, as such Bylaws may from time to time be amended.

"Camping Lot" shall mean any platted lot or grouping of platted lots or portions thereof, within the Development, which have been designated as such in any deed or other instrument executed and recorded by the Declarant. Declarant affirms that, as of the date of these Amended and Restated Covenants, it has sold and designated only three Camping Lots (Lots, 4,5 and 6, Block 10), and Declarant further affirms that it will not hereafter designate any other plated lot or grouping of platted lots or portions thereof as Camping Lots.

"Commercial Lot" shall mean any platted lot or grouping of platted lots or portions thereof, within the Development, which have been designated as such in any deed or other instrument executed and recorded by the Declarant and zoned for such use by the Rio Grande Board of Commissioners.

"Commercial Recreation District Lot" shall mean any platted lot or grouping of platted lots or portions thereof, within the Development, which have been designated as such in any deed or other instrument executed and recorded by the Declarant and zoned for such use by the Rio Grande County Board of Commissioners.

"Lot" shall mean any Camping Lot, Commercial Lot, Commercial Recreation District Lot, or Residential District Lot designated by the Delclarant in the manner provided herein, which may be a single or a grouping of lots, as shown on the plat of the Town of Cornwall.

"Owner" shall mean the record owner of title, or the contract vendee, of any Lot described herein, including the Declarant, whether such title be acquired by purchase, gift, inheritance, foreclosure, operation of law, or otherwise.

"Park Area" shall mean any Lot or Lots within the Development which may be designated by the Declarant for the common use and enjoyment of the Owners.

"Recreational Vehicle" shall mean what is usually referred to as a travel trailer or motorhome having permanent wheels and axles and being either self-propelled or designed to be towed by a separate motor vehicle and meeting all requirements of any definition of Recreational Vehicle set forth in the zoning regulations of Rio Grande County, Colorado.

"Road" shall mean any street designated on the plat of the Town of Cornwall or any easement for vehicular ingress and egress created by any subsequent plat or instrument prepared and recorded by the Declarant; provided, however, that "Road" shall not include any portion of any designated street or alley shown on the plat of the Town of Cornwall which later may be vacated or otherwise designated for any use other than ingress and egress by the Declarant or by the Board of County Commissioners of Rio Grande County.

"Residential Lot" shall mean any platted lot or grouping of platted lots or portions thereof, within the Development, which shall be designated as such in any deed or other instrument executed and recorded by the Declarant, and shall also mean any platted lot or grouping of platted lots or portions thereof, within the Development, which have heretofore been designated as a "Rural District Lot" in any deed or other instrument executed and recorded by the Declarant.

"Water Augmentation Plan" shall mean the pertinent and applicable sections of a plan for augmentation as decreed or modified in Case No. 82CW97, in Water Division No. 3, and recorded in Book 385 at Page 298 of the records of Rio Grande County, Colorado.

3. Purposes. These Covenants and Restrictions are made for the purpose of creating and keeping the Development desirable, attractive, beneficial, free from nuisances, and suitable in architectural design, materials, and appearance, and for the purpose of avoiding unnecessary interference with the natural beauty of the Development, all for the mutual benefit and protection of the Owners of all Lots on the Development.

4. Permitted Uses. Except as hereinafter provided, each Lot in the Development may be used only for the following purposes:

(a) Each Residential District Lot shall be used only for a permanent single-family residential dwelling with its accessory buildings, and in accordance with the Water Augmentation Plan.

(b) Each Commercial Lot shall be used only for such uses as may be permitted under the Commercial zoning regulations of Rio Grande County and in accordance with the Water Augmentation Plan.

(c) Each Commercial Recreation District Lot shall be used only for such uses as may be permitted under the Commercial Recreation zoning regulations of Rio Grande County and in accordance with the Water Augmentation Plan.

(d) Each Camping Lot shall be used, subject to any limitations on permanent occupancy imposed by the Rio Grande county zoning regulations only for:

I. The parking and use of a Recreational Vehicle.

II. Tent camping.

III. Picnicking.

IV. A storage building not larger than 100 square feet.

V. A sewage disposal vault or holding tank, neither of which shall permit sewage to seep or permeate into the ground.

A Camping Lot shall not be used for any of the following: (a) a single family residence, (b) a sewage disposal system except as provided in paragraph V. above, (c) a water well, (d) any other uses which would not be in conformity with the Rio Grande County zoning regulations, or (e) any use not approved by the Declarant.

