

DECLARATION OF RESTRICTIONS

PAGOSA MEADOWS, UNIT II

THIS DECLARATION, made this 9 day of SEPTEMBER 1971, by TRANS-AMERICA TITLE INSURANCE COMPANY, a California corporation, being the owner in fee, as Trustee for EATON INTERNATIONAL CORPORATION, a Delaware corporation, and acting pursuant to directions from EATON INTERNATIONAL CORPORATION, as Trust beneficiary, herein referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of the following described real property, hereinafter sometimes called the "real property", located in the County of Archuleta, State of Colorado:

All of that portion of Section 32, Township 35 North, Range 2 West, N.M.P.M., entitled Pagosa Meadows, Unit II, which plat is recorded or intended to be recorded in the records of Archuleta County, Colorado, and is made a part hereof and incorporated herein by reference; and

WHEREAS, Declarant anticipates selling and conveying from time to time portions of the above-described property, any such portion being hereinafter called a "parcel"; and

WHEREAS, Declarant desires to establish the nature of the use and enjoyment of said real property and to that end wishes to subject it to and impose upon it certain covenants, conditions, restrictions and reservations, hereinafter referred to as "Restrictions";

NOW, THEREFORE, Declarant hereby declares that the said real property and each parcel therein is and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved subject to the following Restrictions, all of which are declared and agreed to be in furtherance of a general plan, and are established for the purpose of enhancing and protecting the value, desirability and attractiveness of the real property. All of the Restrictions shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest in and to the real property or any part or parts thereof.

1. TERM

A. These Restrictions shall affect and run with the land and shall exist and be binding upon all parties and all persons claiming under them until

Recorded Sept 13, 1971 At 3:40 P.M.
Recpt. No. 74887 Felima Gardner-- Recorder

74887 BOOK 12 PAGE 95

January 1, 2000, after which time the same shall be extended for successive periods of ten (10) years each, unless an instrument signed by a majority of the then owners of the lots subject thereto has been recorded, agreeing to change the covenants in whole or in part, provided, however, that at any time before January 1, 1985 these Restrictions may be amended by the vote of the then record owners of two-thirds (2/3) of such lots and thereafter by a majority of such owners.

B. Declarant reserves to itself, its successors and assigns the right to revoke at any time prior to the sale of any parcel all or any of these Restrictions.

2. MUTUALITY OF BENEFIT AND OBLIGATION

The Restrictions and agreements set forth herein are made for the mutual and reciprocal benefit of each and every owner of any portion of the real property and are intended to create mutual, equitable servitudes upon each of said lots in favor of each and all of the other parcels therein; to create reciprocal rights between the respective owners of all of said parcels; to create a privity of contract and estate between the grantees of said parcels, their heirs, successors and assigns, and shall, as to the owner of each such parcel, his heirs, successors or assigns operate as covenants running with the land for the benefit of each and all other parcels and their respective owners.

3. ENVIRONMENTAL CONTROL COMMITTEE

A. All plans and specifications for any structure or improvement whatsoever to be erected on or moved upon or to any portion of the real property and the proposed location thereof, the construction material, the roofs and exterior color schemes, any later changes or additions after initial approval thereof, and any remodeling, reconstruction, alterations or additions thereto shall be subject to and shall require the approval in writing before any such work is commenced of the Environmental Control Committee (herein called "Committee"), as the same is from time to time composed.

B. The Committee shall be composed of three (3) members to be appointed by Declarant. Committee members shall be subject to removal by Declarant and any vacancies from time to time existing shall be filled by appointment of Declarant, or in the event of Declarant's failure to so appoint within two (2) months after any such vacancy, then by the Board of Directors of the Pagosa Property Owners Association, Inc. (herein called "Association"), provided, however, that at any time hereafter the Declarant may, at its sole option, relinquish to the Board of Directors of the Association the power of appointment and removal reserved herein to the Declarant. Such transfer of power must be evidenced in writing.

C. There shall be submitted to the Committee, a building application on forms approved by Declarant together with two (2) complete sets of plans and specifications for any and all proposed improvements, the erection or alteration of which is desired, and no structures or improvements of any kind shall be erected,

altered, placed or maintained upon any parcel unless and until the final plans, elevations and specifications therefor have received such written approval as herein provided. Such plans shall include plot plans showing the location on the lot of the building, wall, fence or other structure proposed to be constructed, altered, placed or maintained, together with the schemes for roofs and exteriors thereof and proposed landscape planting. A filing fee of thirty dollars (\$30.00) shall accompany the submission of such application and plans to defray Committee's expenses. No additional fee shall be required for resubmission of plans revised in accordance with Committee's recommendations.

D. The Committee shall approve or disapprove plans, specifications and details within thirty (30) days from the receipt thereof. One (1) set of said plans and specifications and details with the approval or disapproval endorsed thereon shall be returned to the person submitting them, and the other copy thereof shall be retained by the Committee for its permanent files.

E. The Committee shall have the right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with all of the provisions of these Restrictions; if the design or color scheme of the proposed building or other structure is not in harmony with the general surroundings of the real property or with the adjacent buildings or structures; if the plans and specifications submitted are incomplete; or in the event the Committee deems the plans, specifications or details, or any part thereof, to be contrary to the interests, welfare or rights of all or any part of the real property subject hereto or the owners thereof. The decisions of the Committee shall be final.

F. Neither the Committee nor any architect or agent thereof or of Declarant shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing provisions, nor for any structural or other defects in any work done according to such plans and specifications.

G. The Committee shall have the authority to set up regulations as to the height and size requirements for all types of buildings and structures including fences, walls, copings, etc.

4. GENERAL REQUIREMENTS AND PROHIBITIONS

A. Said parcels are hereby restricted to single family residential dwellings for single family residential use; agricultural-type structures and improvements including barns for agricultural use; ranching-type structures and improvements for ranching use. All buildings or structures erected, placed or permitted upon said premises shall be of new construction, and no buildings or structures shall be moved from other locations onto said premises.

B. No pigs or swine shall be bred, raised or allowed on any parcel; not more than two (2) goats or sheep shall be bred, raised or allowed on any parcel; not more than two (2) horses and/or cows for each acre owned shall be bred, raised or allowed thereon; no chickens, other than as domestic pets, shall

be allowed to run at large. The Declarant or its designee shall have the right to inspect any and all outbuildings which house either fowl or animals to determine if such is being maintained in a sanitary condition. If such conditions are not deemed to be clean and sanitary, then the Declarant or its designee shall so inform the owner of such premises, in writing, of the conditions to which it objects and the owner shall have a period not to exceed fifteen (15) days from date of such notice in writing to remedy and correct the unclean or unsanitary condition of the premises to the full and complete satisfaction of the Declarant or its designee.

C. No business or commercial activity other than the conducting of a farm, ranch, dude ranch or horse stables shall be permitted. Nothing herein contained shall be construed to prohibit the conducting of a medical, dental or legal office on any parcel. Provided further, however, the foregoing covenants shall not apply to the business activities, signs and billboards or the construction and maintenance of buildings, if any, of the Declarant or its designee.

D. No structure of any kind for the housing of animals or fowl shall be located closer than one hundred (100) feet from any parcel boundary line; no structure of any kind for the housing of animals or fowl shall be located closer than twenty-five (25) feet to any residential dwelling, even though a residential dwelling shall be located upon the same parcel and under the same ownership as a structure for the housing of animals or fowl.

E. No residential dwelling shall be located closer than fifty-five (55) feet from any parcel boundary line, and no residential dwelling shall be located closer than twenty (20) feet to any other residential dwelling.

F. No parcel shall be divided into any subparcels by a subdivision plat thereof, or otherwise, without the prior written approval of the Committee.

G. Any permanent structure designed for human habitation must contain at least one (1) bathroom installed within the confines of the permanent structure; said bathroom is to contain at least one (1) water closet, lavatory, bathtub and/or shower stall facilities. All structures for human habitation must have a water supply which complies with the State of Colorado and County of Archuleta regulations, if any, and approved by the Committee.

