

DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND LIEN OF
GLEN-VISTA PROPERTY OWNERS ASSOCIATION, INC.

THIS DECLARATION, made on the date hereinafter set forth by
GLEN-VISTA ESTATES, INC., hereinafter referred to as "Declarant";

WITNESSETH:

WHEREAS, Declarant is now the owner of certain lands in
Fremont County, State of Colorado, more particularly described as follows:

All lots in Glen—Vista Filing No. 9,
Glen-Vista Filing No. 10 and Glen-Vista
Filing No. 11, according to the recorded
plats thereof;

NOW, THEREFORE, Declarant hereby declares that all of the
properties described above and any additional properties hereafter annexed
and placed under this Declaration, as provided in Article V hereof, shall be
held, sold and conveyed subject to the following easements, restrictions, liens,
covenants and conditions, which are established, declared and adopted for the
purpose, of protecting the value and desirability and enhancing the safety and
habitability of the said real property and shall run with the said lands and be
binding upon all parties having any right, title or interest in and to the
described properties or any part thereof, their heirs, personal representatives,
successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Glen-Vista
Property Owners Association, Inc., a Colorado non-profit corporation, and its
successors and assigns.

Section 2. "Owner" shall mean and refer to the record title holder,
whether one or more persons or entities, of a fee simple interest in any Lot
which is a part of the Properties; provided, however, that upon entering into a
purchase contract or option, such purchaser and not the record title holder
shall be deemed to be the owner for all purposes herein. The term "owner"
shall also include Declarant with respect to all Lots held in the name of

Declarant and which Declarant has not agreed under contract or option to sell.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described and such additions thereto as may hereafter be brought under this Declaration.

Section 4. "Common facilities" shall mean and refer to all real and personal property now or hereafter owned or controlled by the Association for the common use and benefit of the owners, together with all improvements thereon, if any, and any easements, fixtures or appurtenances used therewith or attached thereto. The common facilities to be owned by the Association at the time of conveyance of the first Lot shall be free and clear of liens and encumbrances and are described as follows:

(a) water supply facilities, composed of Glen-Vista Well No. 3, located at a point from which the S.W. corner of Section 31, T. 19 S., R. 72 W., 6th P.M., bears South 27°32'37" West, a distance of 1,560.33 feet, and the water rights decreed thereto, as described in Ruling of Referee dated January 24, 1974 and Judgment and Decree entered March 1, 1974, and recorded in Book 562 at Pages 137-142 of the records of Fremont County, Colorado, together with an easement for access thereto, and related equipment and machinery;

(b) firetruck, firewells, cisterns and related equipment, together with easements for access thereto;

(c) gate valve, flume, recording gauge and related works, as presently installed on the Pleasant Valley Ditch in Fremont County, Colorado, together with the water rights and other interests in real property as conveyed and described in Warranty Deed dated February 2, 1974, and recorded February 7, 1974, in Book 560 at Page 567 of the records of Fremont County, Colorado; subject, however, to the perpetual dedication of said water rights to the aquifer of the Arkansas River, as provided in the Conditional Decree entered January 23, 1974, and recorded February 1, 1974, in Book 560 at Page 439 of the records of Fremont County, Colorado;

(d) erosion control dams, reservoirs and easements for access thereto; and

(e) such additional facilities, equipment, machinery, tools, supplies, works, buildings, improvements, fixtures, and

other real and personal property as may be conveyed to or
acquired by the Association.

Section 5. "Lot" shall mean and refer to any plot of land
shown upon any recorded subdivision plat of the Properties, or additions
thereto, with the exception of the common facilities.

ARTICLE II

PROPERTY RIGHTS

Section 1. (OWNER'S RIGHTS. Every owner shall have a right
to use and to benefit from the common facilities. Such right shall be
appurtenant to and shall pass with the title to every Lot, subject to the
following provisions:

(a) the right of the Association to charge reasonable fees
for the acquisition, procurement, maintenance, repair,
replacement, upkeep, operation and improvement of the common
facilities, and to establish reasonable reserves for depreciation
and contingencies;

(b) the right of the Association to suspend the voting
rights and right to use and to benefit from the common facilities
by an owner for any period during which any assessment against
his Lot remains unpaid, and for a period of time as determined by
the Association for any infraction of its published rules and
regulations;

(c) the right of the Association to dedicate, transfer or
~~lease all or any part of the common facilities to any public~~
agency, municipal or quasi-municipal authority, or public or
private utility for such purposes and subject to such conditions as
may be agreed to by the members;

(d) the right of the Association to borrow money for the
purpose of improving the common facilities and in aid thereof to
mortgage said common facilities; and to take such steps as may be
reasonably necessary to protect the common facilities from
foreclosure; and

(e) the right of the Association to close or limit the use
of the common facilities while maintaining or making
replacements therein or thereto.

