



20106053 07/12/2001 09:01A DECRES
1 of 8 R 40.00 D 0.00 N 0.00 ARCHULETA COUNTY

(8)

When recorded mail to:
Tanis A. Duncan
425 Blue Ridge
Durango, CO 81303

AMENDMENT TO DECLARATION OF RESTRICTIONS

CENTRAL CORE

WHEREAS, a Declaration of Restrictions for Central Core (Declaration) was recorded in the office of the Archuleta County Recorder in Reception No. 111810 on August 3, 1982; and

WHEREAS, such Declaration encumbers the real property set forth in the plat recorded on August 3, 1982 in Reception No. 111809, Plat File No. 258A-G, a portion of which was re-plated on May 5, 1986 in Reception No. 139305, Plat File No. 315 and 315A; and

WHEREAS, such Declaration was amended on October 30, 1986 in Reception No. 0143095, records of Archuleta County Recorder; and

WHEREAS, Paragraph 1 of the Declaration provides that the Declaration may be amended with the approval of a majority of the record owners of the Property subject to such Declaration;

WHEREAS, a majority of the record Owners desire to amend the Declaration.

NOW, THEREFORE, the Declaration of Restrictions for Central Core is amended to change the land use classifications for Parcels 3H and 3G as follows:

- A. Paragraph 3.A. shall be amended to add Parcel 3G to the list of parcels which may be used as Multi-family Residential.

return to: PLPOA, 230 PORT AVE., PAGOSA SPRINGS, CO 81147

- B. Paragraph 3.B. shall be amended to add Parcels 3G and 3H to the list of parcels which may be used for Commercial/Office/Institutional/Research.
- C. Paragraph 3.C. shall be amended to add Parcels 3G and 3H to the list of parcels which may be used for Light Industrial/Service.

Based on these changes, Paragraph 3 of the Declaration shall state, in its entirety:

3. LAND USE AND IMPROVEMENTS

The following are the various land uses. These land use classifications, as hereinafter described, limit and prescribe the use of the Property. Any use not specifically permitted is hereby declared to be prohibited; however, other uses will be permitted where, in the opinion of the Committee, such other uses are compatible with the specific uses permitted and with the other uses conducted on or planned for the adjacent area. See map attached to the Declaration recorded in Reception No. 111810, showing Parcel locations.

- A. Multiple-family Residential—Parcels 4A and B; SD, E, and F; 6B, C, D, and E; 7B, C, D, E, and 3G; and Parcels 1, 2, and 3, as those three parcels are set forth in a Re-plat of a Portion of Central Core which re-plat is recorded in the records of Archuleta County, Colorado, on the 4th day of May, 1986, as Reception No. 139305, Plat File No. 315 and 315A.

(1) Uses Permitted

- (a) Multiple-family dwelling-structures of one to three stories, but not to exceed, fifty (50) feet in building height. Included are individual lodges, "party-wall" apartments, townhouses, and condominiums subject to the provisions of the Colorado Condominium Ownership Act [now known as Colorado

Common Interest Ownership Act].

- (b) Cluster, detached, multiple-family dwelling structures of one or two stories, but not to exceed thirty-five (35) feet in building height.

(2) Density and Property Coverage

No building(s) shall be constructed on any Parcel which covers more than thirty-five (35) percent of the total area of the Parcel. No less than eight (8) or more than fifteen (15) living units per acre may be constructed on a Parcel without the prior consent of the Committee. A minimum of twenty (20) percent of the total area of the Parcel must be landscaped.

(3) Minimum Living Area

No dwelling unit shall contain less than six hundred (600) square feet of actual living area exclusive of porches, patios, garages, breezeways, and other appurtenances.

(4) Parking

Adequate off-street parking shall be provided to accommodate resident and visitor parking needs.

B. Commercial/Office institutional Research--Parcels JA and B; 4C; 5A, B, C, and G; 6A; 3Gand 3H.

(1) Uses Permitted

- (a) Retail selling or leasing of goods and services.
- (b) Banks/Financial institutions.



20106053 07/12/2001 09:01A DECRES

4 of 8 R 40.00 D 0.00 N 0.00 ARCHULETA COUNTY

- (c) Restaurant/Bars/Night Clubs/Private clubs and lodges.
- (d) Business offices/Nurseries/Greenhouses.
- (e) Professional offices/Physicians/Dental/Veterinarian.
- (f) Medical laboratories.
- (g) Theatre and amusement centers, Libraries/Museums/Art Galleries provided that all activities are conducted indoors.
- (h) Churches/Temples/Synagogues.
- (i) Nursery Schools, Daycare, Private or semi-private education and training facilities;

provided, however, that no outdoor storage of goods or equipment shall be allowed without written approval of the Committee; all lighting shall be shielded and confined within property lines; no activity shall be conducted which causes or produces the escape to adjacent areas, within or without the Property subject to this Declaration, of objectionable matter, such as, but not limited to, vibrations, sounds, dust or odors; and the above permitted uses must satisfy the requirements of the following provisions of this Declaration and not be prohibited by any such provision.