H. No outside toilet shall be constructed on any parcel. With the prior written consent of the Committee, water wells and septic systems may be constructed on parcels not served by central water or sewage systems, provided, however, such water or septic facilities shall comply with all requirements of the Health Department of the State of Colorado and other governmental agencies having jurisdiction thereof. All plumbing fixtures, dishwashers or toilets shall be connected to the central sewage system or individual septic systems as permitted above. Storm water shall not be allowed to flow into the sewage system. At such time as central water or sewer facilities become available to a parcel owner who has constructed a septic system and/or water well which is used for domestic purposes, such water well and/or septic system shall be abandoned and the central system made available shall be utilized exclusively. The central water and/or

sewage system shall be deemed to be available for purposes of this paragraph when water and/or sewer lines are installed, operative and ready for connection within one hundred (100) feet of the property line of the parcel utilizing such water well and/or septic system.

I. No temporary house, trailer, tent, garage or other outbuilding shall be placed or erected on any parcel, provided, however, that the Committee may grant permission for any such temporary structure for storage of materials during construction. No such temporary structures as may be approved shall be used at any time as a dwelling place, nor shall any overnight camping be permitted on any parcel without the written approval of the Committee.

J. Once construction of improvements is started on any parcel, the improvements must be substantially completed in accordance with plans and specifications, as approved, within six (6) months from commencement.

K. No residence shall be occupied until the same has been substantially completed in accordance with its plans and specifications.

L. All structures constructed or placed on any parcel shall be constructed with a substantial quantity of new material and no used structures shall be relocated or placed on any such parcel.

M. All signs, billboards or advertising structures of any kind are prohibited, except upon application to and written permission from the Committee.

N. No stripped down, partially wrecked or junk motor vehicles, or sizable part thereof, shall be permitted to be parked on any street or on any parcel.

O. Every tank for the storage of fuel installed outside any building shall be either buried below the surface of the ground or screened to the satisfaction of the Committee by fencing or shrubbery. Every outdoor receptacle for ashes, trash, rubbish or garbage shall be installed underground, screened or so placed and kept in a manner approved by the Committee.

P. No owner of any parcel shall build or permit the building thereon of any dwelling house that is to be used as a model house or exhibit, unless prior written permission to do so shall have been obtained from the Committee.

Q. All parcels, whether occupied or unoccupied, and any improvements placed thereon, shall at all times be maintained in such manner as to prevent their becoming unsightly by reason of unattractive growth on such parcels or the accumulation of rubbish or debris thereon.

R. No noxious, offensive or illegal activities shall be carried on on any parcel, nor shall anything be done on any parcel that shall be or become an unreasonable annoyance or nuisance to the neighborhood.

S. No oil or natural gas drilling, refining, quarrying or mining operations of any kind shall be permitted upon or in any parcel, and no derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any parcel.

T. No commercial-type truck shall be parked for storage overnight, or longer, on any parcel in such a manner as to be visible to the occupants of other parcels, unless the prior written approval of the Committee has been obtained.

U. Any dwelling or outbuilding on any parcel which may be destroyed in whole or in part by fire, windstorm or for any other cause or act of God must be rebuilt, or all debris removed and the parcel restored to a sightly condition with reasonable promptness, provided, however, that in no event shall such debris remain longer than sixty (60) days.

V. No tree over three (3) inches in diameter shall be removed from any parcel without the written consent of the Committee.

W. No exterior television or radio antenna of any kind shall be constructed or erected on any parcel or residence after such time as a central television system has been made available at rates commensurate with those prevailing in the area.

X. No trash, ashes, garbage or other refuse shall be dumped or stored or accumulated on any parcel, or be thrown into or left on the shoreline of any waterway in the real property. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted. In order to enhance the appearance and orderliness of the real property, the Declarant hereby reserves for itself, its successors and assigns the exclusive right to operate, or from time to time to grant an exclusive license to a third party to operate a commercial scavenging service within the real property for the purpose of removing garbage, trash and other like household refuse. Such refuse collection and removal service shall be provided not less often than once each week on a day or days designated by the Declarant or its successors or assigns. The charge to be made for such refuse collection and removal service shall be at a reasonable rate commensurate with the rates charged by commercial scavengers serving other subdivisions of high standards in the area and shall be subject to change from time to time.

Y. No change in ground level may be made of any parcel in excess of one (1) foot from existing grades without the written approval of the Committee obtained prior to the commencement of work.

5. VARIANCES

The Committee may allow reasonable variances and adjustments of these Restrictions in order to overcome practical difficulties and prevent unnecessary hardships in the application of the provisions contained herein, provided, however, that such is done in conformity with the intent and purposes hereof and provided also that in every instance such variance or adjustment will not be materially detrimental or injurious to other property or improvements within the real property.

6. OWNERSHIP, USE AND ENJOYMENT OF
PARKS AND RECREATIONAL AMENITIES

A. All parks, recreational facilities and other amenities within the Subdivision are private and neither the Declarant's recording of the plat nor any other act of Declarant with respect to the plat shall be construed as a dedication to the public, but rather all such parks, recreational facilities and other amenities shall be for the use and enjoyment of members or associate members of the Pagosa Property Owners Association, Inc., to residents of rental properties, other classifications of persons as may be designated by the Declarant, and to the guests of such members of the Association or other residents of Pagosa who qualify for the use and enjoyment of the facilities.

B. The ownership of all recreational facilities within the Subdivision shall be in Declarant or its designee; however, Declarant may convey or otherwise transfer any or all of the facilities to the Pagosa Property Owners Association, Inc. and such conveyance shall be accepted by it, provided it is free and clear of all financial encumbrances.

7. PAGOSA PROPERTY OWNERS ASSOCIATION, INC.

A. Every person acquiring legal or equitable title to any lot in the Subdivision, except limited commercial lots, C-1, becomes a member of the Pagosa Property Owners Association, Inc., a Colorado non-profit corporation, herein referred to as "Association", and with such ownership in the Subdivision and membership in the Association, he then becomes subject to the requirements and limitations imposed in these Restrictions and to the regulations and assessments of the Association, with the exception, however, of such person or persons who hold an interest in any such lot merely as security for the performance of an obligation to pay money, e.g., mortgages, deeds of trust or real estate contract purchases. However, if such a person should realize upon his security and becomes the real owner of a lot within the Subdivision, he will then be subject to all the requirements and limitations imposed in these Restrictions on owners of lots within the Subdivision and on members of the Association, including those provisions with respect to alienation and the payment of an annual charge.

B. The general purpose of the Association is to further and promote the community welfare of property owners in the Subdivision and of the general development of Pagosa.

C. The Association shall be responsible for the maintenance, upkeep and repair, and the establishment and enforcement of rules and regulations concerning the operation and use of all recreational facilities and other properties within the Subdivision and the Pagosa development as it may from time to time own or agree to maintain. The Association may provide fire and police protection for the residents of the Subdivision and the Pagosa development.

In the event that the Association at any time fails to properly maintain such parks and recreational facilities, or fails to provide adequate fire and police protection, the Declarant may, in its sole discretion, enter upon and make any and all repairs, or may maintain any of the properties under the responsibility of the Association, or the Declarant may adopt measures to provide adequate fire and police protection and may charge the Association for all such repairs or protections, provided, however, that Declarant shall under no circumstances be obligated to take any such action.

D. The Association shall have all the powers that are set out in its Articles of Incorporation and all other powers that belong to it by operation of law, including (but not limited to) the power to assess and collect from every member of the Association a uniform monthly charge per single family residential lot within the Subdivision. The amount of such charge is to be determined by the Board of Directors of the Association for the purposes set forth in the Articles of Incorporation and the charge, in no event, shall be less than two dollars (\$2.00) per month, payable annually, and provided further that no such charge shall ever be made against or be payable by the Declarant, the Association itself or any entity that may be created to acquire title to and operate the water or sewer utilities serving the Subdivision, any commercial operations or any waterway, beach, access tract, marina, golf course, tennis courts, swimming pool, clubhouse, clubhouse grounds, campgrounds or other like recreational facilities within the Subdivision.