Section 2. DELEGATION OF USE. Any owner may delegate his right of use and benefit from the common facilities to the members of his family, his tenants or guests who occupy his Lot.

Section 3. PERSONAL PROPERTY. The Association may acquire and hold for the use and benefit of all members of the Association, tangible and intangible personal property and may dispose of the same by sale or otherwise; and the beneficial interest therein shall not be transferable except that the transfer of a Lot shall transfer to the transferee all of the transferor's beneficial interest in such personal property without any reference thereto or execution of a bill of sale. Each owner may use such personal property in accordance with the purposes for which it is intended, without hindering or encroaching upon the lawful rights of the other owners, subject to the provisions hereof and the By—Laws of the Association. Sale of a Lot under foreclosure shall thereby entitle the purchaser thereof to the beneficial interest in the personal property associated with the Lot and to membership in the Association.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of said Lot. When more than one person holds an interest in any Lot as joint tenant or tenant in common, all such persons shall be members, but the vote, or votes attributable to such Lot shall be cast as such persons among themselves determine and no division of the vote or votes attributable to such Lot shall be permitted. All matters shall be decided by majority vote, except as otherwise expressly provided herein or in the By-Laws of the Association. The By-Laws of the Association shall govern procedures and requirements for notice of meetings, quorums, voting and other matters of internal regulation. The Association shall have the right to adopt reasonable rules and regulations in the manner and to the extent authorized by its By-Laws.

Section 2. The Association shall have three classes of voting memberships:

Class A. Class A members shall be all owner's with the exception of Declarant. Each Class A membership shall be entitled to one vote for each Lot owned on every matter to come before the membership, except those matters to be decided

exclusively by Class B members.

Class B. Class B members shall be those Class A members who elect to become Class B members. Assumption of Class B membership shall be in addition to Class A membership and a Class B member may vote his Class A membership on all matters to be decided by the Class A members and may vote his Class B membership on all matters to be decided by the Class B members. However, on each matter to come before the membership, a Class B member shall have only one vote, to be cast either as a Class A or Class B vote, as the case may be. To be eligible for Class B membership, an owner must meet the following criteria:

(a) be the owner of a Lot on which a water well has been drilled to a depth of at least 250 feet at a location approved by the well driller, which well does not yield at least one-half gallon of potable water per minute, as determined by a water well pump test and/or water purity test conducted by a reputable party or parties approved by the Association; and

(b) submit a written application for Class B membership to the Association on its approved forms, together with payment in full of an application fee of not less than \$50.00 nor more than \$250.00, as established by the Declarant from time to time until five Class B memberships have been issued, and thereafter as established by vote of the Class B members.

Class C. Class C members shall be Declarant and any grantee from Declarant who acquired four or more Lots. Class C members shall be entitled to four votes for each Lot owned on all matters submitted to a vote of either the Class A or the Class B members. Class C membership shall cease and automatically be converted into Class A membership on the happening of either of the following events, whichever occurs first:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class C membership, or

(b) on January 1, 1980.

ARTICLE IV

COVENANTS FOR ASSESSMENTS

Section 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION FOR ASSESSMENTS. The Declarant, for each Lot within the Properties, all of which are owned by the Declarant on the date of recording of this Declaration, hereby covenants, and each subsequent owner of any Lot, except only the Association, by acceptance of a contract or deed therefore, whether or not it shall be so expressed in such contract or deed, is deemed to covenant, that each of said Lots except such Lots, or interests therein, as are owned by the Association, shall be and hereby is made subject to uniform assessments per lot (and not per acre) for the use and benefit of the Association and its members; and the Declarant and each subsequent owner covenants and agrees to pay to the Association (1) annual assessments, for Class A, B or C memberships, as applicable; and (2) special assessments for capital improvements. Such assessments shall become and constitute a lien on each Lot as of January 1 following the date such assessment is established, as to annual assessments, or as of the first day of the first month following the date such assessment is established, as to special assessments. The annual and special assessments, together with interest, costs of collection and reasonable attorney's fees, shall also be the personal obligation of each owner of a Lot at the time the assessment became a lien. The personal obligation for delinquent assessments shall not pass to an owner's successors in title unless expressly assumed by them.