(2) Property Coverage.

No building(s) shall be constructed on any Parcel which is more than thirty-five (35) percent in height and which covers more than forty (40) percent of the total area of the Parcel. A minimum of twenty (20) percent of the total area of the Parcel must be landscaped.



20106053 07/12/2001 09:01A DECRES

5 of 8 R 40.00 D 0.00 N 0.00 ARCHULETA COUNTY

(3) Adequate off-street parking shall be provided to accommodate all parking needs for employees, visitors and company vehicles on the Parcel. The intent of this provision is to eliminate the need for any on-street parking, which will not be permitted. If parking requirements increase as a result of requirements increase as a result of a change in use or number of employees, additional off-street parking shall be provided to satisfy the intent of this provision.

(a) Retail selling or leasing of goods and services - one off-street parking space for each 200 square feet of building.

(b) Financial institutions, private clubs and lodges, business offices, professional offices, and private or semi-private education and training facilities - one off-street parking space for each 300 square feet of building.

(c) Medical laboratories - one off-street parking space for each 400 square feet of building.

(d) Theatre and amusement centers - one off-street parking space for each 500 square feet of building.

(e) Churches - one off-street parking space for every five seats.

C. Light Industrial/Service-Parcels 2A, B, C, D, E, F, G, H, I, and J; and 3A, B, C, D, E, F, G and H.

(1) Uses Permitted: Those forms of light industry approved by the Committee.

(2) Property coverage maximums are the same as 3B(2).



20106053 07/12/2001 09:01A DECRES

6 of 8 R 40.00 D 0.00 N 0.00 ARCHULETA COUNTY

- (3) One off-street parking space shall be provided for each 400 square feet of building.

D. Parks and Open Space/Recreational--Parcel 7A and all Tracts.

- (1) Uses Permitted

Those approved by the Committee.

E. Civic/Public Uses-Parcels 3G and 3H.

- (1) Uses Permitted

Those funded by federal, state, county, or local government tax rolls and approved by the Committee. This usage also includes office space for the Pagosa Lakes Property Owners Association.

- (2) Property coverage maximums are the same as 3B(2).

F. Set-back Requirements for All Permitted Uses.

- (1) No building or structure shall be located within thirty-five (35) feet of U.S. Highway 160. Where parking is used within this thirty-five (35) feet, a minimum of fifteen (15) feet adjacent to said highway must be landscaped. A minimum of twenty (20) feet of landscaping shall be provided along U.S. Highway 160 if parking is not used within the setback.

- (2) No building or structure shall be located within twenty-five (25) feet of North Pagosa Boulevard, Park Avenue, Village Drive, Talisman Drive, and Carlee Club Drive, Where parking is used within this twenty-five (25) feet, a minimum of seven (7) feet adjacent to the road must be landscaped. A minimum of ten (10) feet of landscaping shall



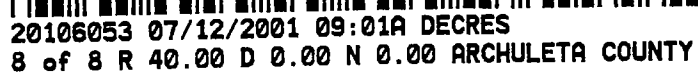
20106053 07/12/2001 09:01A DECRES
7 of 8 R 40.00 D 0.00 N 0.00 ARCHULETA COUNTY

be provided if parking is not used within the setback.

- (3) No building or structure shall be located within twenty (20) feet of Valley View Drive, Davis Cup Drive, and Papoa Drive. A minimum of seven (7) feet adjacent to the street must be landscaped.
- (4) No building or structure shall be located within fifteen (15) feet of Greenbrier Drive. A minimum of five (5) feet adjacent to the street must be landscaped.
- (5) No building or structure shall be located within twenty (20) feet of a street that traverses a Parcel.
- (6) No building or structure shall be located within fifteen (15) feet of any common Parcel boundary line or within ten (10) feet of a greenbelt/open space or within fifteen (15) feet of another detached building.
- (7) Parking areas shall not be located within five (5) feet of any common Parcel boundary line or any greenbelt/open space.

In all cases, the total set-back area shall be maintained in a sightly and well-kept condition by the owner or lessee of the Property.

IN WITNESS WHEREOF, the President of Pagosa Lakes Property Owners Association attests that this amendment was approved by the affirmative vote of a majority of the Owners of the Property.