All multiple residential use lots shall pay a minimum charge of two dollars (\$2.00) per month per lot prior to construction and, thereafter, a minimum charge of two dollars (\$2.00) for each living unit constructed.

All monthly charges are payable annually by the member to the Association on or before the first day of May of each year for the ensuing year. The Board of Directors of the Association shall fix the amount of the annual charge per lot by the first day of April of each year, and written notice of the charge so fixed shall be sent to each member in the event it is changed from the previous year.

Every person who shall become the legal or equitable owner of any lot in the Subdivision by any means is, by the act of acquiring such title, or by the act of contracting to acquire such title, held to have agreed to pay the Association all charges that the Association shall make in accordance with these Restrictions. If such payment is not made when due, it shall bear interest from the due date at the rate of eight percent (8%) per annum. Until paid, such charges, together with costs and reasonable attorney's fees required to secure payment thereof, shall constitute a perpetual lien on and against the property charged. The Association may publish the name of a delinquent member and may file notice that it is the owner of a lien to secure payment of the unpaid charge, plus costs and reasonable attorney's fees, and may foreclose the lien in accordance with the laws of the State of Colorado.

The Association shall, upon demand at any time, furnish a list of members who have paid such assessment or of such members who are then delinquent in the payment of such assessments.

E. The fund accumulated, as a result of the charges levied by the Association, shall be used exclusively for the purposes of promoting the recreation, health, safety and welfare of the members of the Association and, in particular, providing police and fire protection and the maintenance of the waterways, parks and other recreational facilities.

F. The lien of a mortgage or deed of trust placed upon any lot for the purpose of permanent financing and/or constructing a residence or other improvement thereon shall be superior to any such lien as provided for in these Restrictions.

G. The Board of Directors of the Association shall have the right to suspend voting rights (if any) and the right to the use of the recreational facilities of any member or associate member if any charge owed (as assessed under paragraphs 7-D and 8 of these Restrictions) remains unpaid; or for any continuing violation of the restrictive covenants for the Subdivision, after the existence of the violation has been brought to the attention of the member in writing by the Board of Directors of the Association; or during the period that any utility bill for water or sewer service remains unpaid.

8. ASSOCIATION'S RIGHT TO
PERFORM CERTAIN MAINTENANCE

In the event an owner of any lot in the Subdivision shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors of the Association, the Association shall have the right to enter upon said lot and repair and restore the lot and the exterior of any improvements erected thereon. Such right shall not be exercised unless two-thirds (2/3) of the Board of Directors shall have voted in favor of such action. The cost of such exterior restoration and maintenance shall be added to and become a part of the annual charge to which such lot is subject. The Association shall not be liable for any damage which may result from any maintenance work performed hereunder.

9. REMEDIES

A. The Association or any party to whose benefit these Restrictions inure, including the Declarant, its successors and assigns, may proceed at law or in equity to prevent the occurrence, continuation or violation of any of these Restrictions, provided, however, that it is expressly understood that the Association or Declarant shall not be liable for damages of any kind to any party for failing to either abide by, enforce or carry out any of these Restrictions.

B. No delay or failure on the part of any aggrieved party to invoke an available remedy set forth in 9-A above in respect of a violation of any

of these Restrictions shall be held to be a waiver by that party of (or an estoppel of that party to assert) any right available to him upon the recurrence or continuation of said violation or the occurrence of a different violation.

10. GRANTEE'S ACCEPTANCE

A. The grantee of any parcel subject to the coverage of this Declaration, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent owner of such parcel, shall accept such deed or contract upon and subject to each and all of these Restrictions and the agreements herein contained, and also the jurisdiction, rights and powers of Declarant and by such acceptance shall for himself, his heirs, personal representatives, successors and assigns covenant, consent and agree to and with Declarant, and to and with the grantees and subsequent owners of any portion of the real property to keep, observe, comply with and perform said Restrictions and agreements.

B. Each such grantee also agrees by such acceptance to assume, as against Declarant, its successors or assigns, all the risks and hazards of ownership or occupancy attendant to such parcel.

11. SEVERABILITY

Every one of the Restrictions is hereby declared to be independent of and severable from the rest of the Restrictions, and of and from every other one of the Restrictions, and of and from every combination of the Restrictions. Therefore, if any of the Restrictions shall be held to be invalid, or to be unenforceable, or to lack the quality of running with the land, that holding shall be without effect upon the validity, enforceability or "running" quality of any other one of the Restrictions.

12. CAPTIONS

The underlined captions preceding the various paragraphs and subparagraphs of these Restrictions are for convenience of reference only and none of them shall be used as an aid to the construction of any provision of the Restrictions. Wherever and whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.

IN WITNESS THEREOF, the Declarant has executed this Declaration on the day and year first above written.

- 11 -

TRANSAMERICA TITLE INSURANCE COMPANY,
a California corporation, as Trustee

By:

J. Patterson
Vice President

ATTEST:

Robert St. John
Assistant Secretary

STATE OF ARIZONA)
COUNTY OF MARICOPA) SS.

This instrument was acknowledged before me this 9th day of Sept 1971, by
J.M. PATTERSON and Robert St. John as Vice Pres. and
Asst. Secretary respectively of TRANSAMERICA TITLE INSURANCE COMPANY, a
California corporation, acting as Trustee.

My commission expires 8-5-75

Kathryn Cornahan
Notary Public

74887

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PAGOSA-MEADOWS, UNIT IV

WITNESSETH:

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as agreed upon, for the estimated share of the cost, including installation of the pump and storage tank for the well. The general provisions and agreements regarding the cost and use of the well is contained in an Addendum to the Real Estate Purchase Agreement entered into between the lot purchaser and Declarant. The maintenance and operation of the well and the costs in conjunction with it are to be the responsibility of those parties using the well. The pump and storage tank is to have a minimum of 150 gallons for each lot having the right to use the well. The pump and storage tank are to be enclosed by a suitable enclosure as approved by the Environmental Control Committee. Lot purchasers must comply with any government requirements regarding the installation of the pump and storage tank and the overall use and operation of the well. Lot purchasers are individually responsible for installing the water line from the well to the purchaser's lot with the distribution lines to be placed within the road right-of-ways.

IN WITNESS WHEREOF, the Declarant has executed this Declaration on the day and year first above written.

EATON INTERNATIONAL CORPORATION,
a Delaware corporation

By: Ralph H. Eaton
President

ATTEST:

David H. Eaton
Secretary

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me this 1st day of June 1973 by Ralph H. Eaton and David H. Eaton as President and Secretary respectively of EATON INTERNATIONAL CORPORATION, a Delaware corporation.



Douglas Norlock
Notary Public

My commission expires May 13, 1978

77886

132 251

Recorded JAN 11 1978

At 10:02 AM

Recpt. No. 90305

Felima Gardner-- Recorder

AMENDMENT TO RESTRICTIONS

EATON INTERNATIONAL CORPORATION, having adequate ownership and/or consents pursuant to the below referred Declaration of Restrictions, hereby Amends the said Declaration of Restrictions recorded as follows in the office of the Archuleta County, Colorado Recorder:

RECORDED:

| | |
|-----------------------|--------------------|
| 1. September 13, 1971 | Book 126, Page 95 |
| 2. May 23, 1972 | Book 128, Page 72 |
| 3. June 7, 1973 | Book 132, Page 250 |
| 4. June 24, 1970 | Book 122, Page 224 |
| 5. September 13, 1971 | Book 126, Page 71 |
| 6. June 4, 1973 | Book 132, Page 245 |
| 7. June 4, 1973 | Book 132, Page 231 |
| 8. November 5, 1973 | Book 134, Page 35 |
| 9. November 5, 1973 | Book 134, Page 37 |
| 10. March 1, 1972 | Book 127, Page 275 |
| 11. June 6, 1972 | Book 128, Page 264 |

As to all the above, whether directly recited or incorporated by reference, the first and second paragraphs of Paragraph 7D of 1, 2, 3 above, and the first and second paragraphs of Paragraph 11D of 4 through 11 above are amended to read as follows:

D. The Association shall have all the powers that are set out in its Articles of Incorporation and all other powers that belong to it by operation of law, including (but not limited to) the power to assess and collect from every member of the Association a uniform annual charge per single-family residential lot within the Subdivision. The amount of such charge is to be determined by the Board of Directors of the Association for the purposes set forth in the Articles of Incorporation; and the charge in no event shall be less than as follows:

\$21.00 annually; for the initial lot owned, plus \$1.00 per year for each additional lot owned in the same name;

\$27.00 annually, where a lot has been improved with a living unit,

and provided further that no such charge shall ever be made against, or be payable by, the Declarant, the Association itself, or any entity that may be created to acquire title to, and operate, the water or sewer utilities serving the Subdivision, any commercial operations or any waterway, beach, access tract, marina, golf course, tennis courts, swimming pool, clubhouse, clubhouse grounds, campgrounds, or other like recreational facilities within the Subdivision.

