

AMENDED AND RESTATED CONDOMINIUM DECLARATION
FOR FAIRWAY FOUR TOWNHOMES
TELLURIDE MOUNTAIN VILLAGE, COLORADO

APRIL 15, 2000

THIS AMENDED AND RESTATED DECLARATION (the "Restated Declaration"), is made and entered into effective as of this 6th day of September, 2001 by the Owners of Sites and Units at the Community (as these terms are defined herein).

ARTICLE 1
RECITALS

Day-Lodge Partners, a Colorado General Partnership, in it's capacity as "Declarant", previously prepared and recorded a Condominium Declaration for the Fairway Four Townhomes, which Declaration was recorded in the Official Records (as defined below) on June 25, 1992 in Plat Book 1 at Page 1314 at Reception No. 277700, (the "Original Declaration").

The Owners, (as defined in the Original Declaration and herein) desire to amend, restate and replace the Original Declaration, pursuant to the terms set forth in this Restated Declaration. The Association (as defined below) certifies that, pursuant to the requirements of the Original Declaration, the terms of this Restated Declaration have been approved by at least 67% of the votes in the Association, as required to amend and restate the Original Declaration.

NOW, THEREFORE, the Original Declaration is and shall hereby be fully replaced, superceded, amended and restated in its entirety by this Restated Declaration, as set forth below.

ARTICLE 2
DEFINITIONS

The following definitions shall apply to this Restated Declaration and attached exhibits as amended from time to time, unless the context shall expressly provide otherwise:

2.1 Articles means the Articles of Incorporation for the Association, as filed with the Colorado Secretary of State and amended from time-to-time.

2.2 Assessments means all General Assessments and Special Assessments.

2.3 Association means the Fairway Four Townhomes Owners' Association, Inc., a Colorado nonprofit corporation, its successors and assigns, of which all Owners of Units shall be Members (as these terms are defined below), and which Association shall be charged with the management and maintenance of the Community.

2.4 Board means the Association Board of Directors, designated as the body governing the affairs of the Association and elected by the Members, all pursuant to the Corporation Act, the Declaration and the Articles of Incorporation and Bylaws.

2.5 Buildings means those portions of the Improvements consisting of the physical Building structures and appurtenant components (including, by way of illustration but not limitation, any platform, balcony, deck, terrace, porch, patio, stairs, hallway, foundations, columns, supports, exterior walls, roofs, partition walls, roof overhangs, basements, attics and parking and storage spaces, if any) constructed within, and forming a part of, each of the Units and described as such herein and on the Community Map (each as amended from time-to-time, including pursuant to Article 5 below).

2.6 Bylaws means the Bylaws of the Association, as adopted by the Association and amended from time-to-time.

2.7 Common Elements means and refers to the Common Elements described herein and on the Community Map, which includes all of the Community outside of the Units. This includes, without limitation, the following:

2.7.1 The Land (except any portion of the Land contained within the designated footprint of a Unit).

2.7.2 All sidewalks, roads, driveways, yards, gardens, planters, trash enclosures, and all automobile parking (except that parking contained within a Unit) and other areas designated as Common Elements on the Community Map;

2.7.3 Any installations located outside of the Units consisting of equipment and materials making up any central utility and communication services (including all pipes, ducts, flues, wires, cable and conduit used in connection with such items, only when located outside of the Units), including, without limitation, such services as power, light, gas, hot and cold water, and such central service support structures;

2.7.4 In general, all apparatus and installations existing or provided for common use; and

2.7.5 All other parts of the Community Property necessary or convenient to the existence, maintenance and safety of the Community, or normally in common use.

In describing a Unit, no separate reference to Common Elements need be made in any lease, assignment of lease, sublease, deed, Mortgage, or other instrument.

2.8 Common Expenses means and includes:

2.8.1 Expenses declared to constitute common expenses by provisions of the Declaration.

2.8.2 Expenses of administration, operation and management, maintenance, repair or replacement of the Common Elements, including, but not limited to, insurance, security and utilities attributable to the operation of the Common Elements.

2.8.3 All sums lawfully assessed against the Units by the Association for use in connection with the Common Elements.

2.8.4 Other expenses agreed upon as common expenses by the Board, consistent with the intent of the Declaration

2.9 Community means the Community Property submitted to common ownership by this Declaration, and which may be subsequently submitted to townhome ownership, pursuant to the Community Laws and as herein provided. As set forth in Section 1.3 above, the Community shall be named, "Fairway Four Townhomes, a Townhome Common Interest Community," which name may be amended from time-to-time by the Association.

2.10 Community Laws means both (i) the Colorado Common Interest Ownership Act, Colorado Revised Statutes Title 38, Article 33.3, as amended from time-to-time, (the "Act"), and (ii) the Colorado Nonprofit Corporation Act, Colorado Revised Statutes Title 7, Articles 20 - 29, as amended from time-to-time (the "Corporation Act")

2.11 Community Map means the map for the Community and includes the engineering survey or surveys of the Land, locating and establishing (i) the Units, and (ii) the Common Elements and such other information as shall be required by the Community Laws and as may be included thereon, in the discretion of the Declarant. The Community Map shall be recorded in the Official Records together with this Declaration, and may be supplemented or amended as provided herein. Specifically, the Community Map shall be amended, pursuant to Article 5 below, to locate and finally establish the Improvements, at such time as such Improvements shall be constructed and completed on the Community Property.

2.12 Community Property means the Land and all Improvements and future Improvements and any additional real property, easements, improvements or other appurtenant rights thereto added, created or submitted to the Community by the Declaration.

2.13 Declarant means Day-Lodge Partners, a Colorado General Partnership, its successors and assigns.

2.14 Declaration means this Declaration, and any and all duly executed amendments, supplements, or additions thereto, recorded in the official Records and otherwise filed of public record including, without limitation, any maps, plats or documents incorporated by reference herein and the provisions thereof.

2.15 First Mortgagee means the holder of any recorded Mortgage under which the interest of any Owner is encumbered and which Mortgage is the first and paramount security interest priority.

2.16 General Assessments means all assessments levied upon all of the Units, for annual Common Expense assessments, insurance assessments (assessed in proportion to risk), utility assessments (assessed in proportion to ownership interests) and such other assessments as shall be imposed by the Association, in accordance with the Declaration and/or any other applicable Community or Association documents.

2.17 Improvements means all structures and improvements located above, on or below the surface of the Land, including the Buildings and all sidewalks, utility installations and other common facilities constructed pursuant to the Declaration.

2.18 Land means that certain real property owned in fee simple by Declarant, together with all grantee rights under all appurtenant easements in favor of such real property and/or Declarant, all situated in the Town of Mountain Village, San Miguel County, Colorado, as further described on the attached Exhibit "A."

2.19 Marketing Period means the period of Declarant control over the Association and is further defined in Section 15.4 below.

2.20 Member means any person, firm, corporation, partnership, association, trust or other legal entity, or any number of combinations thereof (the "Persons") who own(s) one or more sites and/or Units, thereby automatically becoming a member of the Association.

2.21 Mortgage means any real estate mortgage, deed of trust, or security instrument by which a Unit is encumbered.

2.22 Official Records means the official real property records of the Office of Clerk and Recorder of San Miguel County, Colorado.

2.23 Owner means any person, firm, corporation, partnership, association, or other entity, including Declarant, or any number of combinations thereof who own(s) one or more Units. The term "Owner" shall not refer to any mortgagee, unless such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

2.24 Rules and Regulations means the Rules and Regulations adopted and amended from time-to-time by the Board governing the use of Sites and associated Units and of the Common Elements, which Rules and Regulations shall be consistent with the rights and duties established in the Declaration. Such Rules and Regulations shall be binding upon all Owners, invitees and guests, and the Association may take such administrative or judicial action as may be necessary to enforce compliance with such Rules and Regulations and to obtain damages and reasonable attorney's fees for noncompliance to the extent permitted by law.

2.25 Site or Sites means that portion of the Land contained within the designated footprint location depicted on the Community Map, for separate fee simple ownership, together with the individual air space and applicable portion of the Building above such designated footprint location in which the applicable Unit or Units are to be constructed. Each of the Buildings shall be wholly contained within the applicable Site and Unit boundaries and, accordingly, the Site and Unit boundaries depicted on the Community Map shall be amended to reflect the actual locations of the constructed Buildings, pursuant to Article 5 below.

2.26 Special Assessments means all assessments levied upon all of the Units for special purposes such as capital improvements, reserve fundings, amenities, etc., including specified Common Expenses, and such other assessments for special purposes as shall be imposed by the Association, in accordance with the Declaration and/or any other applicable Community or Association documents.

2.27 Unit(s) means a Unit or Units (including the applicable portion of the Building), each owned in fee simple, constructed on a site.

ARTICLE 3 ESTABLISHMENT OF TOWNHOME OWNERSHIP

3.1 Units. The Community shall be comprised of 24 separately designated Sites and Units, together with an undivided percentage interest in the Common Elements being held by all of the Owners of the Sites and Units as tenants-in-common according to the percentage interest assigned to each Unit on Exhibit "B," and any Common Elements designated and reserved to such Sites and Unit, as set forth on the Community Map and Exhibit "B". Each Site and associated Unit shall be identified on the Community Map and Exhibit "B" by the number shown in Exhibit "B" and, in no event shall the Community consist of more than 24 total Sites and Units.