DATED July 11, 2001

By:

President

Secretary

(

SS:

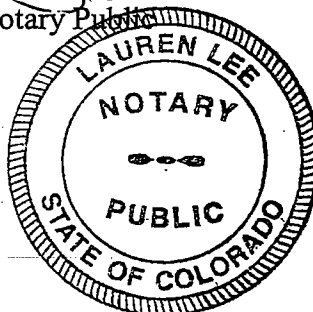
COUNTY OF ARCHULETA)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me this 11th
day of July, 2001, by Richard W. Malley, President and
Thomas A. Cruse, Secretary of PAGOSA LAKES PROPERTY OWNERS
ASSOCIATION.

~~Notary Public~~

My Commission Expires:

July 6, 2002



My Commission Expires Jul. 6, 2002

CENTRAL CORE

A PROPOSED SUBDIVISION OF PAGOSA IN COLORADO LOCATED IN THE SW 1/4, SEC 16, SE 1/4, SEC 17, NE 1/4, SEC 20, and NW 1/4, SEC 21, T35N R2W, N.M.P.M.



CENTRAL CORE

111810

6/28/95

CENTRAL CORE SUBDIVISION

REPLAT #1 OF A PORTION

AMENDED D.O.F.R. INCLUDING

REPLAT #1

ARCHULETA COUNTY, CO
BK N/A PG 1 MARTHA VALDEZ, RECORDER

0143095 10/30/95

INDEXED

AMENDMENT TO THE
DECLARATION OF RESTRICTIONS
CENTRAL CORE

WHEREAS, Declarant, Fairfield-Pagosa, Inc. (formerly Fairfield-Eaton, Inc.) is the developer of the real property set forth and described on that certain plat entitled Central Core, a subdivision of Pagosa, which plat was recorded in the records of Archuleta County, Colorado, on August 3, 1982, as Reception No. 111809, Plat File No. 258 A-G; and

WHEREAS, previously by instrument recorded August 3, 1982, as Reception No. 111810 of the Archuleta County, Colorado records the said Central Core was made subject to the term No of a Declaration of Restrictions; and

WHEREAS, Declarant has caused a portion of said Central Core to be re-surveyed, laid-out, and subdivided and designated as "a Re-Plat of a Portion of Central Core" which re-plat was recorded in the records of Archuleta County, Colorado on the 5th day of May, 1986, as Reception No. 139305, Plat File No. 315 & 315A, and is made a part hereof and incorporated herein by reference; and

WHEREAS, Declarant and Eaton Investments, Inc., are the record owners of an excess of two-thirds (2/3rds) of all the parcels in the Central Core; and

WHEREAS, Declarant desires to amend said Declaration of Restrictions in certain respects with regard to the Re-plat of a Portion of the Central Core;

NOW THEREFORE, Declarant declares said Declaration of Restrictions of the Central Core shall be amended as follows:

(1.) The first paragraph of Paragraph 3 A. is amended by the deletion of any reference to Parcels 8A, B, and C. and the following language is substituted therefore:

3. A. Multiple-family Residential--Parcels 4A and B; 5D, E and F; 6B, C, D and H; 7B, C, D, and E; and Parcels 1, 2, and 3 as those three parcels are set forth in A Re-plat of a Portion of Central Core which re-plat is recorded in the records of Archuleta County, Colorado, on the 5th day of May, 1986 as Reception No. 139305, Plat File No. 315 and 315A.

(2) Paragraph 3 B. is amended by the deletion of any reference to Parcel 9.

EXCEPT as modified above, the Declaration of Restrictions of Central Core remain unchanged.

Dated this 28th day of October, 1986.

FAIRFIELD PAGOSA, INC.

BY: Ralph H. Eaton
ITS: EXECUTIVE VICE PRESIDENT

ATTEST:

hoy home

EATON-INVESTMENTS, INC.

BY: Ralph H. Eaton
PRESIDENT

ATTEST:

John S. T.

INDEXED

STATE OF COLORADO)
) ss.
COUNTY OF ARCHULETA)

This instrument was acknowledged before me this 30th day of
October, 1988 by Robert M. Childs as Executive Vice President of
Palmdale Pagosa, Inc.,

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

01/20/90

Virginia M. Sanders
NOTARY PUBLIC Virginia M. Sanders

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me this 28th day of
October, 1988 by Ralph H. Eaton as President of
Eaton-Investments, Inc. Inc.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires:

September 15, 1989

Carolyn B. Meek
NOTARY PUBLIC

Recorded AUG - 3 1982 At 9:02 AM
Recpt. No. 111810 Mary Ann Collan - - Recorder *mo*