90305

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COMPLIMENTS OF
COLORADO LAND TITLE CO.
P. O. BOX 334
SAGOSA SPRINGS, CO 81147
(303) 757-5875 264-4178

All multiple residential use lots shall pay a minimum charge of \$27.00 per year for each living unit constructed.

Except as above modified, the above recited Declarations of Restrictions remain unchanged.

DATED this 6th day of January, 1978.



EATON INTERNATIONAL CORPORATION,
a Delaware corporation

By David H. Eaton
Executive Vice President

ATTEST:

Patricia L. Vietze
Assistant Treasurer

STATE OF ARIZONA }
County of Maricopa } ss.

This instrument was acknowledged before me this 6th day of January, 1978, by David H. Eaton and Patricia L. Vietze, as Executive Vice President and Assistant Treasurer, respectively, of EATON INTERNATIONAL CORPORATION, a Delaware corporation.



Kandi S. Martin
Notary Public

My Commission expires: _____
My Commission Expires Feb. 5, 1982

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90365

Recorded **AUG - 2 1983** 8:35 A.M.
Page **117710** Martha Valdez-Recorder
J.V.

SUPPLEMENTAL DECLARATION OF RESTRICTIONS

FOR

FAIRFIELD - EATON, INC.

This Supplemental Declaration of Restrictions (hereinafter referred to as Supplemental Declaration) made and entered into this 26th day of July, 1983, by and between Fairfield - Eaton, Inc., a Delaware Corporation, (hereinafter referred to as Declarant) and Colorado Land Title Company, a Colorado Corporation, (hereinafter referred to as Title Company) parties of the first part ; and SUCCESSORS IN TITLE TO DECLARANT AND/OR TITLE COMPANY IN AND TO ANY AND ALL NUMBERED LOTS IN THE HEREINAFTER ENUMERATED SUBDIVISIONS WHICH LOTS ARE EITHER OWNED BY DECLARANT AND/OR TITLE COMPANY AT THE DATE OF RECORDATION OF THIS SUPPLEMENTAL DECLARATION OF RESTRICTIONS OR ARE HEREAFTER ACQUIRED BY DECLARANT AND/OR TITLE COMPANY, ITS SUCCESSORS OR ASSIGNS, parties of the second part;

For the purpose of this Supplemental Declaration the term "lot" shall mean and include any and all townhouses and condominiums platted of record, any and all timeshare units platted of record, and any and all land subdivided and platted of record as single family residences;

WITNESSETH:

WHEREAS, Declarant is the developer of that certain resort development known as "Fairfield Pagosa" located in Pagosa Springs, Archuleta County, Colorado; and-

WHEREAS, Declarant has conveyed the legal title to certain properties in Fairfield Pagosa to Title Company pursuant to a Title Clearing Agreement dated June 21, 1983 for the purpose of providing a convenient method of conveying title, releasing encumbrances and protecting the interest of the parties as their interests may appear; and

WHEREAS, Declarant is the developer of certain lots in the subdivisions hereinafter enumerated, which subdivisions are located in Fairfield Pagosa,

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COMPLIMENTS OF
COLORADO LAND TITLE CO.
P. O. BOX 324
PAGOSA SPRINGS, CO 81147
(303) 724-4845 264-4178

Plats of said subdivisions being recorded in the Archuleta County Recorder's Office in the Books at the Pages hereinafter enumerated, the aforesaid subdivisions and the recordation data of the respective plats and Declaration of Restrictions being attached hereto as Exhibit A; and

WHEREAS, Declarant is also the owner and/or developer of certain un-numbered land or lands in Fairfield Pagosa which lands are intended for commercial, multiple dwelling, condominium or hotels, or recreational uses; and,

WHEREAS, certain of the aforesaid unnumbered land or lands have been developed by Declarant as recreational amenities; and,

WHEREAS, Declarant may hereafter develop other of said lands as recreational amenities; and,

WHEREAS, the recreational amenities hereinabove referred to include or may hereafter include but shall not be limited to, dams, lakes, beaches, golf courses, tennis courts, swimming pools, club houses and adjacent clubhouse grounds, and campgrounds; and

WHEREAS, the aforesaid recreational amenities are provided to further and promote the community welfare of property owners in Fairfield Pagosa; and

WHEREAS, any or all of the aforesaid recreational amenities may be conveyed by the Declarant or the operation thereof may be transferred to one or more non-profit property owners associations, whereupon the maintenance, repair, and upkeep, of such recreational amenities will be provided by said association(s); and

WHEREAS, Declarant desires to insure the maintenance, repair, and upkeep of such recreational amenities until such time if ever, as any or all of such recreational amenities may be conveyed or the operation thereof transferred to one or more non-profit property owners associations; and

WHEREAS, Declarant also desires to insure that all purchasers of lots in the subdivisions hereinafter enumerated in Exhibit A will be members of the Pagosa Property Owners Association, a Colorado non-profit corporation, hereinafter referred to as "Association";

NOW, THEREFORE, Declarant hereby declares that all numbered lots in the aforesaid subdivisions listed on Exhibit A attached hereto (1) owned by Declarant or Title Company at the date and time of recordation of this Supplemental Declaration or (2) hereafter acquired by Declarant or Title Company, its successors and assigns, are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved subject to this

Supplemental Declaration as well as to the applicable Declaration of Restrictions hereinafter set forth in Exhibit A attached hereto; provided however that any lot heretofore sold by Declarant for which a deed has not been recorded shall not be subject to this Supplemental Declaration (unless hereafter acquired by Declarant, its successors or assigns) provided that the deed for such lot is recorded without reference therein to this Supplemental Declaration.

THE COVENANTS, CONDITIONS AND CHARGES HEREBY IMPOSED UPON SUCH LOTS ARE AS FOLLOWS:

Article I. Recreational Amenity Fee

Section 1. Power to Levy Fee. The Declarant shall have the power to levy against each lot subject to the provisions hereof an annual charge, the amount of said charge to be determined solely by the Declarant after consideration of current and future needs of Declarant for the reasonable and proper maintenance, repair and upkeep of all recreational amenities owned by the Declarant or Title Company and actually provided at the date of the levy of such charge. The recreational fee may be collected for the Declarant by one or more designated property owners associations as a part of their common expenses.

Section 2. Successors and Assigns. The power to levy such charge shall inure also to the successors and assigns of each such recreational amenity, provided however, that no charge shall be levied by any such successor or assign within twelve (12) months following the date of levy by Declarant or by the predecessor in title to such successor or assign of a charge as provided herein for the maintenance, repair, and upkeep of the recreational amenity or amenities acquired by such successor or assign.

Section 3. Entities Not Subject to Fee. No such charge shall ever be levied against lots owned by the Declarant or Title Company, by any non-profit property owners association, or by any corporation or corporations that may acquire title to or operate any water or sewer utilities serving the area, or any dams, lakes, beaches, golf courses, tennis courts, swimming pools, club house grounds, or other like recreational facilities, regardless of whether such facilities are used by persons other than lot owners.