3.2 Use of Common Elements. Subject to the limitations herein contained, any Owner shall have the nonexclusive right to use and enjoy the Common Elements in accordance with the applicable Community Rules and Regulations.

3.3 Subdivision of Sites and Units. No Site or Unit may be subdivided into two or more Sites or Units, without the unanimous approval of Owners and First Mortgagee.

3.4 Covenants Running with the Land. All provisions of the Declaration shall be deemed to be covenants running with the Land, or as equitable servitudes, as the case may be, and shall inure to the benefit of and be binding upon Declarant, its transferees, successors, and assigns, and to all Persons hereafter acquiring or owning any interest in the Community or any Unit, regardless of how such interest may be acquired.

ARTICLE 4 INSEPARABILITY OF A UNIT

Each site and associated Unit and its appurtenant undivided interest in the Common Elements, the easements appurtenant thereto, and the exclusive use of the Common Elements designated for such site and associated Unit shall together comprise one site and associated Unit which shall be inseparable and may be conveyed, assigned, leased, devised or encumbered only as a site and associated Unit, except as in Section 3.3 above.

ARTICLE 5 COMMUNITY MAP

5.1 Filing of Community Map. Prior to any conveyance by Declarant of a site and associated Unit, Declarant shall cause to be filed for record in the official Records, a Community Map, approved by the Town of Mountain Village, which shall contain a sufficient survey description of the Land and air space of each site associated Unit so as to locate the same accurately and properly. The Community Map may be filed in whole or in parts or sections, from time to time, as stages of construction of the Buildings and other Improvements are substantially completed, if ever, in accordance with the Declarations. Each section of the Community Map filed subsequent to the first filed Community Map shall be termed a Supplemental Community Map to the Community Map and the numerical sequence of such Supplement shall be shown thereon. The Community Map shall depict and show at least the following:

- 5.1.1 The name and a general schematic map of the entire Community;
- 5.1.2 The location and dimensions of all real estate not subject to development rights, or subject only to the development right to withdraw, and the location and dimensions of all existing Improvements within that real estate;
- 5.1.3 A legally sufficient description of any real estate subject to development rights, labeled to identify the rights applicable to each parcel;
- 5.1.4 The extent of any existing encroachments across any Community boundary;
- 5.1.5 To the extent feasible, a legally sufficient description of all easements serving or burdening any portion of the Community;
- 5.1.6 A legally sufficient description of any real estate in which the Owners will own only an estate for years, labeled as "leasehold real estate";
- 5.1.7 The distance between noncontiguous parcels of real estate comprising the Community;
- 5.1.8 The approximate location and dimensions of the Common Elements, including porches, balconies, and patios, other than the Common Elements described in Sections 6.2.3 and 6.2.5 below.
- 5.1.9 The location and dimensions of the vertical boundaries of each Site and that Site's identifying number;
- 5.1.10 Horizontal Unit boundaries, if any, with reference to all established data, and that Site and associated Unit's identifying number;
- 5.1.11 Any portion of the Community in which the Declarant has reserved the right to create additional Site and associated Units or Common Elements, identified appropriately; and
- 5.1.12 Any other information as may be included in the discretion of the Declarant.

5.2 Certification of Community Map. All plats or maps, including the Community Map, must contain a certification by a registered land surveyor that the plat or map contains all the information required by Section 38-33.3-209 of the Act.

5.3 Supplemental Maps. Supplemental Community Maps may be filed from time-to-time. It is specifically contemplated that the Community Map shall be amended from time-to-time to locate and finally establish the Buildings (and possibly other Improvements), at such time as such Buildings and/or Improvements shall be constructed and completed on the Community Property, pursuant to the Declarations.

ARTICLE 6 DESCRIPTION OF UNIT

6.1 Legal Description of Site and associated Unit. Every instrument affecting the title to a Site and associated Unit shall describe that Site and associated Unit by the words "Fairway Four Townhomes Unit __, in accordance with the recorded Townhome Declaration and Map, San Miguel County, Colorado." Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect not only the Unit, but also the Common Elements appurtenant thereto. Each such description shall be construed to include a nonexclusive easement for ingress to and egress from the Site and Unit, and use (consistent with the Community Map and the Declaration) of the designated Common Elements.

6.2 Amendments Deemed Included. Reference to the Community Map and/or the Declaration in any instrument shall be deemed to include any supplements or amendments thereto, whether or not specific reference is made to such amendments or supplements.

6.3 Conveyance of a Site and associated Unit. Upon the purchase of any Site and associated Unit from Declarant, a copy of each instrument of conveyance shall be furnished by Declarant to the Association. Upon any subsequent conveyance of a Site and associated Unit, a copy of the instrument of conveyance shall be furnished to the Association by the grantee, upon request.

ARTICLE 7 TITLE AND OWNERSHIP

7.1 Title. The title to any Site and associated Unit may be held and owned by one or more person, firm, corporation, partnership, association, trust or other legal entity, including Declarant, or any number of combinations thereof. By acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or any prior Owner, each Owner specifically waives any right to institute and/or maintain a partition action or any other action designed to cause a division of the Common Elements. Each Owner specifically agrees not to institute any action therefor. Furthermore, each Owner agrees that Section 7.2 may be pleaded as a bar to the maintenance of such an action. A violation of this provision shall entitle the Association to collect, jointly and severally, from the parties violating the same, the actual attorneys fees, costs and other damages the Association incurs in connection therewith.

7.2 Transfer of Common Elements. All Owners and the Association, covenant that, except as provided Article 20 hereof, they shall neither by act nor omission, seek to abandon, subdivide, encumber, sell or transfer the Common Elements without the consent of: (i) the Owners representing an aggregate ownership interest of 67% or more of the Common Elements; (ii) the First Mortgagees representing an aggregate of 67% of the then-outstanding balances of such Mortgages covering or affecting any or all Units; and (iii) during the Marketing Period, the consent of the Declarant. Any such action without the written consent of said Owners, First Mortgagees and, if applicable, the Declarant, shall be null and void.

ARTICLE 8 USE AND OCCUPANCY

8.1 Use of Common Elements. Each Owner shall be entitled to exclusive ownership and possession of his Site and associated Unit. Each Owner may use the Common Elements in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners, and subject to the use and occupancy restrictions set forth in Section 8.2.

8.2 Use and Occupancy. The Units shall be used and occupied in strict accordance with all applicable governmental, zoning, land use and other regulations.

8.2.1 Use of Common Elements. Each Owner may use the Common Elements in accordance with the purpose for which they are intended without hindering or encroaching upon the lawful rights of the other Owners. There shall be no obstruction of Common Elements, nor shall anything be kept or stored on any part of the Common Elements without the prior written consent of the Association, except as specifically provided herein. No restriction, impairment, or interference with any right of ingress or egress provided for in the Declaration shall be permitted at any time without the prior written consent of the Owner thereof. Nothing shall be altered on, constructed in, or removed from the Common Elements except upon the prior written consent of the Association.

8.3 General Use Restrictions.

8.3.1 Animals within the Community shall be kept in accordance with all Rules and Regulations; provided, however, that no animals of any kind shall be commercially raised or bred within the Community. Notwithstanding anything stated above to the contrary, seeing-eye dogs will be permitted for those persons holding Certificates of Blindness and Necessity (20/200) in the better eye with correction.

8.3.2 Occupants other than Owners and Lessees are prohibited from keeping pets of any sort upon any portion of the Community. Lessees can keep pets in the Community only pursuant to the prior written approval of the Board. An Owner shall be absolutely liable to the Association and all other Occupants for any unreasonable noise or damage to person or property caused by any animal brought or kept on any portion of the Community by such Owner or members of his family or by Lessees. The Board shall adopt and amend from time-to-time specific Rules and Regulations governing clean-up obligations, fines, and other matters relating to dog activities and/or presence in the Community.

8.3.3 Neither the Common Elements nor any part or appurtenance of or to any Site or Unit which is visible outside the Unit (i.e., doors) shall be altered in appearance or modified without consent of the Association. No unsightly object or nuisances shall be erected, placed or permitted to remain on or in any Site or Unit, nor shall any Site or Unit be used in any way for any purpose which may endanger the health or unreasonably disturb any Owner, resident or tenant.

8.3.4 No nuisances shall be allowed in the Community, nor shall any use or practice be allowed that unduly annoys Owners, residents or tenants or that interferes with the peaceful enjoyment or possession and use of the Community by the Owners. All parts of the Community shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate nor any fire hazard to exist. No Owner shall permit any use of his Site or Unit or make any use of the General or Common Elements which will unreasonably increase insurance rates upon the Community Property. The Association may adopt bylaws and Rules and Regulations as may be related to the orderly administration or to abatement of nuisances.