5. Zoning Regulations. All lots in the Development are subject to the Rio Grande County zoning regulations and, except as otherwise limited herein, said regulations shall govern the use of such lots and the construction of any dwelling or other structure. Each Lot Owner shall consult said zoning regulations for specific zoning uses and restrictions prior to any construction.

6. Resubdivision. No Lot (as defined herein) within the Development shall be subdivided or resubdivided in any manner.

7. Recreational Vehicles. No Recreational Vehicles which shall have been manufactured more than fifteen (15) years prior to being so parked shall be parked on any Lot, except with the consent of the Declarant. In addition to the use of Recreational Vehicles on Camping Lots, Recreational Vehicles may be parked and occupied on Residential District Lots, Commercial Lots, and Commercial Recreation District Lots on a temporary basis (not more than 120 days during any calendar year) prior to the completion of a permanent residence or commercial structure on any such Lot. After the completion of a permanent residence or commercial structure on any such Lot, any Recreational Vehicle owned by the Owner of such Lot may continue to be parked thereon so long as it is in compliance with the other parking and vehicle provisions hereof.

8. Architectural Control. No building, Recreational Vehicle, fence, wall, porch, deck, patio (or porch, deck, or patio roof), swimming pool, pond, dam, well, Recreational Vehicle accessory structure, aerial,

antenna, or other structure or improvement of any nature whatsoever shall be placed, erected or maintained upon any Lot, nor shall any addition to or change or alteration thereof be made, unless and until the plans and specifications therefor, the plot plan and any well permit application, have been approved in writing by the Declarant, its successors and assigns. Such plans, specifications and plot plan shall show in reasonable detail the nature, kind, shape, height, materials, floor plans, locations, and approximate cost of each such structure and the landscaping and grading plan of the Lot, including the location and approximate grade of driveways. With respect to the approval of such plans, specifications, plot plan, or well permit application, the Declarant, its successors or assigns, shall have the following powers and rights:

(a) To designate, in compliance with Rio Grande County zoning regulations, a specific building or placement location on each Lot.

(b) To designate, in compliance with the Rio Grande County zoning regulations and the provisions of paragraph 10 hereof, and in cooperation with the Rio Grande County Sanitarian or Health Officer, a specific design and location for sewage treatment systems.

(c) To designate, or approve or disapprove, the nature and color of exterior finish of any structure.

(d) To approve the quality of workmanship, materials, and harmony of external design of any structure with existing and neighboring structures and the environment and the effect of the proposed structure on the view and outlook from adjacent Lots. The exterior of all permanent residences shall be primarily of materials with a wooden appearance and no structure shall have a finished exterior of tar paper, rollbrick siding or other similar material, nor shall reflective finishes be used on exterior surfaces, including roofs.

(e) To designate the location of driveways and to require and designate the location and size of culverts, where deemed necessary.

(f) To designate a uniform type of fence.

(g) To regulate, limit, or prohibit the use, size, design, and color of any signs, including "for sale" signs. No "for sale" signs shall be permitted in the Development until 95% of the Lots have been sold by the Declarant.

(h) To designate the location and type of screening of any tank for the storage of gas or liquid.

(i) To approve or prohibit the construction of small dams and ponds located entirely within the property of any Owner.

(j) To insure compliance with all terms and provisions of this Declaration and the Rio Grande County zoning regulations.

(k) To approve the location and design of any well, prior to the submission of a well permit to the Office of the Colorado State Engineer, in order to ensure that the location of the well will not interfere with the sewage disposal system of any other Owner, will not otherwise injure any other Owners and will not violate any term of the Water Augmentation Plan. Each well shall be equipped with a totalizing flow meter.

If the Declarant, its successors or assigns, fails to approve or disapprove the plans, specifications, and plot plan submitted to it by an Owner within thirty (30) days after written request therefor, then such approval shall not be required; provided, however, that no building or other structure shall be erected or be allowed to remain on any Lot in violation of any of the covenants or restrictions herein contained. Following the approval of any such proposed plans, specifications, and plot plan, the Owner shall proceed diligently with such construction and the exterior of any proposed improvement shall be completed within a maximum period of one (1) year from and after the date of commencement of construction, excepting, however, any delays caused by reason of inclement weather, strikes, acts of God, or other causes beyond the control of the Owner. Interior finishing of any such structure may extend beyond such one-year period provided that building materials and construction equipment are not stored outside of the structure on the premises, unless concealed by a fence. The rights of the Declarant hereunder with respect to architectural control shall continue until at least fifty percent (50%) of the Lots in the Development have been sold and so long thereafter as the Declarant may determine. The Declarant may, by an instrument in writing, transfer and assign all rights hereunder to the Association and the Association shall thereafter exercise such rights through its Board of Directors or through such Architectural Control Committee as it may elect to appoint.