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Section 4. Liens. Charges to be levied by the Declarant, its successors and assigns, for the maintenance, repair and upkeep of the recreational amenity or amenities during the ensuing year shall be determined on or before the first day of each year. Each such charge shall become a lien or encumbrance upon the lot upon which same is levied as of the aforesaid first day of January, and acceptance of each deed for a lot or the execution of the Contract of Purchase for a lot, shall be construed to be a covenant by the lot owner or lot purchaser to pay each such charge. Any lot acquired shall be taken subject to the lien for any unpaid prior charges, and every person who shall become the owner of the title, legal or equitable, to any lot subject to such a charge by any means whatsoever (other than a mortgagee under a mortgage or a trustee under a Deed of Trust) shall be deemed conclusively to have covenanted to pay to Declarant, its successors or assigns, any such charge or charges. However, if a mortgagee or trustee under a Deed of Trust should, through foreclosure or otherwise, become the equitable or real owner of the lot, he will then be subject to all provisions of these Covenants.

Section 5. Payment. Each such charge shall become due and payable on the first day of March of the year in which such charge is levied, and each such charge shall bear interest from its due date at the highest rate of interest allowed by law, which interest until paid shall also constitute a lien or encumbrance upon the lot to which said charge is applicable. Such charge shall be pro-rated from the date of execution of the lot purchase contract.

Section 6. Place of Payment. Payment of all charges provided for herein, whether levied by Declarant, its successors or assigns, shall be made to Declarant, its agents, successors, or assigns at Fairfield Pagosa, P. O. Box 4100, Pagosa Springs, Colorado, 81157 or to such replacement address or addresses of Declarant, its agents, successors or assigns as may be designated by Declarant.

Section 7. Remedies. The lien of each charge as provided for hereunder may be foreclosed by Declarant, its successors or assigns, at any time following the due date of the charge levied. In addition and as an alternative to the remedy of lien foreclosure, the Declarant, its successors and assigns, shall have the right and option to sue the lot owner or lot purchaser and any successor owner or owners of same for any and all unpaid charges, interest, costs and reasonable attorney's fees, in any court of competent

jurisdiction as for a debt owed by such lot owner or lot purchaser or successor lot owner or lot purchaser to Declarant, its successors or assigns.

Section 8. Priority. Any and all liens as provided for in this item shall be subordinate to the lien of a bona fide mortgage or Deed of Trust representing a first lien at any time placed upon any lot for the purpose of permanent financing provided said mortgage or Deed of Trust is recorded in accordance with the laws of the State of Colorado.

Section 9. Record Keeping. All funds accumulated from the charges levied hereunder by the Declarant, its successors and assigns, shall be separately reflected on the books of account of the Declarant or any other such owner, if any, of said amenities as pertaining to the recreational facilities of the subdivision.

Section 10. Suspension of Privileges. Declarant, its agents, successors or assigns shall have the right to publish a list of lots subject to charges hereunder, which charges are in a delinquent status; and Declarant, its successors and assigns, shall have the right to suspend the use of all recreational facilities owned by Declarant, its successors and assigns, by any person or persons basing the right of use of such recreational facilities upon the ownership or possession of any such lot for which charges provided for hereunder are delinquent.

Section 11. Use Fee. Nothing contained herein shall be interpreted or construed to prevent Declarant, its successors or assigns, from charging any user for the use of any amenities owned or operated by them, or any of them; including charges for individual services or goods provided users through such facilities.

Article II. Pagosa Property Owners Association

Section 1. General. The Pagosa Property Owners Association, Inc. is a Colorado non-profit corporation which is organized for the benefit of the residents and owners of property within the Fairfield Pagosa Resort to promote community welfare, strengthen and enhance property values and operate and be responsible for certain of the common areas.

Section 2. Membership in the Association. Every person acquiring legal or equitable title to any Lot shall automatically be a member of the Association, subject to the requirements imposed by these Covenants and the Articles.

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COLORADO LAND TITLE CO.
P. O. BOX 334
-4008A SPRINGS, CO 81147
1001-781-4245 264-4178

Bylaws, rules and regulations of the Association. The provisions of this Section 1 will not apply to any persons who hold an interest in any Lot solely as security for the performance of an obligation to pay money, such as mortgages or deeds of trust. However, if any such person should, through foreclosure or otherwise, become the equitable or real owner of the Lot, he will then be subject to all provisions of these Covenants.

Section 3. Powers and Duties. The Association will have the powers and duties set forth in its Articles, Bylaws, rules and regulations, and applicable Declaration of Covenants and Restrictions, including the power to assess its Members, and the duty to maintain parks, recreational facilities and provide such other community services such as police and fire protection as it determines advisable. If the Association does not properly perform any of its required duties, Declarant shall have the right, but not the obligation, to perform such duties.

Section 4. Assessments.

- (a) Lots Subject to Assessments. All Lots subject to the provisions hereof shall be subject to assessments by the Association. However, no assessment shall be payable by Declarant, the Title Company, or the Association itself. In addition, neither Declarant, the Association, or any other entity shall pay assessments for portions of the Property utilized for public water or sewer services, community waterways, nonexclusive beaches, access tracts, marinas, golf courses, tennis courts, swimming facilities, clubhouses or grounds, campgrounds or other similar recreational facilities so designated by Declarant on any recorded plat or subsequently recorded document.
- (b) Basis of Assessments. The Association will adopt a budget at the beginning of each fiscal year and will set assessments for the year sufficient to fund its budgeted operations. The Association will then set the level of assessment for each Lot in a manner which equitably shares the expenses of the Association's operations based on the benefit each Lot derives from the Association, its size, value and other pertinent factors determined by the Association. Lots determined by the Association to be comparable will be assessed equally. The Association will promptly notify Lot Owners of their Lot's assessment by the first day of April each year.

- (c) Payment. All assessments are payable annually on or before the first day of May each year. Every person who shall become the legal or equitable Owner of a Lot subject to assessments hereunder by any means is, by the act of acquiring such title, or by the act of contracting to acquire such title, held to have agreed to pay the Association all charges that the Association shall make in accordance with these Covenants. If such payment is not made when due, it shall bear interest from the due date at the rate of 12 percent per annum. Until paid, such charges, together with costs and reasonable attorneys' fees required to secure payment thereof, shall constitute a perpetual lien on and against the Lot charged. The Association may publish the name of a delinquent Member and may file notice that it is the holder of a lien to secure payment of the unpaid charge plus costs and reasonable attorneys' fees and may foreclose the lien in accordance with the laws of the State of Colorado. The Association shall, upon demand at any time, furnish a list of Members who have paid such assessments or of such Members who are then delinquent in payment of such assessments.
- (d) Priority. The lien for unpaid Association assessments shall be junior and subordinate to any properly recorded First Lien on any portion of Fairfield Pagosa. However, all assessments coming due after any holder of a First Lien acquired actual or equitable title through foreclosure or otherwise shall constitute a lien on the lot involved as provided above. The Declarant's lien for unpaid recreational assessments provided in Article I and the Association's lien for unpaid assessments provided in this Article II shall be concurrent and on equal parity.
- (e) Suspension of Voting Rights. The Association shall have the right to suspend voting rights (if any) and the right to the use of the recreational facilities owned by the Association of any Member or associate Member if any charge owed remains unpaid; or for any continuing violation of these Covenants, after the existence of the violation has been brought to the attention of the Member in writing by the Association; or during the period that any utility bill for water or sewer service remains unpaid.

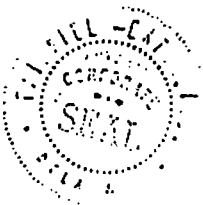
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Section 5. Additional Common Areas. Some areas within Fairfield Pagosa may have additional common areas or facilities designed to serve specific portions of the Property. If so, there may be additional owner's associations with supplemental assessment rights for purposes of operating and maintaining these additional facilities. Any such additional associations or assessment rights will be specified in the Supplemental Covenants for the areas involved.

Article III. Purpose

It being the intent and purpose of this Supplemental Declaration to include any and all lands hereinafter developed and sold by Declarant for residential, resort or retirement purposes. Property added to the Fairfield Pagosa development by Declarant by way of execution of a Declaration of Restrictions shall incorporate this Supplemental Declaration therein by reference.