8.3.5 All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Community shall be observed.

8.3.6 Rules and Regulations may be adopted by the Association concerning and governing both the use of the General and Common Elements and the appearance of the Improvements. Copies of the Rules and Regulations shall be posted or furnished to Owners prior to the time they become effective. The Association shall be responsible for taking all acts and making any Rules and Regulations as will ensure the maintenance of the Common Elements to high standards of safety, cleanliness and pleasing appearance.

8.3.7 Except for those Improvements already erected or installed at the time of this Restated Declaration, no exterior additions or alterations to or of any Buildings shall be allowed, except as approved by the Board of Directors.

8.3.8 Storage of any combustible or dangerous materials shall not be permitted on any portion of the Community Property.

8.4 On Site Parking. The automobile parking area for the Community is included within the Common Elements managed by the Association. The Association shall, from time to time, establish the Rules and Regulations governing the operation and use of the automobile parking areas.

8.5 No Restrictions on Sale of a Site or Unit. The right of Owners to sell, transfer or otherwise convey their Site or Unit or Sites and Units shall not be subject to any right of first refusal or similar restriction and such Site or Unit or Sites and Units may be sold free of any such restrictions.

8.6 No Restrictions on Mortgaging of a Site or Unit. There are no restrictions on the right of Owners to mortgage or otherwise encumber a Site or Unit. There is no requirement for the use of a specific lending institution or particular type of lender.

8.7 No Time Shares. A Site or Unit may not be conveyed pursuant to any time-sharing arrangement or fractional ownership or time interval structure described in Sections 38-33-110 to 113, Colorado Revised Statutes without the prior written consent of 100% of the Owners and First Mortgagee.

8.8 Sign Restrictions. Without the prior written consent of the Board or pursuant to its Rules and Regulations, no sign or advertising device shall be displayed to the public view anywhere in the Community.

8.9 Parking Restrictions. No Occupant shall park any vehicle anywhere in the Community except wholly within those portions of Common Elements designated for parking. No inoperable vehicle shall be stored anywhere in the Community, and no Occupant shall park any commercial type vehicle in excess of 20 ft. x 9 ft. in size anywhere in the Community. The Board may restrict or prohibit parking anywhere in the Community of trailers, boats, camper-type vehicles and motor homes and adopt such other Rules and Regulations for parking as the Board deems appropriate. No Occupant shall conduct major repairs or restorations of a vehicle or permit any such activity to be conducted anywhere in the Community.

8.10 Eyesores and Fire Restrictions. Except as allowed pursuant to the Rules and Regulations, (i) nothing unsightly shall be hung out from a Unit or exposed from a Unit to any part of the Common Elements visible to the public; (ii) the Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials; (iii) trash, garbage or other waste shall be disposed of in a designated trash container; (iv) no portion of the Common Elements visible to the public shall be used for the storage of building materials, refuse or any other materials, other than in connection with approved construction; and (v) there shall be no exterior fires except in contained barbecues unless otherwise regulated or prohibited by the Board.

8.11 Out-Building Restrictions. No temporary building shall be placed upon any portion of the Common Elements, except as permitted by the Board. No garage, storage unit, trailer, boat, camper, motor home or recreational vehicle shall be used, either temporarily or permanently, as a residence anywhere in the Community.

8.12 Easement to Common Elements. Appurtenant to each Lot shall be a non-exclusive easement of enjoyment to the Common Elements for the benefit of the Owner and Occupants. The non-exclusive easement of each Site to use the Common Elements is subject to the Association's right to reasonably allocate and regulate all Occupants use of, or access to, Common Elements.

8.13. Exclusive Easements to Common Elements. An exclusive easement to use and occupy the limited portions of the Common Elements designated on the Map as being exclusively appurtenant to one or more particular Units is declared and established for the benefit of each such Unit.

8.14 Occupancy Limitations. No Unit shall be occupied by more persons than it was designed to accommodate safely and comfortably. Each Unit shall be deemed to have been designed to accommodate safely and comfortably a maximum of two adults (persons over the age of 12) per living space originally designed primarily as a sleeping area plus two additional persons (including children 12 years and under) per Unit.

8.15 Restrictive Covenants. The Community is established to provide permanent affordable housing. Owners shall be subject to the restrictions and requirements concerning the sale, lease and use of Units and Sites and other restraints on free alienability of Units and Sites according to valid restrictive covenants of record at the time an Owner acquires its Unit or Site (and thereafter, with Owners' consent).

ARTICLE 9 EASEMENTS FOR ENCROACHMENTS

9.1 Encroachments. In the event that any portion of the Common Elements encroaches upon any Site or Unit, or in the event that any portion of a Site or Unit encroaches upon any other Site or Unit or upon any portion of the Common Elements, or in the event any encroachment shall occur in the future as a result of: (1) improvements constructed to a Unit by an Owner thereof; (2) settling of the Buildings or other Improvements; (3) alteration or repair to the Common Elements; or (4) repair or restoration of the Improvements and/or Unit(s) after damage by fire or other casualty, or condemnation or eminent domain proceedings; a valid easement shall exist for the encroachment and for the maintenance of the same so long as the Building stands or encroachment exists.

9.2 Destruction.... In the event that any one or more of the Units or the Buildings or other Improvements comprising part of the Common Elements are partially or totally destroyed and are subsequently rebuilt or reconstructed in substantially the same location, and as a result of such rebuilding any portion thereof shall encroach as provided in the preceding sentence, a valid easement for such encroachment shall then exist.

9.3 Marketability. Such encroachments and easements shall not be considered or determined to be encumbrances either on the Common Elements or on the Sites or Units for purposes of marketability of title or other purposes.

9.4 Liability. The easement does not relieve a Owner of liability in case of willful misconduct nor relieve the Declarant or any other person of liability for failure to adhere to the Community Map.

9.5 Variations. In interpreting any and all provisions of the Declaration and subsequent deeds to and/or Mortgages relating to Sites or Units, the actual location of a Site or Unit shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered notwithstanding any minor deviations, either horizontally, vertically or laterally from the location of such Site or Unit indicated on the Community Map.

9.6 Golf Course Hazard. The Community is immediately adjacent to a golf course. All Owners hold title to their Sites and Units, and the Association holds title to the Community Property subject to and with knowledge and notice of the existence of the adjacent golf course and the nearby play area for golf, with any and all attendant risks, conditions and effects, including, without limitation, the risks of damage, breakage and injury from golf balls being hit onto the Property and striking a Building, Unit or any Persons or others utilizing these. All Owners by taking a deed to a Site and Unit for themselves, their heirs, successors, assigns and invitees, release both (i) the owner and operator of the golf course, and (ii) the Association, as well as their respective successors and assigns, from any and all liability which may or could arise from the condition of the Community being located immediately adjacent to a golf course, except with respect to negligence on behalf of such operator and the Association.

ARTICLE 10

RESERVATION FOR ACCESS - MAINTENANCE, REPAIR AND EMERGENCIES

10.1 Association Right of Access. The Association, its officers, independent contractors, agents and employees, shall have the irrevocable right to have access to each Site and Unit and all General Common and Common Elements from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the General Common and Common Elements therein or accessible therefrom, or at any hour for making emergency repairs, maintenance or inspection therein necessary to prevent damage to the General Common and Common Elements or to another Site and Unit.

10.2 Damage. Damage to the interior or any part of a Unit, including damage to Owner installed or constructed Improvements within a Unit, resulting from the maintenance, repair, emergency repair or replacement of any of the General Common and Common Elements or as a result of emergency repairs within another Unit at the direction of the Association, shall be the Common Expense of all of the Owners; provided, however, that if such damage is caused by the negligence of the Owner of the Unit, his agents, employees, invitees or tenants, then such Owner shall be assessed by the Association and liable for all of such damage and the cost thereof shall be the Owner's obligation and shall be immediately paid upon demand therefor.

10.3 Association's Responsibility. Maintenance, repair or replacement of any drainage structure or facilities, or other public improvements required by the local governmental entity as a condition of development of the common interest community or any part thereof shall be the responsibility of the Association, unless such improvements have been dedicated to and accepted by the local governmental entity for the purpose of maintenance, repair, or replacement or unless such maintenance, repair, or replacement has been authorized by law to be performed by a special district or other municipal or quasi-municipal entity.

10.4 Restoration. All damaged Improvements shall be restored substantially, to the extent reasonably practical, to the same condition in which they existed prior to such damage.

10.5 Common Expenses. All maintenance, repair and replacement of the Common Elements (unless caused by the negligence, misuse or deliberate act of an Owner), shall be the Common Expense of all of the Owners.

10.6 Emergency Services Easement. An easement for ingress and egress is hereby granted to all sheriff, fire protection, ambulance, and other similar emergency services or persons to enter upon the Community in performance of their duties.

ARTICLE 11

ASSESSMENTS AND TAXATION

11.1 Separate Assessments and Taxation - Notice to Assessor. The Declarant shall give written notice to the Assessor of San Miguel County, Colorado, of the creation of this Community, as provided by the Act, so that each Site and Unit, together with its undivided interest in the Common Elements and its interest in the Common Elements appurtenant thereto, shall be deemed a separate parcel and subject to separate assessment and taxation.