Section 2. DECLARANT'S OBLIGATION. Declarant hereby agrees that it will assume and pay to the Association any operating deficit of the Association in excess of the Association's total annual assessments for any year in which Declarant is a Class C member of the Association for that entire year.

Section 3. PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the residents in the Properties, for the improvement and maintenance of the common facilities and roads in the subdivision and, in the case of Class B assessments, to accomplish the purposes set forth in Article VI below.

Section 4. MAXIMUM ANNUAL ASSESSMENT. Until December 31, 1975, the maximum annual Class A assessment for all Class A members and their Lots shall be \$25.00 per Lot.

(a) On and after January 1, 1976, the maximum annual assessment may be increased each year by not more than 15% above the assessment for the previous year.

(b) The Board of Directors of the Association shall establish the annual Class A assessments at an amount not in excess of the maximum. An annual assessment in excess of the maximum may be established by the Board only upon approval of two-thirds of the entire membership of the Association.

(c) No maximum shall apply to the Class B members, who shall assess themselves annually in an amount adequate to cover the Class B budget, as approved by Class B vote only at a meeting of Class B members.

(d) The annual assessment for Lots of Class C members shall be 20% of the annual assessment for Lots of Class A members.

Section 5. SPECIAL ASSESSMENTS. A special assessment for capital improvements shall be made only upon resolution of the Association's Board of Directors, followed by the approval of two-thirds of the entire membership of the Association.

Section 6. PAYMENT. The annual assessments provided for herein, whether Class A, B or C, shall be paid at the beginning of each 12-month period, commencing on January 1 of each year, and shall be delinquent if not paid by June 30 of that year; or such assessments may be paid and collected in monthly installments pursuant to a plan adopted by the Board of Directors of the Association. Special assessments shall be due on the date they become a lien and shall be paid and collected in such installments with such dates of delinquency as may be provided in the resolution establishing same. An owner who purchases a Lot between January 1 and June 30 of any year shall pay the full annual assessment for that year; and an owner who purchases a lot between July 1 and December 31 shall pay one-half the annual assessment for that year. The annual assessment against each Lot shall be fixed at least thirty (30) days in advance of each January 1; provided, however, that the annual assessment for the Association's first fiscal year, ending December 31st next after the date of its incorporation may be fixed at any time prior to the end of said year and shall be collected with the following year's assessment. Written notice of all annual and special assessments shall be furnished to every Owner. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer

of the Association setting forth whether the assessments on a specified Lot have been paid, and such certificate shall be binding upon the Association with respect to any purchaser relying thereon.

Section 7. EFFECT ON NONPAYMENT OF ASSESSMENTS.

Any assessment not paid on or before the delinquency date shall bear interest thereafter at the rate of 10 percent per annum until paid. The Association may bring an action to collect all delinquent assessments against the Owner personally obligated to pay the same, or foreclose the assessment lien against such owner's Lot. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common facilities or abandonment of his Lot. In addition to any other remedies herein or by law provided, the lien herein established may be foreclosed by an action in the court having jurisdiction over the Properties in the manner of foreclosure of common law mortgages pursuant to the statutes of the State of Colorado, and subject to all the rights and duties therein provided, including redemption.

Section 8. SUBORDINATION OF THE LIEN TO MORTGAGES.

The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not release any such assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments thereon which became delinquent prior to such foreclosure, but shall not relieve such Lot from the lien of any assessments or payments thereafter established or due. As used in this section, the term "mortgage" shall mean and include only a bona fide purchase money mortgage, purchase money deed of trust or a contract for deed and the vendor's lien hereunder, but shall not include non-purchase money mortgages or deeds of trust or involuntary liens, such as mechanic's liens and judgment liens.

ARTICLE V

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. AUTHORIZATION. Annexation of additional lands to the Properties shall require only the assent of the Class C members, so long as Class C memberships are in existence. Upon extinguishment of Class C memberships, annexation shall require the assent of both the Class A members and the Class B members, if any, voting as a class, at a meeting duly called in accordance with the

By-Laws of the Association; provided, however, that if within six years of the date of recording of this Declaration, the Declarant should develop additional lands within Fremont County, such additional lands may be annexed to said Properties without the assent of the Class A and Class B members.