IN WITNESS WHEREOF, Fairfield - Eaton, Inc. and Colorado Land Title Company have caused these presents to be executed and their corporate seals to be hereto affixed all by order of their Board of Directors duly given, this the day and year first above written.



FAIRFIELD - EATON, INC.

By: [Signature] [Signature]
Vice President



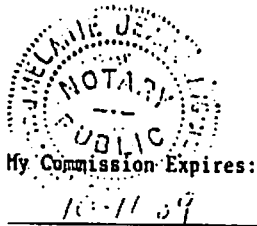
COLORADO LAND TITLE COMPANY

By: [Signature]
Vice President

STATE OF ARKANSAS }
COUNTY OF PULASKI } SS.

The foregoing instrument was acknowledged before me this 26th
day of July, 1983 by Joe T. Hunter
as Vice President for Fairfield - Eaton, Inc.

WITNESS my hand and official seal.

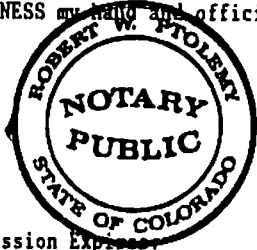


Thelma J. Gring
Notary Public
Address: 1201 Kippman Dr NE
Atlanta, GA 30302

STATE OF COLORADO }
COUNTY OF La Plata } SS.

The foregoing instrument was acknowledged before me this 27th day of
July, 1983 by Eloise B. Talbert as Vice-President
~~President~~ of Colorado Land Title Company.

WITNESS my hand and official seal.



Robert W. Tolent
Notary Public
Address: 970 1/2 Main Ave
Durango, Colorado 81301

My Commission Expires
3/25/87

RECORDING INFORMATION

STATE OF COLORADO }
COUNTY OF ARCHULETA } SS.

I hereby certify that this instrument was filed for record in my office
at _____ o'clock _____ M., _____, 19____,
and is duly recorded under Reception No. _____, and in
Book _____, Page _____.

Recorder

Deputy Recorder

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EXHIBIT "A"

RECORDED SUBDIVISIONS

The following lots, parcels and tracts are all recorded in the office of the County Clerk and Recorder in and for Archuleta County, Colorado. Date included with the following legal descriptions represent the dates on which specific plats were recorded. Also included is the recording information and any amendments or supplements thereto, for each subdivision in Fairfield Pagosa.

1. Lake Pagosa Park

Lake Pagosa Park consisting of:
Lots 1 through 39, inclusive and Tracts A, B and C of Block 1
1 parcel consisting of Block 2
Lots 1 through 16, inclusive and Tract A of Block 3
Lots 1 through 6, inclusive of Block 4
Lots 1 through 41 of Block 5
Lots 1 through 23, inclusive of Block 6
Lots 1 through 24, inclusive of Block 7
Lots 1 through 25, inclusive of Block 8
Lots 1 through 29, inclusive of Block 9
Lots 1 through 9, inclusive of Block 10
Lots 1 through 46, inclusive of Block 11
Lots 1 through 71, inclusive of Block 12
Lots 1 through 76, inclusive of Block 13
Lots 1 through 48, inclusive of Block 14
Lots 1 through 43, inclusive of Block 15
Lots 1 through 21, inclusive and Tract A of Block 16
Lots 1 through 18, inclusive of Block 17
Lots 8 through 13, inclusive of Block 18
Lots 1 through 35, inclusive of Block 19
Lots 1 through 24, inclusive of Block 20
Lots 1 through 15, inclusive of Block 21

Plat recorded in Archuleta County, Colorado, March 13, 1970; Reception
No. 72998, Plat File # 71-86 (Total of 614 Lots, 5 Tracts) thru 73013

| Lake Pagosa Park Declaration of Restrictions - | Recording date | Book/Page |
|--|----------------|-----------|
| | June 24, 1970 | 122/224 |
| | Jan. 11, 1978 | 156/134 |

2. Pagosa in the Pines

Pagosa in The Pines consisting of:
Lots 1 through 10, inclusive and Tract A of Block 1
Lots 1 through 24, inclusive of Block 2
Lots 1 through 30, inclusive of Block 3
Lots 1 through 38, inclusive of Block 4
Lots 1 through 17, inclusive of Block 5
Lots 1 through 28, inclusive of Block 6
Lots 1 through 16, inclusive of Block 7
Lots 1 through 21, inclusive of Block 8
Lots 1 through 34, inclusive, and Tract A of Block 9
Lots 1 through 14, inclusive of Block 10
Lots 1 through 61, inclusive of Block 11
Lots 1 through 6, inclusive of Block 12
Lots 1 through 61, inclusive of Block 13
Lots 1 through 30, inclusive of Block 14
Lots 1 through 10, inclusive of Block 15
Lots 1 through 21, inclusive of Block 16

Plat recorded in Archuleta County, Colorado, March 13, 1970; Reception
No. 73014 thru 73027, Plat File # 87-100 (Total of 421 Lots)

| Pagosa in the Pines Declaration of Restrictions - | Recording Date | Book/Page |
|---|----------------|-----------|
| | June 24, 1970 | 122/224 |
| | Jan. 11, 1978 | 156/134 |

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P. O. BOX 324
PAGOSA SPRINGS, CO 81147
(303) 201-4215 204-4178

3. Pagosa In The Pines Unit Two

Pagosa In The Pines Unit Two consisting of Lots 1 through 384, inclusive.

Plat recorded in Archuleta County, Colorado, February 4, 1972; Reception No. 75408, Plat File # 138 A-E. (Total of 384 lots)

| Pagosa In The Pines Unit Two Declaration of Restrictions - | Recording Date | Book/Page |
|--|----------------|-----------|
| | June 24, 1970 | 122/224 |
| | March 1, 1972 | 127/275 |
| | Jan. 11, 1978 | 156/134 |

4. Pagosa Vista

Pagosa Vista consisting of lots 1 through 658, inclusive.

Plat recorded in Archuleta County, Colorado September 13, 1971; Reception No. 74884, Plat File # 131 A-K. (Total of 658 lots)

| Pagosa Vista Declaration of Restrictions - | Recording Date | Book/Page |
|--|----------------|-----------|
| | Sept. 13, 1971 | 126/71 |
| | June 6, 1972 | 128/271 |
| | Jan. 11, 1978 | 156/134 |
| | Jan. 25, 1980 | 171/247 |

5. Pagosa Meadows

Pagosa Meadows consisting of Lots 1 through 106, inclusive.

Plat recorded in Archuleta County, Colorado, June 1, 1970; Reception No. 73220 Plat File # 102. (Total of 106 lots)

| Pagosa Meadows Declaration of Restrictions - | Recording Date | Book/Page |
|--|----------------|-----------|
| | June 24, 1970 | 122/213 |

6. Pagosa Meadows Unit Two

Pagosa Meadows Unit Two consisting of Lots 1 through 116, inclusive.

Plat recorded in Archuleta County, Colorado September 13, 1971; Reception No. 74883, Plat File # 130. (Total of 116 lots)

| Pagosa Meadows Unit Two Declaration of Restrictions - | Recording Date | Book/Page |
|---|----------------|-----------|
| | Sept. 13, 1971 | 126/95 |
| | Jan. 11, 1978 | 156/134 |

7. Pagosa Meadows Unit Three

Pagosa Meadows Unit Three consisting of Lots 1 through 122, inclusive, and 4 Tracts.