11.2 Assessments and Taxation. Each Site and Unit shall be separately assessed for all taxes and assessments of the State of Colorado, San Miguel County or any other political subdivision or district having authority to tax. For the purpose of such assessment, the valuation of the Common Elements shall be apportioned among the Sites and Units in proportion to the percentage undivided interest in the Common Elements appurtenant to such Sites and Units.

ARTICLE 12
TOWNHOME OWNERS ASSOCIATION

12.1 The Association. The administration of the Community shall be governed by the Declaration, the Articles, the Bylaws, and the Rules and Regulations. The Declaration shall control over the Articles and Bylaws of the Association, and the Articles shall control over the Bylaws.

12.2 Membership. Each Owner of a Site and Unit shall automatically become a Member of the Association and shall remain a Member of the Association for the period of the Owner's Ownership. Each Owner shall be entitled to one membership for each Site and Unit owned. Each membership shall be appurtenant to the Site and Unit and shall be transferred automatically by conveyance of the Site and Unit. No person or entity other than an owner may be a Member of the Association, but the rights of membership may be assigned to a mortgagee as and for the security for a loan secured by a lien on a Site and Unit.

12.3 Voting Rights. Members shall be entitled to one vote for every Site and Unit such Member owns, with each vote weighed according to the percentage of ownership of the Common Elements attributable to such Site and Unit, as set forth in Exhibit "B" attached hereto.

12.3.1 If a Unit is owned by more than one Person, those Persons shall agree among themselves how the vote for that Site and Unit's membership is to be cast. Individual co-owners may not cast fractional votes. A vote by a co-owner for the entire Site and Unit's membership interest shall be deemed to be pursuant to a valid proxy (See Section 12.5), unless another co-owner of the same Site and Unit objects at the time the vote is cast, in which case such membership's vote shall not be counted. In no event shall more than one vote be cast with respect to any Site and Unit.

12.3.2 Except as may be otherwise provided in the Declaration, all matters that come before the vote of the Association, whether said matters are required to be voted on by the Members of the Association or are submitted to the vote of the Members of the Association, shall be determined by the majority vote of the membership interests voting.

12.3.3 Notwithstanding any provisions set forth in the Declaration, the Articles of Incorporation or the Bylaws for the Association, the Association shall not be empowered or entitled to modify, amend, terminate, or extend the Declaration or any provision thereof without the consent of 67% of the votes entitled to be cast by the Members.

12.4 Transfer. Except as otherwise expressly stated herein, any of the rights, interests and obligations of the Association set forth herein or reserved herein may not be transferred to or assigned to any other person or entity. No such transfer or assignment shall relieve the Association of any of the obligations set forth herein. Any such transfer or assignment shall not revoke or change any of the rights or obligations of any Owners as set forth herein.

12.5 Vote by Proxy. Votes allocated to a Site and Unit may be cast pursuant to a proxy duly executed by an Owner. If a Site and Unit is owned by more than one Person, each Owner of the Site and Unit may vote or register protest to the casting of votes by the other Owners through a duly executed proxy. Upon a Member's designation of a proxy, the secretary of the Association shall maintain the list of the Persons entitled to vote on behalf of each Member and, until the Association is notified to the contrary, any action taken by a person purporting to act on behalf of a Member shall be binding upon the Member. An Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven months after its date, unless it provides otherwise.

ARTICLE 13
PURPOSES AND POWERS OF ASSOCIATION

13.1 Nonprofit Purpose. The Association shall not operate for pecuniary gain or profit, shall not issue capital stock, and no part of the net earnings of the Association shall inure to the benefit of any Member or individual (except that reasonable compensation may be paid for services rendered by an Owner or an affiliate thereof).

13.2 Association Powers. The Association shall be granted all powers necessary to govern, manage, maintain, repair, administer, and regulate the Community and to perform all of the duties required of it and to impose Assessments to carry-out its responsibilities.

13.2.1 Notwithstanding the above, the Association shall not be empowered nor entitled to do any of the following without the unanimous written consent of the Owners and the First Mortgagee:

- (a) by act or omission, seek to abandon or terminate the Community regime;
- (b) except as otherwise provided herein, partition or subdivide any Site or Unit;
- (c) by act or omission, seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Elements;
- (d) use hazard insurance proceeds for a loss to the Improvements for other than the repair, replacement, or reconstruction of such Improvements; and
- (e) change the pro rata interest or obligation of any Site or Unit, and of the Owners thereof, for the purposes of: (i) levying Assessments or for the purpose of allocating a distribution of hazard insurance proceeds or condemnation awards hereunder; or (ii) determining the pro rata share of ownership of each Site or Unit in the Common Elements.

13.2.2 In furtherance of the Association purposes, the Association (by action of its directors, unless otherwise noted in the Articles of Incorporation or in the Declaration) shall have full power to:

- (a) Adopt and amend the Articles, Bylaws and any Rules and Regulations;
- (b) Adopt and amend budgets for revenues, expenditures, and reserves and collect Assessments for Common Expenses from Owners;
- (c) Hire and terminate managing agents and other employees, agents, and independent contractors;
- (d) Institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the common interest community;
- (e) Make contracts and incur liabilities;
- (f) Regulate the use, maintenance, repair, replacement, and modification of the Common Elements;
- (g) Cause additional Improvements to be made as a part of the Common Elements;
- (h) Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property, subject to the provisions of Sections 7.2, 20.3 and 25.1.

(i) Grant easements, leases, licenses, and concessions through or over the Common Elements;

(j) Impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Elements other than the Common Elements described in Section 38-33.3-315 of the Act;

(k) Impose charges for late payment of Assessments, recover reasonable attorney fees and other legal costs for collection of Assessments and other actions to enforce the power of the Association, regardless of whether or not suit was initiated, and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association;

(l) Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid Assessments;

(m) Provide for the defense and indemnification of its officers and Board and maintain director's and officer's liability insurance;

(n) Assign its right to future income, including the right to receive Common Expense Assessments, but only to the extent the Declaration expressly so provides;

(o) Exercise any other powers conferred by the Declaration or Bylaws;

(p) Exercise all other powers that may be exercised in the State of Colorado by legal entities of the same type as the Association;

(q) Exercise any other powers necessary and proper for the governance and operation of the Association; and

(r) Materially alter the Common Elements, but only with the prior written consent of 75% of the Owners.

13.3 Association As Attorney-in-Fact. The title to any Site and Unit is hereby declared and expressly made subject to the terms and conditions hereto, and acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or any prior Owner shall constitute the appointment of the Association as the Owner's attorney-in-fact for the purposes expressly set forth in the Declaration. The Association, as attorney-in-fact, shall have full and complete authorization, right and power to (i) make, execute and deliver any contract, deed or other document with respect to the interest of any Owner for the purposes expressly set forth in the Declaration; and (ii) execute, deliver and file in the Official Records, such instruments, deeds, Community Maps and Declaration amendments and supplements as are necessary or desirable for the purposes expressly set forth in the Declaration. The Declaration does hereby specifically make the irrevocable appointment of the Association as attorney-in-fact for all Owners to deal with the Community Property upon its destruction, obsolescence, repair or reconstruction or condemnation, and title to each Site and Unit is declared and expressly made subject to the terms and conditions hereof and acceptance by the grantee of a deed from the Declarant or from any Owner shall irrevocably constitute and appoint the Association their true and lawful attorney in their name, place and stead for the purpose of dealing with the Community Property upon its destruction, obsolescence, repair or reconstruction. In the event the Community Property is sold by the Association, as attorney-in-fact, pursuant to Articles 20-21, the Association shall record a notice in the Official Records setting forth the circumstances of such sale, and the Declaration shall wholly terminate and expire upon the recording of such notice.

13.4 Owner Compliance. Each Owner shall comply strictly with the provisions of the Declaration, any supplement or amendment hereto, the Articles and Bylaws and all decisions, resolutions, Rules and Regulations of the Association adopted in accordance with the Declaration and the Articles and Bylaws. Failure to comply with any of the same shall be grounds for an action to recover any amounts due, pursuant to Article 18 below, for damages or injunctive relief or both, together with reasonable attorneys' fees and costs, incurred in connection therewith, brought by the Association on behalf of the Owners, or, in a proper case, by any aggrieved Owner.

13.5 Other Duties of the Association. In addition to all other rights, duties, privileges and liabilities of the Association, as provided by the Declaration and its Articles and amendments, the Association shall provide to the Owners the following duties and services, all of which shall be paid as a part of the Common Expense assessment:

- (a) Maintenance, repair and restoration of the Common Elements, landscaping, Buildings and other Improvements, except only as otherwise provided herein.
- (b) Administration and management of the Common Elements.
- (c) All heating, lighting, water and other utility services servicing the Common Elements.
- (d) Obtaining and maintaining of all required insurance as hereafter provided.
- (e) The enforcement of all of the provisions of the Declaration and the Association's Rules and Regulations and the collection of all obligations and Assessments owed to the Association by the Owners.
- (f) Acting as attorney-in-fact for the Owners in accordance with the Declaration.
- (g) Performing all other acts required by the Declaration, or the Articles and Bylaws, or any amendments thereto.
- (h) In addition to the foregoing, the Association shall have the right to hire one or more persons including a management agent, to perform such services. No contract or agreement for the employment of a management agent or professional manager for the Community shall be for a term in excess of one year and any such agreement shall provide that the same may be terminated with or without cause and without payment of any termination fee on not more than 90 days prior written notice.