The Declarant, its successors or assigns, shall have the right to grant reasonable variances and exceptions to any of the restrictions or limitations set forth in this Declaration in order to avoid hardship to any Owner or to otherwise promote and foster the desirability and appearance of the Development.

9. Domestic Water. Each Owner shall be responsible for obtaining the delivery and storage of a water supply for each permanent residence or commercial site within the Development. The Owner of each residence or commercial site shall furnish an adequate and approved cistern or storage tank or other water supply system and shall be responsible for maintaining on hand an adequate supply of water for disposal of sanitary wastes. Water developed from any well drilled on any lot may be used for indoor domestic or commercial purposes only. Irrigation and other outdoor uses of water are not permitted. The construction and use of wells and water at the Development shall be subject to all terms and conditions of the Water Augmentation Plan, and each Owner shall comply with the terms of that Plan. No well may serve more than five homes or commercial facilities without prior approval of the State Engineer.

10. Sewage Disposal. The Owner of each permanent residence in the Development shall be responsible for installing and maintaining an adequate sewage disposal system and for obtaining approval from the appropriate health authorities for installation of such system. Sewage disposal of the evapotranspiration type will not be permitted, unless it shall be determined by the appropriate health authorities that a sand filtration or absorption disposal system is not acceptable. The Declarant may seek approval from the appropriate authorities permitting the connection of two or three residences to a single septic system, and, in the event such approval shall be granted with respect to any Lots, then the following provisions shall apply:

(a) Each Owner who first installs a disposal system in an area designated by the Declarant and approved by health authorities for such use shall make such installation only in accordance with plans which will be adequate for the connection of such additional residence or residences to the system. In considering such plans, the Declarant shall assume that each additional residence which may be connected to the system will have two bedrooms and one bathroom. All plans and permit applications shall be submitted to the Declarant for approval and the Declarant shall file the application on behalf of the Owner. The Owner shall pay all application and permit fees and any engineering fees or other charges incurred with respect to the design and approval of the system.

of such additional residence or residences to the system in accordance with plans, the Declarant shall assume that each additional residence which may be connected to the system will have two bedrooms and one bathroom. Any person who desires to connect an additional residence or commercial establishment to the system shall apply to the Declarant for approval of such connection. The Declarant may require such applicant to pay all applicable connection fees and any other charges in accordance with rates established by the Declarant.

(b) An easement is hereby reserved for the use and benefit of the Owners of all Lots served by any such common system over, across, and under such portion of any such Lot as may be necessary for the installation, operation, maintenance, and repair of such common system; provided, however, that any such common system shall not be installed so as to interfere with the building location on any Lot as determined by the Declarant in compliance with the Rio Grande County zoning regulations.

(c) Each Owner who subsequently connects a residence to the system shall, at the time of connection, pay to the Owner who first constructed the system an amount equal to the total cost of the common elements of the system, including application and permit fees and engineering fees or other charges, divided by the number of residences proposed to be served by the system.

(d) Each Owner who first installs a system shall be responsible for keeping, and furnishing to each Owner who subsequently connects to the system, copies of paid invoices verifying the cost of the installation. Copies of such invoices shall also be furnished to the Declarant promptly after completion of the installation.

(e) All costs for operation, maintenance, and repair of any common elements of any such system shall be borne in equal shares by the Owners of each residence connected to the system.

(f) Any Owner whose Lot is proposed to be served by any such common system may elect not to connect to the system or bear any of the cost of the system if he wishes to install an alternate disposal system, so long as the use of such system shall not adversely affect the rights of any other Owner; is approved by the State of Colorado and the County of Rio Grande; and is in accordance with the Water Augmentation Plan; provided, however, the design and location of such system must be approved by the Declarant. The Declarant, at the written request of any Owner, will provide the name of any other Owner who may be involved in a common system with such Owner.

(g) The Declarant, at his sole option and discretion shall have the right to arbitrate, in either the County of Denver or Rio Grande, and settle any dispute arising out of the obligations of any Owner hereunder, including, but not limited to, any inequities or division of costs between Owners resulting from changes in governmental regulations, improved technology, inadequacy of initially installed systems, or any other unforeseen circumstances. The Owners agree to abide by the award and the Owner in whose favor any award shall be made, may file with the Clerk of the District Court wherein the matters are arbitrated, who shall enter judgment thereon, and if such award requires the payment of money, the Clerk may issue execution therefor.