Plat recorded in Archuleta County, Colorado, May 23, 1972, Reception No. 75834, Plat File # 141 A-D. (Total of 122 lots and 4 tracts)

| Pagosa Meadows Unit Three Declaration of Restrictions - | Recording Date | Book/Page |
|---|----------------|-----------|
| | Sept. 13, 1971 | 126/95 |
| | May 23, 1972 | 128/72 |
| | Jan. 11, 1978 | 156/134 |

8. Pagosa Meadows Unit Four

Pagosa Meadows Unit Four consisting of Lots 1 through 329, inclusive.

| Plat recorded in Archuleta County, Colorado, June 4, 1973, Reception No. 77867, Plat File # 153 A-H, Replats - | Date | Reception No. | Plat File # |
|--|---------|---------------|-------------|
| (Total of 329 lots) | 10-9-75 | 84139 | 184 |
| | 8-4-76 | 85910 | 188 |

| Pagosa Meadows Unit Four Declaration of Restrictions - | Recording Date | Book/Page |
|--|----------------|-----------|
| | Sept. 13, 1971 | 126/95 |
| | June 7, 1973 | 132/250 |
| | Jan. 11, 1978 | 156/134 |

9. Chris Mountain Village

Chris Mountain Village consisting of Lots 1 through 1747, inclusive.

Plat recorded in Archuleta County, Colorado, June 6, 1972; Reception No. 75934, Plat File # 142 A-22. (Total of 1747 lots)

| Chris Mountain Village Declaration of Restrictions - Recording Date | Book/Page |
|---|-----------|
| June 24, 1970 | 122/224 |
| June 6, 1972 | 128/264 |
| Jan. 11, 1978 | 156/134 |
| Jan. 25, 1980 | 171/242 |

10. Chris Mountain Village Unit Two

Chris Mountain Village Unit Two consisting of Lots 1 through 413, inclusive.

Plat recorded in Archuleta County, Colorado, June 4, 1973; Reception No. 77868, Plat File # 154 A-F. (Total of 413 lots)

| Chris Mountain Village Unit Two Declaration of Restrictions - Recording Date | Book/Page |
|--|-----------|
| June 6, 1972 | 128/264 |
| June 4, 1973 | 132/243 |
| Jan. 25, 1980 | 171/242 |

11. Pagosa Highlands Estates

Pagosa Highlands Estates consisting of Lots 1 through 795, inclusive.

Plat recorded in Archuleta County, Colorado, February 27, 1972; Reception No. 75409, Plat File # 139 A-G. (total of 795 lots)

| Pagosa Highlands Estates Declaration of Restrictions - Recording Date | Book/Page |
|---|-----------|
| June 24, 1970 | 122/224 |
| March 1, 1972 | 127/275 |
| Jan. 11, 1978 | 156/134 |

12. Lake Forest Estates

Lake Forest Estates consisting of Lots 1 through 612 inclusive.

Plat recorded in Archuleta County, Colorado, June 4, 1973. Reception No. 77869, Plat File # 155 A-G. (Total of 612 Lots)

| Lake Forest Estates Declaration of Restrictions - Recording Date | Book/Page |
|--|-----------|
| June 4, 1973 | 132/231 |
| Jan. 11, 1978 | 156/134 |

13. Pagosa Alpha

Pagosa Alpha consisting of portions of Section 15, 21, 22 and 23, Township 35 North, Range 2 West.

22 parcels in Section 15
36 parcels in Section 21
62 parcels in Section 22
45 parcels in Section 23

Plat recorded in Archuleta County, Colorado, June 13, 1969; Reception No. 72213, Plat File # 63. (Total of 165 parcels) Replat of Pagosa Alpha recorded July 17, 1978; Reception No. 91872 in the Clerk and Recorders Office of Archuleta County, Colorado; Declaration of Restrictions recorded 1-17-79 in Book 20, Page 74.

14. Pagosa Village Service Commercial

Pagosa Village Service Commercial consisting of Lots 2 through 49, inclusive.

Plat recorded in Archuleta County, Colorado, August 7, 1975; Reception No. 83662, Plat File # 178. (Total of 48 lots)

| Pagosa Village Service Commercial Declaration of Restrictions | - Recording Date | Book/Page |
|---|------------------|-----------|
| | June 4, 1973 | 132/235 |
| | August 7, 1975 | 144/417 |

15. Pagosa In The Pines Annex

Pagosa In The Pines Annex consisting of lots 11 through 17, inclusive.

Plat recorded in Archuleta County, Colorado, June 4, 1973; Reception No. 77864, Plat File # 151. (Total of 7 lots)

| Pagosa In The Pines Annex Declaration of Restrictions - Recording Date | Book/Page |
|--|-----------|
| June 24, 1970 | 122/224 |
| June 4, 1973 | 132/245 |

16. Pagosa Meadows Annex

Pagosa Meadows Annex consisting of Lots 107, 108 and 109.

Plat recorded in Archuleta County, Colorado, June 4, 1973; Reception No. 77866, Plat File # 152. (Total of 3 lots)

| Pagosa Meadows Annex Declaration of Restrictions - Recording Date | Book/Page |
|---|-----------|
| June 24, 1970 | 122/213 |
| June 4, 1973 | 132/244 |

17. Pagosa Trails

Pagosa Trails consisting of Lots 1 through 502, inclusive.

Plat recorded in Archuleta County, Colorado, September 13, 1971; Reception No. 74885, Plat File # 13 A-1, Replat - Reception No. 105244, Plat File # 236. (Total of 502 lots)

| Pagosa Trails Declaration of Restrictions - Recording Date | Book/Page |
|--|-----------|
| Sept. 13, 1971 | 126/71 |
| April 1, 1977 | 151/428 |
| Jan. 11, 1978 | 156/134 |

18. Lake Hatcher Park

Lake Hatcher Park consisting of Lots 1 through 293, inclusive and 5 Tracts.

Plat recorded in Archuleta County, Colorado, November 5, 1973; Reception No. 78738, Plat File # 160 A-C. (Total of 293 Lots and 5 Tracts)

| Lake Hatcher Park Declaration of Restrictions - Recording Date | Book/Page |
|--|-----------|
| November 5, 1973 | 134/35 |
| April 1, 1977 | 151/439 |
| Jan. 11, 1978 | 156/134 |

19. Twincreek Village

Twincreek Village consisting of Lots 431 through 825 and 854 through 1017 inclusive.

Plat recorded in Archuleta County, Colorado, November 5, 1973; Reception No. 78739, Plat File # 161 A-Q. (Total of 559 lots)

| Twincreek Village Declaration of Restrictions - Recording Date | Book/Page |
|--|-----------|
| November 5, 1973 | 134/37 |
| Jan. 11, 1978 | 156/134 |

20. Martinez Mountain Estates

Martinez Mountain Estates consisting of Lots 1 through 136, inclusive.

Plat recorded in Archuleta County, Colorado, November 8, 1978; Reception No. 93208, Plat File # 205 A-E. (Total of 136 lots)

| Martinez Mountain Estates Declaration of Restrictions - Recording Date | Book/Page |
|--|-----------|
| November 8, 1978 | 161/554 |
| November 8, 1978 | 161/556 |

21. Lakewood Village

Lakewood Village consisting of Lots 1 through 325 inclusive and 1 Tract

Plat recorded in Archuleta County, Colorado, April 30, 1979, Reception No. 94867, Plat File # 209 A-F. (Total of 325 lots and 1 Tract)

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COLORADO LAND TITLE CO.
P. O. BOX 334
PAGOSA SPRINGS, CO 81147
(303) 731-6515 264-4178

Lakewood Village (continued)

Lakewood Village Declaration of Restrictions - Recording Date Book/Page
June 24, 1970 122/224
April 30, 1979 164/574

22. Lakeview Estates

Lakeview Estates consisting of of Lots 1 thorough 118 inclusive and 1 Tract.

Plat recorded in Archuleta County, Colorado, April 30, 1979; Reception No. 94868, Plat File # 210 A-B. (Total of 118 lots and 1 Tract)

Lakeview Estates Declaration of Restrictions - Recording Date Book/Page
June 24, 1970 122/224
April 30, 1979 164/574

23. Martinez Mountain Estates Unit Two

Martinez Mountains Estate Unit Two consisting of Lots 1 through 78, inclusive and 1 Tract.

Plat recorded in Archuleta County, Colorado, March 31, 1980; Reception No. 99072, Plat File # 218 A-D. (Total of 78 lots and 1 Tract)

Martinez Mountain Estate Unit Two Declaration of Restrictions - Recording Date Book/Page
Nov. 5, 1973 134/37
Jan. 11, 1978 156/134
March 31, 1980 172/350

24. The Ranch Community

The Ranch Community consisting of Lots 1 through 90, inclusive.