Section 2. METHOD OF ANNEXATION. The annexations authorized hereunder shall be made by filing for record a Supplementary Declaration of Covenants with respect to the annexed lands, which shall extend the scheme of these Covenants to such additional property. A Supplementary Declaration may contain such additions to the Covenants contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties, provided such are not inconsistent with the scheme of this Declaration. In no event shall any Supplementary Declaration revoke, modify or amend the Covenants established by this Declaration or any prior Supplementary Declaration without approval of the Association pursuant to a vote of its members, as provided in Section 3, Article IX below.

ARTICLE VI

SPECIAL CLASS B PROVISIONS

Section 1. RIGHTS OF CLASS B MEMBERS. Upon assuming Class B membership, an owner shall share with the other Class B members the exclusive right to the use and benefit of the common facilities for water supply, as described in subparagraph (a) of Section 4, Article I above, together with such additional facilities as may be added thereto from time to time (hereinafter referred to as the "Class B facilities"). Each Class B membership shall have the right to draw such quantity of water from the Class B facilities on a "first come, first served" basis, as and if water is available, as the Class B members shall determine from time to time, provided, always, that the allowed withdrawal of water from the Class B facilities shall not be permitted to exceed an average of 200 gallons per day per existing Class B membership.

Section 2. USE OF CLASS B FACILITIES. The Class B facilities are hereby dedicated to and shall be maintained exclusively for the use and benefit of the Class B members; provided, however, that the Class B members, by a two-thirds vote thereof, or the Class C members (or Class A members by majority vote if there be no Class C members) if there be less than 30 Class B memberships, may, but shall

not be required to, grant to other members or non-members joint or partial use and benefit of the Class B facilities along with Class B members, if any, upon such terms and subject to such assessments, dues, payments and obligations for varying periods of time as said controlling members may hereafter determine, subject to the right of termination of such privileges upon a two-thirds vote of Class B members at any time thereafter when 30 or more valid Class B memberships are in existence. Subject to payment of reasonable compensation, as determined by its Board of Directors, the Association and its designees shall always have the right to use the Class B facilities for purposes of fire suppression and prevention, or other emergencies.

Section 3. CONTROL OF CLASS B FACILITIES. Except as otherwise provided in this Declaration, the control of Class B facilities shall be vested exclusively in the Class B members. Until such time as the first Class B membership is issued, such control shall be vested in the Class C members, if any, or if none, then in the Class A members. Any matter affecting the Class B facilities, including but not limited to a disposition thereof pursuant to the provisions of subparagraph (c) of Section 1, Article II above, shall be decided by the Class B members, voting as a class, except as may otherwise be provided herein or in the Association's Articles of Incorporation.

Section 4. OBLIGATIONS OF CLASS B MEMBERS. In consideration of the special rights and benefits granted Class B members hereunder, the Class B members shall have the sole and continuing obligation to pay Class B assessments levied against the Lots of Class B members only, as provided above in subparagraph (c) of Section 4, Article IV (which assessments shall be in addition to the Class A assessments levied against those same Lots). Such Class B assessment shall constitute a lien against the Lot of the Class B member and shall be collected and enforced in the same manner and to the same effect as Class A assessments. If a Class B member elects to terminate his Class B membership, he shall so notify the Board of Directors and every other Class B member in writing, and shall pay in full any unpaid Class B assessments for the year in which such termination occurs, plus unpaid Class B assessments, if any, for all prior years. The payments attributable to Class B assessments, together with such funds, if any, as may be generated by the use of Class B facilities by non-Class B members, shall be adequate to (a) maintain, repair and replace all Class B facilities; and (b) pay the costs of

power, fuel, labor and supplies necessary to operate the Class B facilities on a continuing basis. For this purpose, the Treasurer of the Association shall maintain a separate accounting of all funds generated by Class B assessments and operations which shall be used solely for purposes in accord with the Class B rights and obligations, as herein set forth and as provided in the By-Laws of the Association.