ECC MASTER

DECLARATION OF RESTRICTIONS

CENTRAL CORE

THIS DECLARATION is made this 24th day of June, 1982 by Eaton International Corporation, a Delaware corporation, herein referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of a portion of the real property set forth and described on that certain plat entitled Central Core, a subdivision of Pagosa, which plat is recorded in the records of Archuleta County, Colorado, on August 3, 1982, Reception No. 111809, Plat File No. 253A4G, and is made a part hereof and incorporated herein by reference; and

WHEREAS, Declarant has obtained written consents from the other parties who have an ownership interest in Central Core, to plat the Central Core subdivision and to subject the subdivision to this Declaration of Restrictions; and

WHEREAS, the real property described in the plat has been subdivided into numbered or lettered parcels identified on the plat as Parcels (herein collectively called "Parcel" or "Property"), which shall be subject to the terms of these restrictions; and

WHEREAS, Declarant desires to subject the Property to mutual and beneficial restrictions, covenants, conditions and charges, hereinafter collectively referred to as "Restrictions", under a general plan or scheme of improvement for the benefit and complement of all the Property and the present and future owners of said Property;

NOW, THEREFORE, Declarant hereby declares that all the Property 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 for the improvement and sale of said Property and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of Central Core subdivision and of the Development as a whole. 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 Property or any part or parts thereof subject to such Restrictions. Any development of the Property must comply with all laws and government regulations and together with the resulting additional restrictions must be approved by Declarant.

1. TERM

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 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 Property subject thereto has been recorded, agreeing to change the Restrictions in whole or in part; provided, however, with the prior approval of Declarant, that at any time before January 1, 1990, these Restrictions may be amended by the vote of the then record owners of two-thirds (2/3) of such Property and thereafter by a majority of such owners.

*the Pagosa Lodge, Lodge condos, Pine Condos, Pinon
BOOK 1, PAGE 1, James B Nelson, Elliot-Hervey, Village Center
are not a part of Central Core.*

2. ENVIRONMENTAL CONTROL COMMITTEE

A. All plans and specifications for any structure or improvement whatsoever to be erected on or moved upon the Property, and the proposed location thereof on the Property, 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 on any Parcel 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 a minimum 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 Declarant may, at its sole option, relinquish to the Board of Directors of the Association the power of appointment and removal reserved herein to Declarant. Such transfer of power must be evidenced in writing.

C. Purchasers should submit schematic plans to the Committee prior to submission of preliminary plans. There shall be submitted to the Committee a building application on forms approved by Declarant together with two (2) complete sets of the preliminary plans, elevations, sections, site plan, grading plan, etc., prepared by an architect licensed and registered in Colorado, to be reviewed before the final plans and specifications are submitted. Upon Committee approval of the preliminary plans, the detailed drawings and specifications can be completed with two (2) complete sets being submitted to the Committee covering any and all proposed improvements, the erection or alteration of which is desired. No structures or improvements of any kind shall be erected, altered, placed or maintained upon the Property unless and until the final plans, elevations and specifications have received such written approval as herein provided. Such plans shall include plot plans showing the location on the Property 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 \$25.00 per proposed unit (subject to increase without notice) shall accompany the submission of the preliminary plans, etc. to defray Committee expenses. No additional fees shall be required for subsequent submissions or resubmissions of plans revised in accordance with Committee recommendations.

D. The Committee shall approve or disapprove plans, specifications and details within thirty (30) days from the receipt of the preliminary plans, and within sixty (60) days from receipt of a complete set of final plans and specifications. 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 the provisions of these Restrictions; if the design materials or color scheme of the proposed building or other structure is not in harmony with the general surroundings of such 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 interest, welfare or rights of all or any part of the 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 materials, height and size requirements for all other types of outbuildings and structures, including fences, walls, copings, etc.

H. Landscaping, walls and other screening devices are utilized to provide an attractive appearance along public streets and to screen from view those uses which may be unattractive to the public eye. Landscaping materials including ground cover, shrubs and trees further facilitate the control of erosion and the reduction of glare and dust as well as the visual softening of the building masses. Walls and screening devices allow for the separation of buildings and uses and for the buffering of intensive activities. Landscaping walls and screening devices together help to effectuate privacy, logical development and enhancement of property values. A layout of specific materials by name and description shall be submitted to the Committee for approval. Landscaping may include trees, shrubs, ground cover, vines, walkways, ponds, fountains, sculpture and other organic and inorganic materials used for creating an attractive appearance as long as all is blended with the surrounding landscape and architecture. Species shall conform to native and/or those recommended for existing soil and elevation conditions.