Plat recorded in Archuleta County, Colorado, May 29, 1981; Reception No. 104681, Plat File # 234 A-D. Replat recorded in Archuleta County, Colorado September 30, 1982, Reception No. 112863, Plat File # 234 E. (Replat of lots 1 through 19 and 75 through 90, Total of 90 lots)

The Ranch Community Declaration of Restrictions - Recording Date Book/Page
June 24, 1970 122/224
Jan. 11, 1978 156/134
May 29, 1981 180/247

25. North Village Lake

North Village Lake consisting of Lots 1 through 159, inclusive.

Plat recorded in Archuleta County, Colorado, March 16, 1982, Reception No. 109817, Plat File # 248 A-D. (Total of 159 lots) Correction Plat recorded in Archuleta County, Colorado, September 30, 1982, Reception No. 112864, Plat File # 248 A-1 - #248 C-1, Affidavit of Correction for North Lake Village recorded April 4, 1982 in Book 197 at Page 366, in the office of the Clerk and Recorder of Archuleta County, Colorado.

North Village Lake Declaration of Restrictions - Recording Date Book/Page
March 16, 1982 187/692
June 7, 1982 189/508

26. South Village Lake

All of that Subdivision known as a Second Replat of South Village Lake, according to the plat of said Subdivision filed for record August 3, 1982 as Reception No. 111806, and corrected by Affidavit of Correction for Second Replat of South Village Lake recorded January 18, 1983 as Reception No. 114579, in the Office of the Clerk and Recorder of Archuleta County, Colorado, as Plat File # 238 H-L.

South Village Lake Declaration of Restrictions - Recording Date Book/Page
July 31, 1981 181/626
March 17, 1982 187/691
August 3, 1982 190/760

27. Central Core

All of that Subdivision known as "Central Core" according to the plat filed for record August 3, 1982 as Reception No. 111809, in the office of the Clerk and Recorder of Archuleta County, Colorado, as Plat File # 258 A-G.

| | | |
|--|----------------|-----------|
| Central Core Declaration of Restrictions - | Recording Date | Book/Page |
| | August 3, 1982 | 190/775 |

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COMPLIMENTS OF
COLORADO LAND TITLE CO.
P. O. BOX 334
ACONA SPRINGS, CO 81147
(303) 724-1515 764-4178

20312505
1 of 3



12/2/2003 9:05:00 AM
REVO R \$16.00 D \$0.00 June Madrid
Archuleta County, CO

③

\$16.00

PHN: Prepared by: Fairfield Resorts, Inc./ Jay Wiser/ Legal Dept.
8427 South Park Circle, #500
Orlando, FL 32819

**REVOCATION OF RECREATIONAL FEE AND CORRESPONDING BENEFITS
AT FAIRFIELD PAGOSA**

THIS REVOCATION OF RECREATIONAL FEE AND CORRESPONDING BENEFITS AT FAIRFIELD PAGOSA (the "Revocation") is made and entered into this 24th day of November, 2003 by FAIRFIELD RESORTS, INC., a Delaware corporation ("Declarant"), as successor developer to Fairfield-Eaton, Inc., a Colorado corporation.

WITNESSETH:

WHEREAS, that certain Declaration of Restrictions Pagosa (the "Original Declaration") was recorded with the Archuleta County Clerk and Recorder on June 24, 1970, at Book 122, pages 224-247.

WHEREAS, Fairfield-Eaton, Inc., predecessor-in-interest to Fairfield Resorts, Inc. ("FRI"), recorded that certain Supplemental Declaration of Restrictions ("Supplemental Declaration") with the Archuleta County Clerk and Recorder on August 2, 1983, at Book 201, Pages 15-29.

WHEREAS, Article I of the Supplemental Declaration authorized FRI to: (1) impose an annual charge (the "Fee") against unsold lots in Fairfield Pagosa (as defined in the Supplemental Declaration); (2) charge interest on all past due Fees at the highest rate allowed by law, and (3) recover attorneys' fees and costs associated with collection of the Fees.

WHEREAS, certain lot owners not otherwise subject to the Supplemental Declaration, pursuant to agreements entered into with FRI (the "Voluntary Agreements"), voluntarily subjected their lots to the Fee in order to receive the benefits conferred by the Supplemental Declaration.

WHEREAS, pursuant to the Supplemental Declaration, FRI has provided certain recreational amenities to property owners in Fairfield Pagosa, and has utilized Fees collected from property owners for the maintenance, repair and upkeep of such recreational amenities.



Return to Address above

REC @ 8:45 AM

WHEREAS, certain former and current property owners in Fairfield Pagosa (the "Owners") filed lawsuits challenging FRI's imposition and collection of the Fee.

WHEREAS, certain of the Owners (the "Class Members") and FRI have entered into a settlement agreement (the "Settlement Agreement") in the lawsuit styled LORIE CHURCH, et al, v. FAIRFIELD COMMUNITIES, INC., n/ka/ as Fairfield Resorts, Inc., Case Number 01CV125, District Court, Archuleta County, Colorado (the "Lawsuit") whereby FRI has agreed to record an instrument with the Archuleta County Clerk and Recorder that terminates FRI's right to assess the Fee against the Class Members, effective as of midnight, December 31, 2002.

WHEREAS, upon termination of FRI's right to assess the Fee against the Class Members, FRI may decide not to continue providing recreational amenities to Fairfield Pagosa property owners, and FRI shall not be responsible for the maintenance, repair and upkeep of such recreational amenities.

NOW, THEREFORE, FRI hereby records this Revocation in order to terminate FRI's right to assess the Fee against the Class Members, as required by the Settlement Agreement, and states as follows:

1. Revocation of the Fee as to Class Members. Notwithstanding any language in the Supplemental Declaration or the Voluntary Agreements to the contrary, FRI shall not have the power to levy the recreational amenity fee described in Article I of the Supplemental Declaration against any lot owned by any person that is a Class Member, effective as of midnight, December 31, 2002. FRI shall, however, have the right to collect the annual charge for periods prior to midnight, December 31, 2002, including interest, costs of collection and attorneys' fees relating to such annual charges. The above-stated revocation of the Fee shall not apply to timeshare units or to any lots conveyed to Archuleta County in 1992 and 1993 pursuant to FRI's Fifth Amended and Restated Joint Plans of Reorganization For All Debtors, as approved by the United States Bankruptcy Court, Eastern district of Arkansas, Western Division, and later sold at auction by Archuleta County.

2. No Obligation to Provide Recreational Amenities. Notwithstanding any language in the Supplemental Declaration to the contrary, FRI shall be under no obligation to provide recreational amenities to the Class Members, and shall not be responsible to the Class Members for the maintenance, repair and upkeep of such recreational amenities, effective as of midnight, December 31, 2002.

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12/2/2003 9:05:00 AM June Madrid
REVO R \$16.00 D \$0.00 Archuleta County, CO

IN WITNESS WHEREOF, Fairfield Resorts, Inc. has caused these presents to be executed and their corporate seals to be hereto affixed, as of the day and year first above written.

Attest:

Rennie Ashcraft
Secretary

FAIRFIELD RESORTS, INC.

By: George B. Hewes
Print Name: George B. Hewes
Its: Vice President

(CORPORATE SEAL)



STATE OF FLORIDA)
COUNTY OF ORANGE)

The foregoing instrument was acknowledged before me this 24th day of November, 2003 by George B. Hewes as Vice President and Rennie Ashcraft as Secretary for Fairfield Resorts, Inc. Said persons are personally known to me.

WITNESS my hand and official seal

Julie Duffy
NOTARY PUBLIC, STATE OF FLORIDA

My Commission Expires:

(SEAL) 7/1/07



JULIE DUFFY
MY COMMISSION # DD 229220
EXPIRES: July 1, 2007
Bonded Three Percent Notary Services

JW/jmd/11-24-03

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