ARTICLE VII

GENERAL RESPONSIBILITIES

Section 1. COMMON FACILITIES. The Association is herewith charged with the direct and continuing responsibility for maintenance, repair, replacement, operation, protection, extension and improvement of the common facilities. Without limiting the generality of the foregoing sentence, such responsibility shall include the following:

(a) maintenance of the gate valve, flume, recording gauge and related works, as described in subparagraph (c) of Section 4, Article I above, including the furnishing of supplies required by said recording gauge, and the payment of all assessments due to, or on account of, the Pleasant Valley Ditch or the Twin Lakes Reservoir and Canal Company, pursuant to operation of the augmentation plan for the Glen-Vista subdivisions, as described in the Conditional Decree referred to in subparagraph (c) of Section 4, Article I above;

(b) maintenance of supplies, tools and equipment for fire protection purposes, including the expense of a volunteer fire-fighting force, if such is formed under the sponsorship of the Association;

(c) other projects not herein specifically mentioned, which will enhance the value, utility or desirability of the Properties, as may be proposed and adopted by the Association.

Section 2. ROAD CONSTRUCTION AND MAINTENANCE.

Until responsibility for maintenance and plowing of roads in the Properties shall be assumed by governmental authority, the Association shall be responsible therefore; provided, however, that Declarant shall

maintain the roads (but shall not plow snow) during the period that Declarant holds Class C membership. The Association may undertake road construction and improvements as a capital expenditure requiring special assessment, as herein above provided.

Section 3. ENFORCEMENT OF COVENANTS. The Association is herewith vested with authority by Declarant and is assigned the rights of Declarant to enforce, to the same extent as Declarant might, any and all covenants running with the Properties, or with other lands in which Declarant, its successors and assigns, has an interest or right of enforcement, including but not limited to all covenants contained herein, or in the various Protective Covenants recorded against the Properties, or in that certain Warranty Deed described in subparagraph (c) of Section 4, Article I hereof; provided that the authority and rights herein granted and assigned still not preclude Declarant from proceeding to enforce any or all of said covenants, whether or not the Association is acting in that regard.

ARTICLE VIII

INSURANCE AND INDEMNIFICATION

Section 1. INSURANCE. The Association shall maintain at all times insurance policies for fire with extended coverage, vandalism and malicious mischief, in the amount of the maximum insurable value of all common facilities, and such casualty and public liability and other insurance policies as the Board of Directors deems necessary.

Section 2. INDEMNIFICATION. Each officer and director of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in any proceeding to which he may be a party, or in which he may become involved by reason of his being or having been an officer or director of the Association, or any settlement thereof, whether or not he is an officer or director of the Association at the time such expenses are incurred, except in such cases wherein such officer or director is adjudged guilty of willful malfeasance in the performance of his duties; provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association.

ARTICLE IX

GENERAL PROVISIONS

Section 1. ENFORCEMENT. The Association, or any owner, shall have the right to enforce by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens or charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any owner to enforce any provision herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2 SEVERABILITY. Invalidation of any one or more of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. AMENDMENT. The covenants, conditions and restrictions of this Declaration shall run with the land for a term of ten years from the date this Declaration is recorded, after which time they shall be automatically extended for successive, periods of ten years each; provided, however, that the owners of three-fourths of the Lots in the Properties subject hereto (including Properties hereafter annexed, if any) may amend, modify or terminate any portion or this Declaration, effective as of the end of any such ten-year period, by executing and acknowledging an appropriate agreement in writing for such purpose and recording same in the office of the County Clerk and Recorder of Fremont County, Colorado, at least one year prior to the expiration of any successive ten-year period thereafter.

Section 4. REGISTRATION BY OWNER OF MAILING ADDRESS. Each owner shall register his mailing address with the Association, and all notices, statements or demands intended to be served upon an owner shall be deemed delivered when deposited in the United States mail, postage prepaid, addressed in the name of the owner to such registered mailing address.

IN WITNESS WHEREOF, Declarant has caused its corporate
name and seal to be hereunto signed and affixed by its duly authorized
officers this 1st day of May, 1974.

ATTEST

GLEN-VISTA ESTETES, INC.

Lillian M. Johnson
Secretary

By _____
Thomas J. Glennon
President

STATE OF COLORAD)
) ss.
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me
this 13th day of May, 1974, by Thomas J. Glennon as President
of Glen-Vista Estates, Inc., a Colorado corporation.

Witness my hand and official seal.

My commission expires _____

Notary Public