(h) In performing any duty or function hereunder, the Declarant shall not be obligated to incur any liability for any cost or expense whatsoever, and any such cost or expense shall be borne by the Owner or Owners seeking approvals or other relief or affected by such action.

(i) The Declarant may, by an instrument in writing, transfer and assign all rights and duties hereunder, including the right and discretion to be an arbitrator, to the Association and the Association shall thereafter exercise such rights and duties through its Board of Directors or through such committee as it may elect to appoint.

11. Easements. Easements for the installation and maintenance of utilities and other public facilities are reserved as follows:

(a) Within any Road in the Development.

(b) Five (5) feet on each side of all side and rear lines of Lots within the Development.

(c) Ten (10) feet along all Lot lines comprising the exterior boundary of the Town of Cornwall.

12. Roads. Easements for ingress and egress to and from all portions of the Development are hereby reserved over and across all Roads, as defined herein.

13. General Restrictions and Nuisances. All Owners shall comply with the following general restrictions and any prohibited activities within the Development shall be deemed nuisances:

(a) Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that dogs, cats, or other household pets, not to exceed a total of three (3), may be kept provided that they do not become a nuisance and are not kept, bred, or maintained for any commercial purposes. Each Owner shall have the responsibility for keeping their pets quiet and confined to the Owner's Lot.

(b) Garbage and Refuse Disposal. No trash, ashes, or other refuse shall be thrown or dumped on any land within the Development. Trash, garbage and other waste shall be kept in closed containers and shall be screened from public view and protected from disturbance. All incinerators or other equipment for disposal of such material shall be kept in a clean and sanitary condition and screened from public view and protected from disturbance.

(c) Offensive Activities. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to other Owners. No repair work, dismantling or assembling of motor vehicles, boats trailers, or any other machinery or equipment shall be permitted in any Road, driveway, or yard adjacent to a street. Clotheslines shall be located at the rear of lots and shall be reasonably screened from the front lot line and from adjacent lots. All Lots shall be kept free of debris, inoperative vehicles, or wrecked vehicles and stored material. Any vehicle permitted to remain on any Lot shall be kept in a licensed and operable condition, and all vehicles shall be parked in such a manner as not to constitute a nuisance, aesthetically or otherwise, to other Owners. Each Owner shall provide an adequate driveway and parking facilities for off-street parking for all vehicles of the Owner and his guest.

(d) Maintenance of Lots. All Lots shall be maintained and kept in a clean and orderly condition and all firewood shall be kept neatly stacked.

(e) Drainage. Each Owner shall furnish, where necessary, at their own expense, adequate culverts approved by the County, if necessary, at the point of access from Roads to their property. Except as may be approved by the Declarant, owners shall not construct ponds or dams or in any way obstruct the natural flow of water through the Development.

(f) Natural Foliage. The natural foliage on the Lots shall be preserved to the greatest degree possible and no tree having a diameter in excess of three inches (3") shall be removed from any Lot in the Development, except to the extent necessary for location of improvements.

(g) Fires. Subject to any requirements of Rio Grande County, any outdoor fire shall be made only in a facility or recepticle having

a properly operating spark screen. All fireplaces, whether inside a building or outdoors, shall have an operational spark screen covering the top of the chimney. Any conditions which creates a fire hazard shall not be permitted on any Lot.

(h) Hunting and Hazards. No hunting shall be permitted in the Development. Firearms, explosives, fireworks, or arrows shall not be used, shot or discharged in the Development or in the vicinity of the Development. Explosives shall not be used for construction purposes unless such use has been approved by the Declarant.

(i) Noise. Excessively noisy vehicles of any kind, all-terrain vehicles, trailbikes, snowmobiles, or motorcycles without adequate mufflers shall not be operated anywhere within the Development. Chainsaws shall not be used without a proper spark arrester and chainsaws or other noisy equipment shall not be operated before 8:00 A.M. or after 5:00 P.M.

(j) Recreational Vehicle Wastes. Recreational Vehicle holding tanks or other waste shall not be dumped or disposed of within the Development, except at such dumping station or other disposal facility as may be installed by the Declarant.

14. Plan for Augmentation. The Declarant has filed under Case No. 82CW97 in Water Division No. 3, an application for approval of a plan for augmentation in order to provide for a water supply for the Development and certain other lands, including a tract described as Lot 8 and Lot 15 of Section 30, T. 7 N., R. 5 E., N.M.P.M., Rio Grande County (the "adjacent land"). The Declarant agrees to be responsible for the adjudication of the plan until Entry of a final decree in Case No. 82CW97 and to be responsible for the implementation and administration of the plan for augmentation until at least one-half (½) of all Lots in the Development have been sold, and the Declarant may remain responsible for such implementation and administration until all of the Lots in the Development have been sold. The Declarant may, in writing, transfer to the Association the right and resposibility for implementing and enforcing the augmentation plan with respect to any wells drilled under well permits issued pursuant to the decree in Case No. 82CW97, including wells drilled on the adjacent land or any other land, by transferring to the Association the pro rata share in the decree and the augmention water right necessary to implement the plan for all such well permits.