3. LAND USE AND IMPROVEMENTS

The following are the various land uses. These land use classifications, as hereinafter described, limit and prescribe the use of the Property. Any use not specifically permitted is hereby declared to be prohibited; however, other uses will be permitted where, in the opinion of the Committee, such other uses are compatible with the specific uses permitted and with the other uses conducted on or planned for the adjacent area. See attached map showing Parcel locations.

A. Multiple-family Residential--Parcels 4A and B; 5D, E, and F; 6B, C, D, and E; 7B, C, D, and E; and 8A, B, and C.

(1) Uses Permitted

(a) Multiple-family dwelling structures of one to three stories, but not to exceed fifty (50) feet in building height. Included are individual lodges, "party-wall" apartments, townhouses, and condominiums subject to the provisions of the Colorado Condominium Ownership Act.

(b) Cluster, detached, multiple-family dwelling structures of one or two stories, but not to exceed thirty-five (35) feet in building height.

(2) Density and Property Coverage

No building(s) shall be constructed on any Parcel which covers more than thirty-five (35) percent of the total area of the Parcel. No less than eight (8) or more than fifteen (15) living units per acre may be constructed on a Parcel without the prior consent of the Committee. A minimum of twenty (20) percent of the total area of the Parcel must be landscaped.

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Det. of GRADE

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(3) Minimum Living Area

No dwelling unit shall contain less than six hundred (600) square feet of actual living area exclusive of porches, patios, garages, breezeways, and other appurtenances.

(4) Parking

Adequate off-street parking shall be provided to accommodate resident and visitor parking needs.

B. Commercial/Office/Institutional/Research--Parcels 1A and B; 4C; 5A, B, C, and G; 6A; and 9.

(1) Uses Permitted

(a) Retail selling or leasing of goods and services.

(b) Financial institutions.

(c) Private clubs and lodges.

(d) Business offices.

(e) Professional offices.

(f) Medical laboratories.

(g) Theatre and amusement centers, provided that all activities are conducted indoors.

(h) Churches.

(i) Private or semi-private education and training facilities;

provided, however, that no outdoor storage of goods or equipment shall be allowed without written approval of the Committee; all lighting shall be shielded and confined within property lines; no activity shall be conducted which causes or produces the escape to adjacent areas, within or without the Property subject to this Declaration, of objectionable matter, such as, but not limited to, vibrations, sounds, dust or odors; and the above permitted uses must satisfy the requirements of the following provisions of this Declaration and not be prohibited by any such provision.

(2) Property Coverage

No building(s) shall be constructed on any Parcel which is more than thirty-five (35) feet in height and which covers more than forty (40) percent of the total area of the Parcel. A minimum of twenty (20) percent of the total area of the Parcel must be landscaped.

(3) Parking

Adequate off-street parking shall be provided to accommodate all parking needs for employee, visitor and company vehicles on the Parcel. The intent of this provision is to eliminate the need for any on-street parking, which will not be permitted. If parking

requirements increase as a result of a change in use or number of employees, additional off-street parking shall be provided to satisfy the intent of this provision.

(a) Retail selling or leasing of goods and services - one off-street parking space for each 200 square feet of building.

(b) Financial institutions, private clubs and lodges, business offices, professional offices, and private or semi-private education and training facilities - one off-street parking space for each 300 square feet of building.

(c) Medical laboratories - one off-street parking space for each 400 square feet of building.

(d) Theatre and amusement centers - one off-street parking space for each 500 square feet of building.

(e) Churches - one off-street parking space for every five seats.

C. Light Industrial/Service--Parcels 2A, B, C, D, E, F, G, H, I, and J; and 3A, B, C, D, E, and F.

(1) Uses Permitted

Those forms of light industry approved by the Committee.

(2) Property coverage maximums are the same as 3B(2).

(3) One off-street parking space shall be provided for each 400 square feet of building.

D. Parks and Open Space/Recreational--Parcel 7A and all Tracts.

(1) Uses Permitted

Those approved by the Committee.

E. Civic/Public Uses--Parcels 3G and 3H.

(1) Uses Permitted

Those funded by federal, state, county, or local government tax rolls and approved by the Committee. This usage also includes office space for The Pagosa Property Owners Association.

(2) Property coverage maximums are the same as 3B(2).

F. Set-back Requirements for All Permitted Uses.

(1) No building or structure shall be located within thirty-five (35) feet of U.S. Highway 160. Where parking is used within this thirty-five (35) feet, a minimum of fifteen (15) feet adjacent to said highway must be landscaped. A minimum of twenty (20) feet of landscaping shall be provided along U.S. Highway 160 if parking is not used within the setback.