ARTICLE 14

MAINTENANCE RESPONSIBILITIES

14.1 Owner's Responsibility. Each Owner shall have the obligation to maintain and keep in good repair all Improvements installed or constructed by the Owner within his Unit, including, but not limited to, the interior surfaces of walls, ceilings and floors (including any Owner interior finish, dry wall or wallboard surfaces, carpeting, tile, wallpaper, paint or other covering), internally installed utility distribution services such as water, light, gas, power, sewer, telephone and air conditioning, and all doors, windows, and window panes, lamps and accessories, as well as all fixtures and appliances located within such Owner's Unit.

14.1.1 An Owner shall be responsible for repair occasioned by damage to any Common Elements or a Building, if such damage is due to the act or negligence of Owner, or the Owner's guests, invitees, or tenants.

14.1.2 An Owner shall reimburse the Association for any expenditure incurred for replacing and repairing of any Common Element and related facility or a Building, damaged through the fault of any Owner, or the Owner's guests, invitees, or tenants, and the Association shall be entitled to assess such Owner for such amounts which shall be payable, collectible and enforceable in the same manner as Assessments.

14.1.3 No Owner shall alter the exterior of any Building, without the prior written consent of the Board. Further, no Owner shall alter any Common Element without the prior written consent of the Board.

14.2 Maintenance Responsibility of the Association. The Association, through its Board, shall maintain, replace, improve and keep in good repair, as a Common Expense, all Common Elements and all exteriors of Buildings, with the exception of all doors, windows and window panes. All fire protection water sprinkler systems (including all pump, electrical, piping, sprinkler head and other facilities) located within Buildings and/or any Common Elements outside of Units and/or Sites shall be Limited Common Elements to the Sites and Units serviced by such sprinkler systems. As a result, the Association shall maintain, replace, and keep such sprinkler systems in good repair, subject to the responsibilities of Owners set forth in Section 14.1 above.

14.3 Reservation of Access. The Association, by and through its Board, shall have the right of access to each Site and Unit and its appurtenant Common Elements from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of Common Elements, or at any time deemed necessary by the Association for the making of emergency repairs to prevent damage to the Community Property.

14.4 Owner Remodeling. An Owner shall have the right to redecorate or remodel the interior of such Owner's Unit; provided, however, that no remodeling shall be made without the prior written consent of the Board if it would materially affect the structural integrity, Common Elements, or exterior appearance of the Buildings.

14.5 Utility Lines. The Owner shall not be deemed to own any utilities or communication systems running through his Site and Unit, which serve one or more other Units except as tenants in common with the other Owners. No utilities shall be altered, changed, relocated or distributed without the prior written consent of the Association.

14.6 No Impairment of Structural Soundness. An Owner shall neither perform nor permit any act or work that will impair the structural soundness or integrity of the Buildings or impair an easement or utility.

14.7 General Rules of Law for Party Walls. Each wall which is built as a part of the original construction or restoration of a Unit and placed in the immediate vicinity of the dividing line between two units/sites shall constitute a party wall. To the extent not inconsistent with the provisions of this Declaration, the general rules of law regarding party walls and of liability for property damage due to negligence or willful acts or omissions shall apply thereto. Notwithstanding any other provision of the Declaration, an Owner who, by negligent or willful act, causes the party wall to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements. In the event of any dispute arising concerning a party wall, the Board shall act as a Board of Arbitration and the decision shall be by a majority vote of the Board of Arbitration after an arbitration hearing. No legal action with respect to a party wall dispute shall be commenced or maintained unless and until the provisions of this arbitration clause have been met.

14.8 Right to Contribution. The right of any Owner to contribution from any other Owner under this Declaration shall be appurtenant to the land and shall pass to such Owner's successors in title.

ARTICLE 15

ADMINISTRATION AND MANAGEMENT

15.1 Board of Directors. The Association, by and through the Board elected in accordance with the Articles of Incorporation and the Bylaws of the Association, shall have the duties of the general management, operation, and maintenance of the Community and the enforcement of the provisions of the Declaration and of the Articles of Incorporation and the Bylaws of the Association and Rules and Regulations adopted thereunder.

15.1.1 If appointed by the Declarant, in the performance of their duties, the officers and members of the Board are required to exercise the care required of fiduciaries of the Owners. If not appointed by the Declarant, no member of the Board and no officer shall be liable for actions taken or omissions made in the performance of such Board member's duties except for wanton and willful acts or omissions.

15.1.2 The Board may not act on behalf of the Association to amend the Declaration, to terminate the common interest community, or to elect members of the Board or determine the qualifications, powers and duties, or terms of office of Board members, but the Board may fill vacancies in its membership for the unexpired portion of any term.

15.1.3 The Board may delegate any of its duties, powers and functions to any person or firm, which will act as the managing agent at an agreed compensation.

15.2 Managing Agent. The Association, through the Board, shall provide for the management of the Property by qualified professionals, either employed directly by the Association alone or together with other housing associations, or retained as an independent management services contractor. Pursuant to the latter alternative, the Board may enter into a property management agreement (the "Agreement") with a professional managing agent. Any such Agreement shall not be entered or renewed for a term exceeding five years and shall further provide for termination by either party, without cause and without payment of a termination fee, on not more than 90 days written notice to the other party. Each Owner, his successor and assigns, shall be bound by the Agreement for the purposes therein expressed, including but not limited to:

- a. adopting, ratifying, confirming, and consenting to the execution of the Agreement by the Association; and
- b. covenanting and promising to perform each and every one of the covenants, promises, and undertakings to be performed by Owners as provided in the Agreement.

The managing agent, if any, shall perform the management, operation and maintenance functions delegated to it by the Board, and as otherwise set forth in the Agreement.

15.3 Budget. Within 30 days after adoption of any proposed budget for the Association, the Board shall mail by ordinary first-class mail or otherwise deliver a summary of the budget to all the Owners and shall set a date for a meeting of the Owners to consider ratification of the budget not less than 14 nor more than 60 days after mailing or other delivery of the summary. Unless at that meeting a majority of all Owners reject the budget, the budget is ratified, whether or not a quorum is present. In the event that the proposed budget is rejected, the periodic budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the Board.

15.4 Election of the Board. Except as otherwise provided herein or by law, the Owners shall elect a Board of at least three members. The Board shall elect the officers of the Association.

15.5 Removal of Board Member. The Owners, by a 67% vote of all membership interests represented or present and entitled to vote at any meeting of the Owners at which a quorum is present, may remove any member of the Board with or without cause.

ARTICLE 16
ASSESSMENT FOR COMMON EXPENSES

16.1 Obligation. All Owners shall be obligated to pay the Assessments imposed by the Board to meet the Common Expenses of maintenance, operation and management of the Community. Assessments shall be made by the Association no less frequently than annually and shall be based on a budget adopted no less frequently than annually by the Association.

16.2 Apportionment. Except as otherwise provided in the Declaration, the percentage of Common Expenses to be paid by a Owner shall be equal to such Owner's allocated interest in and to the Common Elements as set forth in Exhibit "B."

16.3 Excess Assessments. In the year in which there is an excess of Assessments received over amounts actually used for the purposes described herein, and in the Bylaws, such excess may be (i) applied against and reduce the subsequent year's Assessments, (ii) refunded to the Owners, or (iii) used to fund Association Improvements and/or other reserves, all as the Board determines.

16.4 Interest. Any past-due Assessment or installment thereof shall bear interest at the rate established by the Board not exceeding 24% or the maximum interest rate allowed by Colorado law, whichever is less, and/or be subject to such late fees as the Board shall determine.

16.5 No Waiver or Abandonment. No Owner may be exempt from liability for payment of an Assessment by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Site and Unit against which the Assessments are made.

ARTICLE 17
APPORTIONMENT OF CERTAIN EXPENSES

17.1 Benefit of Class of Owners. The costs of any Common Expenses to the Community (including, without limitation, gas, electric, trash, water and sewer and other utility expenses), unless and to the extent that these are separately metered or provided, shall be apportioned to all Sites and Units, in accordance with the Sites and Units' percentage ownership interests in and to the Common Elements, as set forth on Exhibit "B." The foregoing notwithstanding, the costs of any Common Expenses, or portions thereof, which the Board reasonably determines to benefit only one or more Sites and Units, shall be borne by the Site and Unit or Sites and Units involved, in accordance with the allocations determined by the Board, in its sole discretion.

17.2 Misconduct. If any Common Expense is caused by the misconduct of any Owner, the Board may assess that expense exclusively against such Owner's Site and Unit.

17.3 Special Allocation of Expenses of Repair and Maintenance. The Association shall have the right to allocate a disproportionate share of the expenses of repair and maintenance of the Common Elements to any Site and Unit, which has been occupied or used on a rental basis for the majority of the dates in any assessment period, to the extent that the Board reasonably determines that such occupancy and/or usage has resulted in excessive wear and tear.