15. Membership in Association. Ownership of any Lot within the Development shall qualify and obligate the Owner to membership in the Association, with full right and responsibility of membership as set forth in the Articles of Incorporation and Bylaws thereof. The Association shall have the right and obligation to enforce and administer these covenants; to maintain all Roads within the Development; to expend such funds as may be available to it to provide electrical service to the Development; to enforce and administer the Water Augmentation Plan, insofar as that plan relates to any well permits issued pursuant to the Water Augmentation Plan, upon transfer of the pro rata share in the decree and of the augmentation water right by the Declarant to the Association; to acquire and operate, if the Board of Directors shall so determine, vehicles and equipment for the furnishing of domestic water to the Owners, and to impose reasonable charges for such service; to hold title to any Park Area which may be created by the Declarant, and to such additional property or property rights as shall be conveyed or transferred to it by the Declarant or as it may otherwise acquire; to acquire, own, and maintain recreational or other types of property for community use; to establish reasonable regulations for the use of any Park Area and other common facilities; and to perform such other acts and functions as may be reasonable or necessary for the general benefit and welfare of the Owners of Lots in the Development and as may be authorized or permitted by this Declaration or by its Articles of Incorporation and Bylaws. The purchase, or the acquisition of legal title in any other manner, of any Lot in the Development shall constitute the Lot Owner's consent to and acceptance of the duties, responsibilities and obligations of membership in the Association. Each Lot within the Development shall be entitled to one vote with respect to the management of the business and affairs of the Association.

The Declarant agrees to be responsible for such Road maintenance and for such maintenance and operation of any common areas, as it deems necessary, and the Declarant shall retain control of the Association and ownership and the right to control the use of any Park Area or other common property, until at least one-half (½) of all Lots in the Development have been sold, and the Declarant may retain control and ownership of such properties and remain responsible for all such costs until all of the Lots in the Development have been sold.

16. Assessments by Association. Each Owner, except the Declarant, of any Lot in the Development, by acceptance of a deed therefor or the acquisition of title thereto in any manner, whether or not it shall be so expressed in any such deed or other instrument, is deemed to covenant and agree to pay to the Association the following assessments:

(a) A General Assessment to cover the cost of ownership, improvement, operation, maintenance, repair and replacement of all properties of the Association, including, without limitation, the payment of taxes on land, improvements, or other property owned by the Association; maintenance and improvement of Roads and common areas and equipment; operation and maintenance of any water hauling equipment which may be acquired by the Association; the installation of electrical utilities in the Development, if the Board shall so determine; utility charges, insurance on common property, enforcement of these covenants, common security, maintenance of signs and entrance gates, salaries, the establishment of reasonable reserves for repairs or replacement of common properties or for capital improvements, and any other costs incurred by the Board of Directors for the general benefit and welfare of the Owners of Lots in the Development. The General Assessment to the Owner, other than lots owned by the Declarant, of each Lot shall commence on the date on which the Owner acquires title whether by purchase, gift, devise, operation of law, or otherwise. The initial General Assessment for each Lot shall not exceed the sum of Ten Dollars monthly. The General Assessment may not be increased without the approval of the Owners of at least fifty-one percent (51%) of the lots in the Development; provided, however, that the Board, in its discretion, may increase the assessment in an amount proportional to any increase in the Consumer Price Index published by the Bureau of Labor Statistics of the United States Department of Labor. In determining any such increase, the month of March, 1981, shall be used as the base month and the index figure utilized shall be the index for all items published for the smallest area which includes the Development. No increase in the monthly General Assessment shall be made retroactive. During the period when the declarant shall control the Association, it may expend any funds derived from the General Assessment only for the purpose of providing electrical service to the Development and the Declarant may expend such funds at such times and to provide service for such specific locations as it may deem proper.

(b) Any Special Assessment which may be imposed upon any Owner by virtue of any obligation with respect to the installation, operation, maintenance, or repair of any common sewage disposal system, as provided by paragraph 10 hereof.

(c) The Declarant shall not be responsible for, or be obligated to pay, any general or special assessments pursuant to this paragraph 16.