(2) No building or structure shall be located within twenty-five (25) feet of North Pagosa Boulevard, Park Avenue, Village Drive, Talisman Drive, and Carlee Club Drive. Where parking is used within this twenty-

five (25) feet, a minimum of seven (7) feet adjacent to the road must be landscaped. A minimum of ten (10) feet of landscaping shall be provided if parking is not used within the setback.

(3) No building or structure shall be located within twenty (20) feet of Valley View Drive, Davis Cup Drive, and Papoa Drive. A minimum of seven (7) feet adjacent to the street must be landscaped.

(4) No building or structure shall be located within fifteen (15) feet of Greenbrier Drive. A minimum of five (5) feet adjacent to the street must be landscaped.

(5) No building or structure shall be located within twenty (20) feet of a street that traverses a Parcel.

(6) No building or structure shall be located within fifteen (15) feet of any common Parcel boundary line or within ten (10) feet of a greenbelt/open space or within fifteen (15) feet of another detached building.

(7) Parking areas shall not be located within five (5) feet of any common Parcel boundary line or any greenbelt/open space.

In all cases, the total set-back area shall be maintained in a sightly and well-kept condition by the owner or lessee of the Property.

4. GENERAL PROHIBITIONS AND REQUIREMENTS

The following general prohibitions and requirements shall prevail as to the construction or activities conducted on the Property:

A. No outside toilet shall be constructed on the Property. With the prior written consent of the Committee, water wells and septic systems may be constructed on the Property prior to its being 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 an owner who has constructed a water well and/or septic system, the water well and/or septic system shall be abandoned and the central system made available shall be utilized exclusively. Unless otherwise determined by the entity having jurisdiction in the matter, the central water system shall be deemed to be available for purposes of this paragraph when water lines are installed, operative, and ready for connection within one hundred (100) feet of the property line. The central sewage system shall be deemed to be available when sewer lines are installed, operative and ready for connection within four hundred (400) feet of the property line.

B. All utilities must be installed underground.

C. No temporary house, trailer, tent, garage, or other outbuilding shall be placed or erected on the Property; 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 the Property.

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

E. All structures constructed or placed on the Property shall be constructed with new material and no used structures shall be relocated or placed on the Property.

F. No change in ground level may be made on the Property in excess of one foot from existing grades without the written approval of the Committee obtained prior to the commencement of work. Concerning excavation made in connection with construction of an approved improvement, upon completion of the improvement, exposed openings shall be backfilled and disturbed ground shall be graded and levelled and restored as nearly as possible to its original appearance.

G. All commercial buildings shall be designed for loading to the rear of the setback line from that portion of a structure not fronting a street. Loading areas shall not encroach into setback areas.

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

I. No animals or livestock of any description, except the usual household pets, shall be kept on the Property. Said pets shall be confined to the occupant's property or at all times be under the direct control of occupant(s) when in other areas.

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

K. No stripped down, partially wrecked, or junk motor vehicles, or sizeable part thereof, shall be permitted to be parked anywhere on the Property. No vehicles shall be parked overnight on streets. No cars or motor vehicles can be worked on for mechanical repairs on the Property. No junk equipment which is visible to the occupants or users of any street within the Property is allowed on the Property.

L. No commercial type truck shall be parked for storage overnight or longer on the Property in such a manner as to be visible to the occupants or users of any street within the Property, unless the prior written approval of the Committee has been obtained.

M. Overnight parking of recreational vehicles (boats, trailers, campers, etc.) is not permissible in regular parking areas or on streets, or anywhere else on the Property not specifically designated for parking of recreational vehicles. Declarant or its successors or assigns will provide an enclosed screened area for the purpose of storing recreational vehicles on the basis of one space at least 10' x 20' per 10 residential units occupying the site; provided, however, that the Committee may at its discretion adjust parking space requirements, according to the demand for recreational vehicle parking. The Committee shall have the right to move the recreational vehicle parking site to different locations.

N. Every tank for the storage of fuel installed outside any building on the Property shall be either buried below the surface of the ground or screened to the satisfaction of the Committee by fencing or shrubbery. All exterior storage areas, service yards, loading docks and ramps, and electrical cage enclosures are to be screened to the satisfaction of the Committee by fencing or shrubbery. Mechanical equipment on roofs shall be

screened to the satisfaction of the Committee. Every outdoor receptacle for ashes, trash, rubbish or garbage shall be installed underground, screened or so placed and kept as not to be visible from any street within the Property at any time except during refuse collections. These requirements may be extended to any facility or activity which, in the opinion of the Committee, warrants it; the Committee, at its discretion, may also allow exceptions to these requirements.

O. All outdoor drying yards, clothes poles, clothes lines and similar equipment shall be so placed or screened by shrubbery as not to be visible from any streets within the Property.