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ARTICLE 18
COLLECTION OF COMMON EXPENSES

18.1 Assessment Lien. Declarant, for each Site and Unit, shall be deemed to covenant and agree, and each Owner, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association all Assessments. In accordance with Section 22.2 below, the grantee of a Site and associated Unit shall be jointly and severally liable with the grantor for all unpaid Assessments against a Site and associated Unit, without prejudice to the grantee's right to recover from the grantor any amounts paid by the grantee therefor. No Owner may become exempt from liability for payment of Assessments by waiver of the use or enjoyment of the Common Elements or by abandonment of the Site and associated Unit against which the Assessments are made. All Assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reduction thereof shall be permitted by any reason including, without limitation, any claim that the Association or the Board is not properly exercising its duties and powers under the Declaration.

Assessments including, without limitation, fees, charges, late charges, attorney fees, fines and interest charged by the Association, shall be a charge on each Site and associated Unit and shall be a continuing lien upon the Site and associated Unit against which each such Assessments are made. If an Assessment is payable in installments, the full amount of the Assessment is a lien from the time the first installment become due.

An Assessment lien under this section is prior to all other liens and encumbrances on a Site and associated Unit except: (1) liens and encumbrances recorded before the recordation of the Declaration (except to the extent subordinated); (2) a first lien security interest on the Site and associated Unit (except as allowed by the Act with regard to the limited lien priority allowed to the Association); and (3) liens for real estate taxes and other governmental assessments or charges against the Site and associated Unit. An Assessment lien under this section shall also be superior to the first Mortgage on the Site and associated Unit recorded before the date on which the assessment sought to be enforced became delinquent, to the maximum extent allowed by the Act. This section does not prohibit either (i) an action to recover sums for which this section creates a lien, or (ii) the Association from taking a deed in lieu of foreclosure. Sale or transfer of any Site and Unit shall not affect the Association's Assessment lien, except that sale or transfer of any Site and associated Unit pursuant to foreclosure of any first Mortgage, or any proceeding in lieu thereof (including deed in lieu of foreclosure) or cancellation or forfeiture shall only extinguish the Association's Assessment lien, as provided in the Act. No such sale, transfer, foreclosure, or any proceeding in lieu thereof (including deed in lieu of foreclosure) nor cancellation or forfeiture shall relieve any Site and associated Unit from its continuing liability for any Assessments thereafter becoming due, nor from the lien thereof.

18.2 Purpose of Assessments. The Assessments levied by the Association through its Board shall be used for the purposes of promoting the health, safety, and welfare of the residents in the Community for any other purpose reasonably related to the operation, maintenance and control of the Community, and for any other purpose allowable under the Act.

18.3 Effect of Nonpayment of Assessments. Any Assessment, charge or fee provided for in the Declaration, or any monthly or other installment thereof, which is not fully paid within 15 days after the due date thereof shall bear interest at the rate as determined by the Board and additionally, the Association may assess a late charge thereon. Further, the Association may bring an action at law or in equity, or both, against any Owner personally obligated to pay such overdue Assessments, charges or fees, or monthly or other installments thereof, and may also proceed to foreclose its lien against such Owner's Site and associated Unit. An action at law or in equity by the Association against an Owner to recover a money judgment for unpaid Assessments, charges or fees, or monthly or other installments thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien therefor.

ARTICLE 19

INSURANCE

19.1 Insurance Required for Common Elements and the Association. The Association shall maintain, to the extent reasonably available:

(a) Property insurance on the Common Elements for broad form covered causes of loss; except that the total amount of insurance must be not less than the full insurable replacement cost of the insured property less applicable deductibles at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from property policies; and

(b) Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, or management of the Common Elements, insuring each member of the Board, the Association, the Managing Agent, and their respective employees, agents, and all persons acting as agents from and against any errors or omissions resulting from the performance of duties on behalf of the Association and/or any Owners. The Declarant shall be included as an additional insured in such Declarant's capacity as an Owner and Board member. The Owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use, or management of the Common Elements. The insurance shall cover claims of one or more insured parties against other insured parties.

(c) The Association may carry any other insurance it considers appropriate, including insurance on Sites and Units it is not obligated to insure, to protect the Association, its Board or the Owners.

19.2 Insurance Required for Owners. Each Owner shall maintain, to the extent reasonably available:

(a) Property insurance on the portions of the Building located within the boundaries of the Owner(s) Unit(s) for broad form covered causes of loss; except that the total amount of insurance must be not less than the full insurable replacement cost of the insured property less applicable deductibles at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from property policies; and

(b) General liability insurance against claims and liabilities arising in connection with the ownership, existence, and use of the Site and associated Unit(s).

(c) Nothing contained herein shall require any Owner to carry any insurance on any of the finished interior surfaces of the walls, floors or ceilings of the Units, or any furnishings located within a Unit. The insurance need not include Improvements and betterments installed by Owners, but if they are covered, any increased charge shall be assessed by the Association to those Owners.

(d) The Board, on behalf of the Association, is hereby irrevocably appointed attorney-in-fact for the Owners to designate a single insurance carrier to be used by each Owner, for purposes of providing each Owner's required insurance coverages pursuant to this Section 19.2 (a). By this designation, the Association is hereby appointed and directed to purchase such insurance on behalf of the Owners, and to charge the costs therefor to the Owners, as General Assessments. Title to each Site and associated Unit is declared and expressly made subject to the terms and conditions of this Subsection 19.2 (d), and acceptance by the grantee of a deed from Declarant or any other Owner shall irrevocably constitute and appoint the Board as the grantee's true and lawful attorney in such grantee's name, place and stead for the purposes stated herein.

19.3 Cancellation of Insurance. If the insurance described in Sections 19.1 and 19.2 is not reasonably available, or if any policy of such insurance is canceled or not renewed without a replacement policy therefore having been obtained, the Association promptly shall cause notice of that fact to be hand delivered or sent prepaid by United States mail to all Owners.

19.4 Specific Provisions. Insurance policies carried pursuant to Sections 19.1 and 19.2 must provide that:

(a) Each Owner is an insured person under the policy with respect to liability arising out of such undivided interest in the Common Elements or membership in the Association;

(b) The insurer waives its right to subrogation under the policy against any Owner or member of his household;

(c) No act or omission by any Owner, unless acting within the scope of such Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

(d) If, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

19.5 Adjustment of Claims. Any loss covered by the property insurance policy described in Section 19.1(a) and Section 19.2 must be adjusted with the Association, but the insurance proceeds for that loss shall be payable to any insurance trustee designated for that purpose, or otherwise to the Association, and not to any holder of a security interest. The insurance trustee or the Association, Owners and lienholders as their interests may appear. Subject to the provisions of Section 19.8, the proceeds must be disbursed first for the repair or restoration of the damaged property, and the Association, Owners, and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored or the Community is terminated.

19.5.1 The Association may adopt and establish written nondiscriminatory policies and procedures relating to the submittal of claims, responsibility for deductibles, and any other matters of claims adjustment. To the extent the Association settles claims for damages to real property, it shall have the authority to assess negligent Owners causing such loss or benefiting from such repair or restoration all deductibles paid by the Association. In the event that more than one Unit is damaged by a loss, the Association in its reasonable discretion may assess each Owner a pro-rata share of any deductible paid by the Association.

19.6 Certificate of Insurance. An insurer that has issued an insurance policy for the insurance described in Sections 19.1 and 19.2 above shall issue certificates or memoranda of insurance to the Association and, upon request, to any Owner or holder of a security interest. Unless otherwise provided by statute, the insurer issuing the policy may not cancel or refuse to renew it until 30 days after notice of the proposed cancellation or nonrenewal has been mailed to the Association, and each Owner and holder of a security interest to whom a certificate or memorandum of insurance has been issued at their respective last-known addresses.

19.7 Damage Repair. Any portion of the Community for which insurance is required under this Article 19 which is damaged or destroyed must be repaired or replaced promptly by the Association unless:

(i) The Community is terminated pursuant to the provisions of the Declaration and the Act;

(ii) Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety;

(iii) 100% of the Owners agree that it will not be rebuilt and vote not to rebuild; or

(iv) Prior to the conveyance of any Unit to a person other than the Declarant, the holder of a deed of trust or Mortgage on the damaged portion of the Community rightfully demands all or a substantial part of the insurance proceeds.

19.7.1 The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense. If the entire Community is not repaired or replaced, the insurance proceeds attributable to the damaged Common Elements must be used to restore the damaged area to a condition compatible with the remainder of the Community, and, except to the extent that other persons will be distributees, the insurance proceeds attributable to Units and Common Elements that are not rebuilt must be distributed to the Owners of those Units and the Owners of the Units to which those Common Elements were allocated, or to lienholders, as their interests may appear, and the remainder of the proceeds must be distributed to all the Owners and lienholders in proportion to such Units' allocated interests in the Common Elements.