Notices and invoices for payment of all assessments may be submitted to the Owners monthly or at any other regular interval as may be fixed by the Declarant or by the Board of Directors of the Association. The Declarant reserves the right to collect such assessments for the Association and to put such funds into an escrow account in the name of the Association. If any money is owed to the Declarant under a purchase money

contract or a purchase money deed of trust, Declarant reserves the right to simply increase the monthly payment due it by the monthly amounts of any assessments due the Association. In the event any such invoice is not paid within thirty (30) days from the date the notice and invoice are mailed to the record Owner, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum and the amount of such invoice shall be and become a lien upon the Lot or Lots of such delinquent Owner. The Association may bring an action at law against the Owner personally obligated to pay the same. In addition to such action, or as an alternative thereto, the Association may file with the Clerk and Recorder of Rio Grande County, Colorado, a statement of lien with respect to the assessment setting forth the name of the Owner, the legal description of the property, the name of the Association, and the amount of delinquent assessments then owing, which statement shall be signed and acknowledged by the president or vice-president of the Association, and a copy of which shall be served upon the Owner of the property by certified mail, return receipt requested, mailed to the address of the property or at such other address as the Association may have in its records for the Owner of the property. Thirty days following the mailing of such notice, the Association may proceed to foreclose the lien in the same manner provided for the foreclosure of mortgages on real property under the statutes of the State of Colorado. In either a personal or foreclosure action, the Association shall be entitled to recover the amount of the assessment, interest thereon, costs of suit, and reasonable attorney's fees incurred with respect to the action. No Owner may waive or otherwise avoid liability for the assessments provided for herein by non-use of any common areas owned by the Association or abandonment of his Lot.

17. Subordination of Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust on any Lot, and including all additional advances thereon. Sale or transfer of any Lot shall not affect the assessment lien; however, the sale or transfer of any Lot as a result of the foreclosure of a first mortgage or deed of trust, or any proceeding in lieu of foreclosure, including the transfer by a deed in lieu of foreclosure, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer but shall not relieve any former Owner of personal liability therefor. No sale or transfer shall release any Lot from liability for any assessment thereafter becoming due or from the lien thereof.

18. Failure to Enforce. The failure by Declarant, the Association, or any Owner to enforce any provision herein contained shall in no event be deemed a waiver of the right to do so thereafter as to the same breach or as to one occurring prior or subsequent thereto, nor shall such failure give rise to any claim or cause of action against the Declarant, the Association, or any member thereof.

19. Enforcement. In the event of any violation or treatened violation of any of the provisions contained herein, the Declarant, the Association, or the Owner of any Lot may bring action at law or inequity, either for injunction, action for damages, or for such other remedies as may be available.

20. Effect and Tenure. The provisions hereof shall be considered as covenants running with the land and all instruments affecting the title to any of said Lots shall be subject to the provisions hereof. Said provisions shall inure to the benefit of and be binding upon the Declarant, its successors and assigns, and every grantee or lessee of any lot, their heirs, personal representatives, successors and assigns, and upon each successor in title of the Declarant, until September 18, 2001, at which time they shall automatically extend for successive periods of ten (10) years each; provided, however, that the Owners of not less than fifty percent (50%) of the Lots in the Development (excluding any lots comprising the Park Area) may, at any time, change, revoke, amend, or modify any one or more of them, or impose additional covenants and restrictions, by executing and acknowledging an appropriate instrument in writing for such purpose and recording the same in the office of the Clerk and Recorder of Rio Grande County, Colorado. The Declarant shall also have the right, until June 1, 1987, to change, revoke, amend, or modify any of the

provisions of this Declaration of Covenants and Restrictions, or to impose additional covenants and restrictions, with respect to any Lot or Lots then owned by the Declarant, by executing and acknowledging an appropriate instrument in writing for such purpose and recording the same on the office of the Clerk and Recorder of Rio Grande County, Colorado.

21. Invalid Provision. Invalidation of any provision hereof by judgment or order of Court shall in no way affect any of the other provisions hereof; and lack of title or failure of title in Declarant as to any portion of the property described herein shall not affect the validity of these provisions as to the remainder of such property.

22. Exceptions. The use limitations provided herein shall not apply to any Park Area, and such area may be used for any reasonable purpose consistent with the common use, benefit, and enjoyment of all Owners. The Park Area, or any other Lot or Lots within the Development, may be used by the Declarant for sales purposes during any period of sales operations conducted by the Declarant and any building or other structure constructed or used by the Declarant for such purposes shall not be subject to any architectural control provision hereof. Any such structure may, after the termination of sales operations, be sold by the Declarant for permanent use by the purchaser.