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

Q. Dwelling units may be used as model houses or sales office provided they are not used in such a way as to unreasonably interfere with or disturb any unit purchaser or owner including the use, enjoyment or access of such owner, his family or guests.

R. No noxious, offensive or illegal activities shall be carried on on the Property nor shall anything be done that shall be or become an unreasonable annoyance or nuisance to the neighborhood. No building or operation shall be conducted on the Property which shall give off, discharge, or emit any obnoxious noises, fumes, odors, glare, vibrations, or otherwise be offensive to or injure the public health. Nuisances, if not removed within ten (10) days of notification, may be removed by the Committee and removal costs charged to owner, lessee, or occupant. Storage or disposal of hazardous or radioactive material on the Property is prohibited.

S. No materials shall be transported to, from or within the Property in such a way as to create a nuisance or hazard. Permission must be obtained from the Environmental Control Committee before dangerous or loose materials may be transported.

T. No trash, ashes, garbage or other refuse shall be dumped or stored or accumulated on the 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 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 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.

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

111810

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

W. Landscaped areas shall be reasonably maintained by the owner or the lessee of the Property as to pruning, trimming, watering, or other requirements, to create an attractive appearance. Any plant material not surviving shall be replaced as soon as possible in the growing season. Lack of maintenance shall constitute a violation of these Restrictions and may be accomplished by the Committee and the cost thereof charged to the appropriate owner or lessee. Maintenance of Pedestrian Easement Improvements shall be the responsibility of each adjacent Parcel owner until such time as such Improvements are conveyed to the Pagosa Property Owners Association by Declarant.

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

Y. Any dwelling or outbuilding on the Property 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 Property restored to a sightly condition with reasonable promptness; provided, however, that in no event shall such debris remain longer than sixty (60) days.

Z. No portion of the Property shall be used:

(1) for the storage of salvage, junk, or second-hand material as a principal or primary business;

(2) for the manufacture, storage, distribution or sale of explosives as a principal or primary use;

(3) for the purpose of conducting any circus or carnival, fairs, rodeos and the like, except with the written consent of the Committee;

(4) for trailer courts;

(5) for cemeteries;

(6) for stockyard or slaughter of animals;

(7) for jail or honor farms; or

(8) for agricultural uses including animal husbandry.

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 in the neighborhood.

6. EASEMENTS

A. The Declarant reserves unto itself, its successors and assigns, certain easements along, across, over and upon the real estate that constitutes the Property. The easements so reserved by the Declarant are described as follows:

(1) Declarant, for itself, its successors and assigns and licensees, reserves a ten (10) foot wide easement along all present and subsequent road rights-of-way, and a ten (10) foot easement along the side lines of the Property for the purpose of installing, maintaining and operating utility lines and mains thereon, together with the right to trim, cut or remove any trees and/or brush, and the right to locate guy wires, braces and anchors wherever necessary for said installation, maintenance and operations, together with the right to install and maintain and operate utility lines and mains and appurtenances thereto, and reserving unto itself, its successors, assigns and licensees, the right to ingress and egress to such areas for any of the purposes heretofore mentioned. No permanent building shall be placed on such easements, but the same may be used for gardens, shrubs, landscaping and other purposes, provided that such use does not interfere with the use of such easements for their intended purposes.

(2) Declarant for itself, its successors, assigns and licensees, reserves a twenty-five (25) foot wide easement within all rights-of-way for the purpose of cutting and filling and drainage. Declarant further reserves unto itself, its successors and assigns and licensees, the right to cause or permit drainage of surface water over and/or through said Parcels, and further it reserves an easement on, over and under all road rights-of-way for the purpose of installing, maintaining and operating utilities or drainage.

(3) The Property shall further be subject to an easement for the maintenance and permanent stabilization control of slopes.

(4) No owner of the Property shall have any claim or cause of action against Declarant, its successors, assigns or licensees, either in law or in equity, and arising out of exercise of any easement reserved hereunder, excepting in cases of willful or wanton negligence.

7. SIGN REGULATIONS

Declarant desires the Property be subject to the terms of paragraph H. of an Amended Declaration of Restrictions for Pagosa Village Service Commercial and for Village Center made on the 6th day of July, 1979, and recorded on the 23rd day of July, 1979, in the Public Records of Archuleta County, Colorado, in Book 166 at Pages 435 through 451 inclusive, which are made a part hereof and incorporated herein by reference.