19.8 Fidelity Insurance. If any Owner or employee of the Association controls or disburses funds of the common interest community, the Association must obtain and maintain, to the extent reasonably available, fidelity insurance. Coverage shall not be less in aggregate than two months' current Assessments plus reserves, as calculated from the current budget of the Association.

19.8.1 Any person employed as an independent contractor by the Association for the purposes of managing the Community must obtain and maintain fidelity insurance in an amount not less than the amount specified in this Section 19.9, unless the Association names such person as an insured employee in a contract of fidelity insurance, pursuant to this Section 19.9.

19.8.2 The Association may carry fidelity insurance in amounts greater than required in this Section 19.9 and may require any independent contractor employed for the purposes of managing the Community to carry more fidelity insurance coverage than required in this Section 19.9.

19.9 Insurance Premiums are Common Expenses. Premiums for insurance that the Association acquires and other expenses connected with acquiring such insurance are Common Expenses.

ARTICLE 20 CONDEMNATION

20.1 Total Condemnation. If a Site and Unit is acquired by eminent domain or part of a Site and Unit is acquired by eminent domain leaving the Owner with a remnant which may not practically or lawfully be used for any purpose permitted by the Declaration, the entire amount of the condemnation award compensation attributable to the Site and Unit acquired must be paid to the Owner for that Site and Unit and its allocated interests, whether or not any Common Elements are acquired. Upon acquisition, unless the decree otherwise provides, that Site and Unit's allocated interests are automatically reallocated to the remaining Sites and Units in proportion to the respective allocated interests of those Sites and Units before the taking. Any remnant of a Site and Unit remaining after part of a Site and Unit is taken under this Section 21.1 is thereafter a General Common Element.

20.2 Partial Condemnation. Except as provided in Section 21.1 above, if part of a Site and Unit is acquired by eminent domain, the award, if any, shall be paid directly to the Owner of the Site and Unit to compensate the Owner for the reduction in value of the Site and Unit and its interest in the Common Elements whether or not any Common Elements are acquired. The Association shall have no obligation to augment the reward, notwithstanding the fact that the Owner's losses exceed the amount of the award. Upon acquisition by condemnation, unless the decree otherwise provides:

(a) That Site and Unit's allocated interests are reduced in proportion to the reduction in the size of the Site and/or Unit; and

(b) The portion of allocated interests divested from the partially acquired Site and Unit is automatically reallocated to that Site and Unit and to the remaining Site and Units in proportion to the respective interests of those Sites and Units before the taking, with the partially acquired Site and Unit participating in the reallocation on the basis of its reduced allocated interests.

20.3 Condemnation of Common Elements. If part of the Common Elements are acquired by eminent domain, that portion of any award attributable to the Common Elements taken must be paid to the Association. For the purposes of acquisition of a part of the Common Elements, service of process on the Association shall constitute sufficient notice to all Owners, and service of process on each individual Owner shall not be necessary.

20.4 Recordation of Decree. The court decree shall be recorded in the Official Records.

20.5 Confirmation of Reallocations. The reallocations of allocated interests pursuant to this section shall be confirmed by an amendment to the Declaration prepared, executed, and recorded by the Association.

ARTICLE 21 STATEMENT OF ACCOUNT

21.1 Statement of Assessments. The Association shall furnish to a Owner or such Owner's designee or to a holder of a security interest or its designee upon written request by the Owner, delivered personally or by first-class mail, to the Association's registered agent, a statement setting forth the amount of unpaid Assessments currently levied against such Owner's Site and associated Unit. The statement shall be furnished within 10 business days after receipt of the request by the Association and is binding on the Association, the Board, and every Owner. If no statement is furnished to the Owner or holder of a security interest or their designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the inquiring party, then the Association shall have no right to assert a priority lien upon the Site and Unit for unpaid Assessments which were due as of the date of the request.

21.2 Grantee and Grantor Both Responsible. The grantee of a Site and associated Unit shall be jointly and severally liable with the grantor for all unpaid Assessments (including fees, charges, late charges, attorney fees, fines and interest) against the latter for the Common Expenses and other Assessments provided herein up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefore, subject only to the limitations set forth in Section 22.1 above. The term "grantee" as used in this section shall not apply to the holder of any first Mortgage upon a Site and associated Unit, or to any person or entity acquiring title to a Site and associated Unit, by either sheriff's or public trustee's deed through foreclosure, or who acquires title by a deed given in lieu of foreclosure of a Mortgage, deed of trust, or other security instrument encumbering such Site and associated Unit.

ARTICLE 22 TERMINATION OF MECHANIC'S LIEN RIGHTS AND INDEMNIFICATION

22.1 Mechanic's Liens. Subsequent to the completion of the Improvements described on the Community Map, no labor performed or materials furnished and incorporated into a Site and associated Unit with the consent or at the request of the Owner or his agent or his contractor or subcontractor shall be the basis for filing of a lien against the Site and Unit of another Owner not expressly consenting to or requesting the same, or against the Common Elements, except as to the undivided interest of the Owner for whom such labor or materials shall have been furnished.

22.2 Indemnification. Each Owner shall indemnify and hold harmless each of the other Owners from and against any and all liability, loss or damage, including reasonable attorney's fees, that the other Owners incur as a result of the claims of any lien against the indemnifying Owner's Site and associated Unit or any part thereof for labor performed, or for materials furnished in work on such Owner's Site and associated Unit.

ARTICLE 23
MORTGAGING A SITE AND UNIT - PRIORITY

Subject to the Declaration, any Owner shall have the right from time-to-time to Mortgage or encumber his or her interest in a Site and associated Unit by a Mortgage or deed of trust. A First Mortgage shall be one which has first and paramount priority under applicable law, subject to the terms of the Declaration.

ARTICLE 24
PROPERTY FOR COMMON USE

The Association may acquire real and personal property for the use and benefit of all of the Owners and may dispose of the same by sale or otherwise, and any such property shall be deemed Common Elements.

ARTICLE 25
REVOCATION OF DECLARATION

25.1 **Revocation.** The Declaration shall not be revoked unless all of the Owners and all of the holders of any recorded First Mortgage covering or affecting any or all of the Sites and Units consent to such revocation by an instrument(s) duly recorded in the Official Records, except only as otherwise provided in Articles 20-21 pertaining to the appointment of the Association as attorney-in-fact in the event of damage, destruction, obsolescence or condemnation of the Community.

25.2 **Amendment.** The Declaration may be amended only with the consent of (i) the Owners representing an aggregate ownership interest of 75% or more of the Common Elements, and (ii) the holders of duly recorded First Mortgages representing an aggregate of 75% of the total of said Mortgages covering or affecting any or all Sites and Units. Such amendments shall only be effected by instrument(s) duly recorded and containing original signatures of all required consenting parties.

(a) The provisions of this Article 25 notwithstanding, the percentage of the undivided interest in the Common Elements appurtenant to each Site and Unit, as expressed in the Declaration, shall have a permanent character and shall not be altered without the consent of all of the Owners expressed in a duly recorded supplemental Declaration. In addition, no such supplemental Declaration shall increase the proportionate Common Expenses or Assessments chargeable against any Site and Unit, or Owner thereof, without the unanimous consent of the Owners affected thereby.

(b) The provisions of this Article 25 further notwithstanding, in the event of the combination, division or partition of a Site and Unit pursuant to the reservations set forth in Section 3.3 above, the Owner or Owners of the Site and Unit subject to such combination, division, or partition and the holders of any recorded first Mortgage or first deed of trust covering or affecting any such Site and Unit may amend the Declaration to reflect the adjustment (which adjustment must be based upon the relative square footage of the resulting spaces) between the resulting spaces and the Owner or Owners thereof with respect to the percentage ownership in the Common Elements and the percentage of Common Expenses attributable to such resulting spaces; provided, that any such amendment shall not increase or decrease the percentage ownership in the Common Elements of, or the percentage of Common Expenses to be paid by, any Owner not involved in such combination, division, or partition.

25.3 **Consent of Junior Mortgagees.** The consent(s) of any junior Mortgage holders shall not be required under the provisions of this Article.

25.4 Voting by First Mortgagees. In determining the appropriate percentage approval of the holders of first Mortgages, whenever such approval may be required for any action taken by the Owners or the Association pursuant to the Declaration, each first Mortgagee shall have one vote for each first Mortgage owned by it.

25.5 Challenge to Amendments. No action to challenge the validity of an amendment adopted by the Association pursuant to this section may be brought more than one year after the amendment is recorded.

25.6 Recordation. Every amendment to the Declaration must be recorded in every county in which any portion of the common interest community is located and is effective only upon recordation. An amendment must be indexed in the grantee's index of the Official Records in the name of the common interest community and the Association and in the grantor's index in the name of each person executing the amendment.

25.7 Unanimous Consent Required for Certain Amendments. No amendment may increase the number of Sites and Units, or change the boundaries of any Site and Unit or the allocated interests of a Site and Unit, or the uses to which any Site and Unit is restricted, in the absence of unanimous consent of the Owners.

25.8 Association Certificate. Amendments to the Declaration required by this section to be recorded by the Association shall be prepared, executed, recorded, and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association.