IN WITNESS WHEREOF, the Declarant, Jasper Properties, Inc., a Colorado corporation, has caused this instrument to be executed by its duly authorized officers on the day and year first above written.

JASPER PROPERTIES, INC.

By: Luke W. Anthony
Luke W. Anthony, President

ATTEST

By: Luella Anthony
Luella Anthony, Secretary

SEAL

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 11th day of November, 1983, by Luke W. Anthony, as President, and Luella Anthony, as Secretary, of Jasper Properties, Inc., a corporation.

WITNESS my hand and official seal.

My Commission expires: March 24, 1986

Notary Public

3300 E. 1st Ave., Denver, CO 80206
Address

NOTARY PUBLIC STATE OF COLORADO

RIO GRANDE COUNTY,CO 0315112 03/02/1987 03:24
BK 408 PG 491 LELA ANN BENNETT,RECORDER

SECOND AMENDMENT TO THE SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS AND RESTRICTIONS THE TOWN OF CORNWALL RIO GRANDE COUNTY, COLORADO

THIS DECLARATION, made and executed this 27th day of February, 1987, by JASPER PROPERTIES, INC., a Colorado corporation (the "Declarant" herein), on its own behalf and as attorney-in-fact for those persons whose powers of attorney are attached hereto,

WITNESSETH:

WHEREAS, the Declarant has previously recorded in the records of Rio Grande County, Colorado, a certain Amendment to the Second Amended and Restated Declaration of Covenants and Restrictions affecting certain lots located in The Town of Cornwall, which Amendment was recorded March 22, 1984, in Book 387 at Page 29 of the records of said Rio Grande County, Colorado; and

WHEREAS, said Amendment purported to amend Paragraph 16 of the Second Amended and Restated Declaration of Covenants and Restrictions for the Town of Cornwall recorded December 2, 1983, in Book 385 at Page 312 of the records of said Rio Grande County, Colorado; and

WHEREAS, said Amendment inadvertently omitted a portion of said Paragraph 16, and the Declarant desires to correct said omission; and

WHEREAS, the Declarant and those persons whose powers of attorney are attached hereto are presently the owners of more than fifty percent (50%) of the Lots in the Development, excluding any lots comprising any Park Area (all as defined in said Second Amended and Restated Declaration of Covenants and Restrictions) and as such are empowered to change, revoke, amend or modify the said Second Amended and Restated Declaration of Covenants and Restrictions under the Effect and Tenure provisions thereof.

NOW, THEREFORE, the Declarant does hereby declare that the aforesaid Second Amended and Restated Declaration of Covenants and Restrictions is hereby altered, amended, and changed as follows:

1. Paragraph 16 of said Second Amended and Restated Declaration of Covenants and Restrictions is hereby amended in its entirety to read as follows:

"16. Assessments by Association. Each Owner, except the Declarant, of any Lot in the Development, by acceptance of a deed therefor or the acquisition of title thereto in any manner, whether or not it shall be expressed in any such deed or other instrument, is deemed to covenant and agree to pay to the Association the following assessments:

(a) A General Assessment to cover the cost of ownership, improvement, operation, maintenance, repair and replacement of all properties of the Association, including, without limitation, the payment of taxes on land, improvements, or other property owned by the Association; maintenance and improvement of Roads and common areas and equipment; operation and maintenance of any water hauling equipment which may be acquired by the Association; utility charges; insurance on common property; enforcement of these covenants; common security; maintenance of signs and entrance gates; salaries; the establishment of reasonable reserves for repairs or replacement of common properties or for capital improvements; and any other costs incurred by the Board of Directors for the general benefit and welfare of the Owners of Lots in the Development. The General Assessment to the Owner, other than Lots owned by the Declarant, of each Lot shall commence on the date on which the Owner acquires title, whether by purchase, gift, devise, operation of law, or otherwise. The initial

General Assessment for each Lot shall not exceed the sum of Ten Dollars monthly. The General Assessment may not be increased without the approval of the Owners of at least fifty-one percent (51%) of the Lots in the Development; provided, however, that the Board, in its discretion, may increase the assessment in an amount proportional to any increase in the Consumer Price Index published by the Bureau of Labor Statistics of the United States Department of Labor. In determining any such increase, the month of March, 1981, shall be used as the base month and the index figure utilized shall be the index for all items published for the smallest area which includes the Development. No increase in the monthly General Assessment shall be made retroactive.

(b) Any Special Assessment which may be imposed upon any Owner by virtue of any obligation with respect to the installation, operation, maintenance, or repair of any common sewage disposal system, as provided by paragraph 10 hereof.