8. PAGOSA PROPERTY OWNERS ASSOCIATION, INC.

A. Every person acquiring legal or equitable title to any of the Property which is designated for multi-family residential use 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 Property 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 Property merely as security for the performance of an obligation to pay money, e.g., mortgages, deed of trust, or real estate contract purchases. However, if such a person should realize upon his security and become the real owner of the Property, he will then be subject to all the requirements and limitations imposed in these Restrictions

111310

on owners 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 at Pagosa and to strengthen and enhance Pagosa property values.

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 at Pagosa as it may from time to time own or agree to maintain. The Association may provide police protection for the residents of the community.

In the event that the Association at any time fails to properly maintain such parks and recreational facilities, or fails to provide adequate 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 police protection and may charge the Association for all such repairs or protection; 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 annual charge per multiple-family residential unit 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 \$50.00 per each multiple-family unit.

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 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 unit 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 the Property 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 twelve (12) percent 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.

111810

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.

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 protection and the maintenance of the waterways, parks and other recreational facilities.

F. The lien of a mortgage or deed of trust placed upon the Property for the purpose of permanent financing and/or constructing a building, 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 remains unpaid; or for any continuing violation of the Restrictions, 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.

9. ASSOCIATION'S RIGHT TO PERFORM CERTAIN MAINTENANCE

In the event an owner of any of the Property 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 Property and repair and restore the Property 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 Property is subject. The Association shall not be liable for any damage which may result from any maintenance work performed hereunder.

10. CHARGES FOR WATER AND SEWER SERVICE

A. Every legal or equitable owner of the Property shall pay charges for water and sewer service in accordance with rates approved by the entity having jurisdiction in the matter. At such time as water or sewer service is available to the owner of the Property, he shall pay a water connection fee and/or a sewer connection fee in amounts established by the entity having jurisdiction in the matter. Unless otherwise determined by the entity having jurisdiction in the matter, water service shall be deemed to be available for purposes of this paragraph when water lines are installed, operative and ready for connection within one hundred (100) feet of any property line and sewer service shall be deemed to be available when sewer lines are installed, operative and ready for connection within four hundred (400) feet of any property line.

B. Easements in addition to those reserved throughout these Restrictions shall be granted for the practical construction, operation and maintenance of such water and sewer facilities upon request of the Declarant or the entity having jurisdiction in the matter.

11. RIGHTS OF MORTGAGEES

All Restrictions and other provisions herein contained shall be deemed subject and subordinate to all mortgages and deeds of trust now or hereafter executed upon land subject to these

Restrictions, and none of said Restrictions shall supersede or in any way reduce the security or affect the validity of any such mortgage or deed of trust; provided, however, that if any portion of said Property is sold under a foreclosure of any mortgage or under the provisions of any deed of trust, any purchaser of such sale and his successors and assigns, shall hold any and all Property so purchased subject to all of the Restrictions and other provisions of this Declaration.

12. REMEDIES

A. Violation or breach of any Restriction herein contained shall, should such violation or breach continue for a period of ten (10) days after written notice thereof, entitle Declarant and/or the Environmental Control Committee on behalf of the Association to the right to enter upon the Property with respect to which said violation or breach exists, and summarily to remove at the expense of the owner, lessee or occupant thereof, any structure, thing or condition that may be or exist thereon contrary to the intent and meaning of the provisions hereof.

B. 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 neither Declarant nor the Association shall be liable for damages of any kind to any party for failing to either abide by, enforce, or carry out any of these Restrictions.

C. No delay or failure on the part of an aggrieved party to invoke an available remedy set forth in 12-B above in respect to 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.

13. GRANTEE'S ACCEPTANCE

A. The Grantee of the Property 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 Property, 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 of the Association, and by such acceptance shall for himself, his heirs, personal representatives, successors and assigns, covenant, consent and agree to and with Declarant, the Association, and to and with the grantees and subsequent owners of portions of the Property within the development to keep, observe, comply with and perform said Restrictions and agreements.

B. Each 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 Property including but not limited to its proximity to waterways, club or recreation facilities.

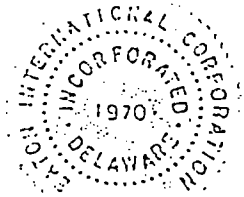
14. SEVERABILITY

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.

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



EATON INTERNATIONAL CORPORATION
A Delaware corporation

BY: David H. Eaton
President

ATTEST: *

Fred B. Thielen
Secretary

STATE OF ARIZONA)
COUNTY OF MARICOPA) ss.

This instrument was acknowledged before me this 24th day of June, 1982, by David H. Eaton as President and Fred B. Thielen as Secretary of EATON INTERNATIONAL CORPORATION, a Delaware corporation.

M. M. Baker
Notary Public
M.A. Baker
PL
MARICOPA COUNTY, ARIZONA

My commission expires 1/13/84.

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