25.9 Expenses. All expenses associated with preparing and recording an amendment to the Declaration shall be the sole responsibility of:

(a) In the case of an amendment pursuant to reallocation of Common Elements, relocation of boundaries between adjoining Sites and Units, and subdivision of Sites and Units, the Owners desiring the amendment; and

(b) In all other cases, the Association.

ARTICLE 26 MISCELLANEOUS

26.1 Registration by Owner of Mailing Address.

26.1.1 Each Owner shall register his mailing address with the Association, and except for monthly statements and other routine notices, all other notices or demands intended to be served upon an Owner shall be sent by regular United States Mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices, demands or other notices intended to be served upon the Board or the Association shall be sent by regular United States Mail, postage prepaid, to the address of the Association as designated in the Articles and Bylaws.

26.1.2 All notices or demands intended to be served shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address.

26.2 Additional Rights of First Mortgagees. In addition to any other rights provided in the Declaration, any first Mortgagee who shall make a request in writing to the Association, shall have the following additional rights:

26.2.1 To be furnished a copy of the annual financial statement of the Association, such statement to be furnished at the time the same is furnished to the Owners.

26.2.2 To be given written notice by the Association of any meeting of the Association called for the purpose of considering any amendment, revocation or change to the Declaration or Articles. Such notice shall state the nature of any such change being proposed.

26.2.3 Upon reasonable notice to examine the books and records of the Association during normal business hours.

26.3 Severability. If any of the provisions of the Declaration or any paragraph, sentence, clause, phrase or word or the application thereof in any circumstances be invalidated, such invalidity shall not affect the validity of the remainder of the Declaration and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

26.4 Applicability of the Act. The provisions of the Declaration shall be in addition and supplemental to the Act.

26.5 Gender. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

26.6 Applicable Law. The Declaration is filed in the Official Records, and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of the Declaration shall be in the District Court of San Miguel County, Colorado.

26.7 Binding Agreement. It is understood and agreed that the Declaration shall be binding upon the heirs, executors, administrators and assigns of the parties hereto.

26.8 Compliance with Provisions. Each Owner shall comply strictly with the provisions of the Declaration, the Articles, Bylaws, rules, regulations, resolutions and contracts of the Association as the same may from time to time be in effect. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Board, or the Managing Agent, on behalf of the Owners, or in a proper case, by an aggrieved Owner.

26.9 Reference to Ownership Interests. Whenever in the Declaration or in the Articles or Bylaws of the Association reference is made to a specific percentage interest of Owners, such reference shall be deemed to mean the total aggregate appurtenant interest in and to the Common Elements as reflected in Exhibit "B" attached hereto and, unless the context otherwise requires, shall not be deemed to mean a percentage of Owners by number of individual persons, partnerships, corporations or other entities.

26.10 Enforcement. The Association or any Owner may enforce the restrictions, conditions, covenants and reservations imposed by the provisions of the Declaration by proceedings at law or in equity against any person or persons, either to recover damages for such violation, including reasonable attorneys' fees incurred in enforcing these covenants, or to restrain such violation or attempted violation. Failure of the Association or of any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Board may post on a bulletin Board at a conspicuous place on the Common Elements notices of any covenant violations by members and copies of any recorded statements. Failure to post shall not affect the validity of any lien or covenant violation.

26.11 Compliance with Federal Fair Housing Act. In order to comply with the requirements of the Federal Fair Housing Act (as hereto and hereafter amended);

(a) The Board may, to the extent permitted by law, make reasonable accommodations in the Rules and Regulations to the extent such accommodations are necessary under the aforesaid Federal Fair Housing Act or otherwise appropriate to afford a Person With a Disability equal opportunity to use and enjoy a unit, the Common Elements appurtenant thereto, and/or the common Elements, which accommodations may include waivers and modifications (of such Rules and Regulations) that are applicable only to a particular Person With a Disability or to a particular category of Persons With a Disability. Unless required by law, (i) the Board need not follow procedural requirements in making such waivers and modifications, and (ii) such waivers and modifications need not be approved by, or be subjected to disapproval by, the members of the Association.

(b) No rule or regulation of the Community shall be interpreted or enforced in such a way as to make unavailable or deny a Unit to any person, or to discriminate against any person in the provision of services or facilities in connection with the sale or rental of a Unit to such person, because of the familial status of such person, as the term "familial status" is defined under the aforesaid Federal Fair Housing Act.

26.12 Interpretation. The provisions of the Declaration shall be liberally construed to effectuate therein purposes of creating a uniform plan for the development of the Sites and Units and of promoting and effectuating the fundamental concepts as set forth in the recitals of the Declaration. The Declaration shall be construed and governed under the laws of the State of Colorado.

26.13 Singular Includes the Plural. Unless the context otherwise requires, the singular shall include the plural, and the plural shall include the singular, and each gender referral shall be deemed to include the masculine, feminine, and neuter.

26.14 Captions. All captions and titles used in the Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise affect that which is set forth in any paragraph, section or article hereof.

26.15 Association as Attorney-in-Fact - Power of Attorney. The Declaration does hereby make the irrevocable appointment of the Association as attorney-in-fact for all Owners to deal with the Community Property upon its destruction, obsolescence, repair or reconstruction or condemnation, and title to each Unit is declared and expressly made subject to the terms and conditions hereof and acceptance by the grantee of a deed from the Declarant or from any Owner shall irrevocably constitute and appoint the Association their true and lawful attorney in their name, place and stead for the purpose of dealing with the Community Property upon its destruction, obsolescence, repair or reconstruction. In the event the Community Property is sold by the Association, as attorney-in-fact, pursuant to Articles 20-21, the Association shall record a notice in the Official Records, setting forth the circumstances of such sale, and the Declaration shall wholly terminate and expire upon the recording of such notice.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Board of the Association has unanimously approved and authorized the adoption and execution of this Restated Declaration, with the prior written consent of at least 67% of the Owners and First Mortgagees, effective as of this 6th day of September, 2001.

FAIRWAY FOUR TOWNHOMES
OWNERS ASSOCIATION, INC.,
a Colorado nonprofit corporation

By: 

Name: David Wright
Title: President

ATTEST: _____
Name: _____
Title: Secretary

STATE OF _____)
COUNTY OF _____) ss.

The foregoing instrument was subscribed and sworn to before me this ____ day of _____, 2001, by _____ as _____ of FAIRWAY FOUR TOWNHOMES OWNERS ASSOCIATION, INC., a Colorado nonprofit corporation

WITNESS my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT "B"
to Amended and Restated Townhome for Fairway Four Townhomes
(Portions of Real Estate Designated for Separate Ownership)

	<u>Site Size</u>	<u>Unit Size</u>	<u>Site/Unit Percentage Interest</u>
Site/Unit 1	726 sq. ft.	sq. ft.	4.73%
Site/Unit 2	681 sq. ft.	sq. ft.	4.43%
Site/Unit 3	681 sq. ft.	sq. ft.	2.96%
Site/Unit 4	721 sq. ft.	sq. ft.	3.13%
Site/Unit 5	726 sq. ft.	sq. ft.	3.15%
Site/Unit 6	681 sq. ft.	sq. ft.	2.96%
Site/Unit 7	680 sq. ft.	sq. ft.	2.95%
Site/Unit 8	707 sq. ft.	sq. ft.	3.07%
Site/Unit 9	655 sq. ft.	sq. ft.	4.26%
Site/Unit 10	681 sq. ft.	sq. ft.	4.43%
Site/Unit 11	681 sq. ft.	sq. ft.	4.43%
Site/Unit 12	721 sq. ft.	sq. ft.	4.69%
Site/Unit 13	725 sq. ft.	sq. ft.	4.72%
Site/Unit 14	681 sq. ft.	sq. ft.	4.43%
Site/Unit 15	681 sq. ft.	sq. ft.	4.43%
Site/Unit 16	721 sq. ft.	sq. ft.	4.69%
Site/Unit 17	711 sq. ft.	sq. ft.	4.63%
Site/Unit 18	681 sq. ft.	sq. ft.	4.43%
Site/Unit 19	681 sq. ft.	sq. ft.	4.43%
Site/Unit 20	726 sq. ft.	sq. ft.	4.73%
Site/Unit 21	721 sq. ft.	sq. ft.	4.69%
Site/Unit 22	681 sq. ft.	sq. ft.	4.43%
Site/Unit 23	681 sq. ft.	sq. ft.	4.43%
Site/Unit 24	726 sq. ft.	sq. ft.	4.73%
TOTAL	16,757 sq. ft.	sq. ft.	100 %

EXHIBIT "A"
to Amended and Restated Townhome for Fairway Four Townhomes
(Portions of Real Estate Designated for Separate Ownership)

Lot ____, Telluride Mountain Village, a subdivision located in a portion of the S/2 SE/4, Section 34, Township 43 North, Range 9 West, N.M.P.M., and a portion of Section 3, Township 42 North, Range 9 East, N.M.P.M., according to the plat recorded in the office of the Clerk and Recorder in Plat Book 1 at page ____, and the Plat of the Town of Mountain Village, recorded in Plat Book 2, at Page 2073,

County of San Miguel,
State of Colorado.