(c) Any Special Assessment which may be imposed upon any Owner by the Board of Directors for the purpose of creating a fund for the installation of electrical service in the Development. During the period when the Declarant shall control the Association, the Declarant may expend any funds derived from the Special Assessment only for the purpose of providing electrical service to the Development and the Declarant may expend such funds at such times and to provide service for such specific locations as it may deem proper.

(d) The Declarant shall not be responsible for, or be obligated to pay, any general or special assessments pursuant to this paragraph 16.

Notices and invoices for payment of all assessments may be submitted to the Owners monthly or at any other regular interval as may be fixed by the Declarant or by the Board of Directors of the Association. The Declarant reserves the right to collect such assessments for the Association and to put such funds into an escrow account in the name of the Association. If any money is owed to the Declarant under a purchase money contract or a purchase money deed of trust, Declarant reserves the right to simply increase the monthly payment due it by the monthly amounts of any assessments due the Association. In the event any such invoice is not paid within thirty (30) days from the date the notice and invoice are mailed to the record Owner, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum and the amount of such invoice shall be and become a lien upon the Lot or Lots of such delinquent Owner. The Association may bring an action at law against the Owner personally obligated to pay the same. In addition to such action, or as an alternative thereto, the Association may file with the Clerk and Recorder of Rio Grande County, Colorado, a statement of lien with respect to the assessment setting forth the name of the Owner, the legal description of the property, the name of the Association, and the amount of delinquent assessments then owing, which statement shall be signed and acknowledged by the president or vice-president of the Association, and a copy of which shall be served upon the Owner of the property by certified mail, return receipt requested, mailed to the address of the property or at such other address as the Association may have in its records for the Owner of the property. Thirty days following the mailing of such notice, the Association may proceed to foreclose the lien in the same manner provided for the foreclosure of mortgages on real property under the statutes of the State of Colorado. In either a personal or foreclosure action, the Association shall be entitled to recover the amount of the assessment, interest thereon, costs of suit, and reasonable attorney's fees incurred with respect to the action. No Owner may waive or otherwise avoid liability for the assessments provided for herein by non-use of any common areas owned by the Association or abandonment of his Lot."

2. Except as expressly amended herein, all other provisions of the aforesaid Second Amended and Restated Declaration of Covenants and Restrictions shall remain in full force and effect.

RIO GRANDE COUNTY,CO 0315112 03/02/1987 03:24
BK 408 PG 493 LELA ANN BENNETT,RECORDER

Jeffrey D. Beringer
Elaine E. Beringer
Roger Dean Berry
Karen M. Berry
Paul P. Boyce
Charles H. Bursey
Mary R. Bursey
Donald R. Cary
Martha J. Cary
George W. Conger
Mona Conger
Thomas D. Dodds
Vicki O. Dodds
Claude M. Durham
Jean E. Humphreys
Logusta Dutcher
Kenneth L. Evans
Ruth Ann Evans
A.E. Gandy
Leona O. Gandy
Allan Hulen
JoAnn Hulen
Lynnene V. Lewis
Jessie (McDonald) Bearden
Robert M. McGinness
Dorothy J. McGinnes

Preston F. McKinney
Marilyn A. McKinney
Marshall Hotshot & Rental Inc.
Donnie Marshall, President
Don Mullins
Wynnette Mullins
Helen M. Olson
Virgil J. Olson
William R. Oster
G.H. Reynolds
Robin M. Parker
James H. Robbins
Rudy P. Rodriquez
Space Tubing Testing, Inc.
James B. Pogue, Jr. , President
Lynn Towery
Mildred Towery
L.E. Wilkinson
Janette Yeager
Margaret Michael
Robert M. Dutcher
Barbara B. Wiggins
Rodger McGinness
Robert G. Pickett
Robert B. Butler
Zenia K. Butler

JASPER PROPERTIES, INC.

By _____
Luke W. Anthony, President, on behalf of Jasper Properties, Inc., and further on behalf of Jasper Properties, Inc., as Attorney-in-fact for (list exact names of all persons who have executed powers of attorney).

ATTEST:

_____
Luella Anthony, Secretary

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 27th day of February, 1987, by Luke W. Anthony, as President, and Luella Anthony, as Secretary, of Jasper Properties, Inc., a corporation, on behalf of said corporation and further on behalf of said corporation as Attorney-in-Fact for those persons named above and whose Powers of Attorney are attached hereto.

Witness my hand and official seal.

_____
Notary Public

My Commission Expires: 3-24-90

1601 East Mississippi